MY Academy

Regular Meeting of the Board of Directors

Published on September 4, 2026 at 1:21 PM PDT

Date and Time

Thursday September 10, 2026 at 9:00 AM PDT

Location

Join Zoom Meeting
https://us06web.zoom.us/j/3709989227?omn=83083354613
Meeting ID: 370 998 9227

One tap mobile
+16694449171,,3709989227# US
+17193594580,,3709989227# US

Join by SIP
• 3709989227@zoomcrc.com
Join instructions
https://us06web.zoom.us/meetings/83083354613/invitations?signature=s6fOYFcgo-Zjbz_xflzxpjWTFyPaSQJyVyQV8cW_DHo

MISSION STATEMENT

MY Academy believes in diversity, inclusivity, academic excellence, hope, service, feedback, and gratitude. Our mission is to create a diverse and individualized learning environment that supports every student and strengthens relationships between families, programs, authorizers, and the community.

THE ORDER OF BUSINESS MAY BE CHANGED WITHOUT NOTICE

Notice is hereby given that the order of consideration of matters on this agenda may be changed without prior notice.

REASONABLE LIMITATIONS MAY BE PLACED ON PUBLIC TESTIMONY

The Governing Board's presiding officer reserves the right to impose reasonable time limits on public testimony to ensure that the agenda is completed.

REASONABLE ACCOMMODATION WILL BE PROVIDED FOR ANY INDIVIDUAL WITH A DISABILITY

Pursuant to the Rehabilitation Act of 1973 and the Americans with Disabilities Act of 1990, any individual with a disability who requires reasonable accommodation to attend or participate in this meeting of the Governing Board may request assistance by contacting Motivated Youth Academy.

Agenda

		Purpose	Presenter	Time
I.	**Opening Items**			**9:00 AM**
A.	Call the Meeting to Order		Board President	1 m
B.	Record Attendance Roll Call: William Hall, President Michael Humphrey, Vice President Steve Fraire, Clerk Peter Matz, Member Larry Alvarado, Member		Board President	1 m
II.	**Pledge of Allegiance**			**9:02 AM**
A.	Led by Board President or designee		Board President	1 m
III.	**Land Acknowledgment**			**9:03 AM**
A.	Land Acknowledgment, read by Melissa Lato, Assistant Director, Motivated Youth Academy	FYI	Melissa Lato	2 m
IV.	**Approve/Adopt Agenda**			**9:05 AM**
A.	(Action) Approve Agenda	Vote	Board President	1 m

	Purpose	Presenter	Time

It is recommended the Board of Directors approve the agenda for the Regular Board meeting of September 10, 2026, as presented.

Roll Call Vote:
William Hall
Michael Humphrey
Steve Fraire
Peter Matz
Larry Alvarado
Moved by _____ Seconded by _____ Ayes _____ Nays _____ Absent _____

V. Approve Minutes — 9:06 AM

A.	(Action) Minutes of the Regular Meeting of the Board of Directors that was held on August 13, 2026	Approve Minutes	Board President	1 m

Roll Call Vote:
William Hall
Michael Humphrey
Steve Fraire
Peter Matz
Larry Alvarado
Moved by _____ Seconded by _____ Ayes _____ Nays _____ Absent _____

VI. Public Comments/Recognition/Reports

Members of the public who wish to make a Public Comment at a board meeting, whether attending in person or remotely, must submit a Request to Speak using this Google Form to address the Board of Directors. If you are having difficulty filling out the Google form, please email kmatchette@myacademy.org for support.

Requests to speak must be submitted before the public comment period begins in closed session. Each speaker is allotted up to three (3) minutes. Public comments on the same subject are limited to a total of twenty (20) minutes. Board members do not respond to public comments during the meeting. However, the Board may refer a matter to staff for review and request that it be brought back to the Board at a future meeting.

		Purpose	Presenter	Time
VII.	**Oral Presentations**			**9:07 AM**
A.	CliftonLarsonAllen LLP Correspondence	FYI	Bill Dobson	1 m
VIII.	**Consent**			**9:08 AM**

Items listed under Consent are considered routine, and will be approved/adopted by a single motion. There will be no separate discussion of these items; however, any item may be removed from the Consent upon the request of any member of the Board, discussed, and acted upon separately.

A. Consent - Business/Financial Services 1 m

1. Check Register - August 2026

B. Consent - Education/Student Services 1 m

1. Approval of TSW Therapy (Renewal)

C. Consent - Personnel Services 1 m

1. Approval of Certificated Personnel Report
2. Approval of Classified Personnel Report
3. Approval of 2026-2027 California Schools VEBA Benefits Plan (Renewal)
4. Approval of 2026-2027 Educators Legal Liability Policy and Umbrella Policy with American Southern Home Insurance
5. Approval of 2026-2027 Package Policy with Wright Specialty Insurance
6. Approval of 2026-2027 Auto Policy with Wright Specialty Insurance

D. Consent - Policy Development 1 m

Board Policies Revised:
The following are current policies that have been revised to provide clarity or alignment with changes in law or procedures.

MYA 1025 - UCP Policy and Complaint Form

		Purpose	Presenter	Time

Consent items listed under A through D are considered routine and will be approved/adopted by a single motion.

Roll Call Vote:
William Hall
Michael Humphrey
Steve Fraire
Peter Matz
Larry Alvarado
Moved by _____ Seconded by _____ Ayes _____ Nays _____ Absent _____

IX. Board Governance — 9:12 AM

A. (Action) Election of Motivated Youth Academy Corporate Officer — Vote — 2 m

In accordance with the Fifth Amended Bylaws of Motivated Youth Academy, Article VIII, Corporate Officers, section 8.01(c), it is recommended the Board of Directors conduct the election for the following corporate officer position:

a. Secretary: Kierra Matchette

Roll Call Vote:
William Hall
Michael Humphrey
Steve Fraire
Peter Matz
Larry Alvarado
Moved by _____ Seconded by _____ Ayes _____ Nays _____ Absent _____

B. (Action) Approval of the 2025-2026 Annual Board Evaluation — Vote — Bill Dobson — 1 m

It is recommended the Board of Directors approve of the 2025-2026 Annual Board Evaluation.

Roll Call Vote:
William Hall
Michael Humphrey
Steve Fraire

		Purpose	Presenter	Time

Peter Matz
Larry Alvarado
Moved by _____ Seconded by _____ Ayes _____ Nays _____ Absent _____

X. Business/Financial Services — 9:15 AM

		Purpose	Presenter	Time
A.	(Action) Approval of 2025-2026 Unaudited Actuals Financial Report	Vote	Jason Sitomer	10 m

It is recommended the Board approve the 2025-2026 Unaudited Actuals Financial Report for Motivated Youth Academy (#1628).

Roll Call Vote:
William Hall
Michael Humphrey
Steve Fraire
Peter Matz
Larry Alvarado
Moved by _____ Seconded by _____ Ayes _____ Nays _____ Absent _____

		Purpose	Presenter	Time
B.	(Action) Approval of 2025-2026 EPA Education Protection Account for Motivated Youth Academy	Vote	Jason Sitomer	2 m

It is recommended the Board approve the 2025-2026 EPA Education Protection Account for Motivated Youth Academy (#1628).

Roll Call Vote:
William Hall
Michael Humphrey
Steve Fraire
Peter Matz
Larry Alvarado
Moved by _____ Seconded by _____ Ayes _____ Nays _____ Absent _____

		Purpose	Presenter	Time
C.	(Action) Approval of Compensation for a Director Designee	Vote		1 m

Compensation for a **Director Designee** is triggered when an employee is temporarily assigned duties outside their regular job classification to step into or cover the responsibilities of a Director position.

		Purpose	Presenter	Time

The pay structure and triggers break down as follows:

Short-Term Assignment (Days 1–10): A 5% temporary out-of-class pay adjustment is triggered immediately when an employee takes on temporary responsibilities outside their regular classification.

Roll Call Vote:
William Hall
Michael Humphrey
Steve Fraire
Peter Matz
Larry Alvarado
Moved by _____ Seconded by _____ Ayes _____ Nays _____ Absent _____

D. (Action) Approval of the Proposition 28, Art and Music K-12 Education Funding Initiative Annual Report — Vote — 1 m

It is recommended the Board approve the 2025-2026 Proposition 28, Art and Music K-12 Education Funding Initiative Annual Report for Motivated Youth Academy (#1628).

Roll Call Vote:
William Hall
Michael Humphrey
Steve Fraire
Peter Matz
Larry Alvarado
Moved by _____ Seconded by _____ Ayes _____ Nays _____ Absent _____

XI. Policy Development — 9:29 AM

A. Approval of MYA 5144 Pupil Suspension and Expulsion Policy — Vote — Bill Dobson — 1 m

The purpose of this policy is to ensure that Motivated Youth Academy complies with California Education Code Section 48900, which is the foundational state law that establishes the explicit legal framework for student discipline.

It is recommended the Board approve the adoption of the new proposed policy for Motivated Youth Academy (#1628).

		Purpose	Presenter	Time

5000 Series - Student Services
5144 - Pupil Suspension and Expulsion Policy

Fiscal Impact: None.

Roll Call Vote:
William Hall
Michael Humphrey
Steve Fraire
Peter Matz
Larry Alvarado
Moved by _____ Seconded by _____ Ayes _____ Nays _____ Absent _____

XII. Calendar

The next scheduled meeting of the Board of Directors will be held on October 8, 2026.

XIII. Comments — 9:30 AM

		Purpose	Presenter	Time
A.	Board Comments	Discuss	Board President	5 m
B.	Interim Director and CEO Comments	Discuss	Bill Dobson	2 m

XIV. Closing Items — 9:37 AM

		Purpose	Presenter	Time
A.	Adjourn Meeting	Vote	Board President	1 m

Roll Call Vote:
William Hall
Michael Humphrey
Steve Fraire
Peter Matz
Larry Alvarado
Moved by _____ Seconded by _____ Ayes _____ Nays _____ Absent _____

FOR MORE INFORMATION
For more information concerning this agenda, contact
Motivated Youth Academy.

Coversheet

Led by Board President or designee

Section: II. Pledge of Allegiance
Item: A. Led by Board President or designee
Purpose:
Submitted by:
Related Material: Flag Slide.pdf



Coversheet

Land Acknowledgment, read by Melissa Lato, Assistant Director, Motivated Youth Academy

Section: III. Land Acknowledgment
Item: A. Land Acknowledgment, read by Melissa Lato, Assistant Director, Motivated Youth Academy
Purpose: FYI
Submitted by:
Related Material: Land Acknowledgment.jpg

Land Acknowledgment

It is important that we demonstrate respect for the historic and contemporary presence of Indigenous peoples in California and particularly the San Diego area. It is important for us to recognize that our school resides on what are historically the traditional homelands of Indigenous peoples who were dispossessed of their homelands.

We are grateful and appreciative to the Indigenous peoples, the traditional caretakers of the land, for the use of their lands on which we work, study, and learn. In this spirit, we would like to acknowledge and pay our respects to the Luiseño, Cahuilla, Cupeño, Kumeyaay, Northern Diegueño tribes and all the American Indian and Indigenous peoples and communities who have been and continue to be part of these homelands in California.

Coversheet

(Action) Minutes of the Regular Meeting of the Board of Directors that was held on August 13, 2026

Section: V. Approve Minutes
Item: A. (Action) Minutes of the Regular Meeting of the Board of Directors that was held on August 13, 2026
Purpose: Approve Minutes
Submitted by:
Related Material: Minutes for Regular Meeting of the Board of Directors on August 13, 2026

APPROVED

MY Academy

Minutes

Regular Meeting of the Board of Directors

Date and Time
Thursday August 13, 2026 at 9:00 AM

Location
Regus - Gateway Chula Vista
333 H Street, Suite 5000
Chula Vista, CA 91910

Join Zoom Meeting
https://us06web.zoom.us/j/3709989227?omn=82003834437

MISSION STATEMENT

MY Academy believes in diversity, inclusivity, academic excellence, hope, service, feedback, and gratitude. Our mission is to create a diverse and individualized learning environment that supports every student and strengthens relationships between families, programs, authorizers, and the community.

THE ORDER OF BUSINESS MAY BE CHANGED WITHOUT NOTICE

Notice is hereby given that the order of consideration of matters on this agenda may be changed without prior notice.

REASONABLE LIMITATIONS MAY BE PLACED ON PUBLIC TESTIMONY

The Governing Board's presiding officer reserves the right to impose reasonable time limits on public testimony to ensure that the agenda is completed.

REASONABLE ACCOMMODATION WILL BE PROVIDED FOR ANY INDIVIDUAL WITH A DISABILITY

Pursuant to the Rehabilitation Act of 1973 and the Americans with Disabilities Act of 1990, any individual with a disability who requires reasonable accommodation to attend or participate in this meeting of the Governing Board may request assistance by contacting Motivated Youth Academy.

Directors Present
Larry Alvarado, Michael Humphrey, Peter Matz, William Hall

Directors Absent
Steve Fraire

Guests Present
Becky Robinson, Bill Dobson, Daniel Espinoza, Kierra McLaughlin, Melissa Lato, Tammam Tautou

---

I. Opening Items

A. Call the Meeting to Order

William Hall called a meeting of the board of directors of MY Academy to order on Thursday Aug 13, 2026 at 9:00 AM.

B. Record Attendance

II. Pledge of Allegiance

A. Led by Board President or designee

William Hall, Board President, led the Pledge of Allegiance.

III. Land Acknowledgment

A. Land Acknowledgment read by Kierra McLaughlin, Administrative Services Technician, on behalf of Motivated Youth Academy

IV. Approve/Adopt Agenda

A. (Action) Approve Agenda

Michael Humphrey made a motion to Approve Agenda.
Peter Matz seconded the motion.
The board **VOTED** unanimously to approve the motion.

Roll Call

William Hall	Aye

Roll Call	
Peter Matz	Aye
Larry Alvarado	Aye
Steve Fraire	Absent
Michael Humphrey	Aye

V. Approve Minutes

A. (Action) Minutes of the Regular Meeting of the Board of Directors that was held on July 9, 2026

Larry Alvarado made a motion to approve the minutes from Regular Meeting of the Board of Directors on 07-09-26.
Peter Matz seconded the motion.
The board **VOTED** unanimously to approve the motion.

Roll Call	
Peter Matz	Aye
Michael Humphrey	Aye
Larry Alvarado	Aye
William Hall	Aye
Steve Fraire	Absent

VI. Public Comment - Closed Session

A. Public Comment

There was no request for public comment.

VII. Adjourn to Closed Session

A. The Board Will Consider and May Act On Any of the Closed Session Matters

Michael Humphrey made a motion to Adjourn to Closed Session.
Larry Alvarado seconded the motion.
The board **VOTED** unanimously to approve the motion.

Roll Call	
Michael Humphrey	Aye
Larry Alvarado	Aye
Peter Matz	Aye
William Hall	Aye
Steve Fraire	Absent

VIII. Reconvene Regular Meeting

A. Report out any action taken in closed session

There was no action taken in closed session.

IX. Public Comments/Recognition/Reports

A. Public Comments

There was no request for public comment.

X. Oral Presentations

A. Annual Board Evaluation Motivated Youth Academy

William Hall, Board President, presented the Annual Board Evaluation for Motivated Youth Academy.
The Board sees the growth and future needs are always adapting and in progress. Additionally, the Board wants to continue with educational opportunities regarding artificial intelligence to ensure a safe and effective use for students.

B. Motivated Youth Academy Action Plan and Growth Map

Bill Dobson, Interim Director, presented the Motivated Youth Academy Action Plan and Growth Map.

XI. Consent

A. Consent - Business/Financial Services

B. Consent - Education/Student Services

C. Consent - Personnel Services

Michael Humphrey made a motion to Approve the consent agenda, items A through C as presented.
Peter Matz seconded the motion.
The board **VOTED** unanimously to approve the motion.

Roll Call	
Larry Alvarado	Aye
William Hall	Aye
Steve Fraire	Absent
Peter Matz	Aye
Michael Humphrey	Aye

XII. Board Governance

A. Annual Director/CEO Evaluation Planning

Bill Dobson, Interim Director, presented the Annual Director/CEO Evaluation Planning.

Board Member, Larry Alvarado, would like to see a specific percentage tied to goal 3's increased percentage of students meeting the Alternative Metrics for Charter Renewal.

B. (Action) Approval of 2026-2027 Board Evaluator Stipend

Peter Matz made a motion to Approve of the 2026-2027 Board Evaluator Stipend.
Larry Alvarado seconded the motion.
The board **VOTED** unanimously to approve the motion.

Roll Call	
Steve Fraire	Absent
Peter Matz	Aye
William Hall	Aye
Larry Alvarado	Aye
Michael Humphrey	Aye

XIII. Calendar

A. Next Board Meeting

The next Board Meeting will be held in-person on Thursday, September 10th, 2026.

XIV. Comments

A. Board Comments

The Board is pleased to observe Motivated Youth Academy's credential completion and looking forward to collaborating with the new team members of Motivated Youth Academy.

B. Interim Director and CEO Comments

Bill Dobson, Interim Director, is eager for the new school year to begin, for Motivated Youth Academy's kickoff week, and announces upcoming events for Motivated Youth Academy.

XV. Closing Items

A. Adjourn Meeting

Larry Alvarado made a motion to Adjourn Meeting.
Michael Humphrey seconded the motion.
The board **VOTED** unanimously to approve the motion.

Roll Call	
Peter Matz	Aye
William Hall	Aye
Larry Alvarado	Aye
Steve Fraire	Absent

Roll Call

Michael Humphrey Aye

There being no further business to be transacted, and upon motion duly made, seconded and approved, the meeting was adjourned at 9:51 AM.

Respectfully Submitted,
Kierra McLaughlin

Documents used during the meeting

- Flag Slide 26-27.pdf
- Land Acknowledgment 2026-27.jpg
- Annual Board Evaluation Motivated Youth Academy.pdf
- Motivated Youth Academy Action Plan and Growth Map.pdf
- Check Register - June 2026.pdf
- Check Register - July 2026.pdf
- Retainer Agreement between Harbottle Law Group and Motivated Youth Academy.pdf
- Burlington English Agreement 2026-27.pdf
- Annual Director CEO Evaluation Planning.pdf

FOR MORE INFORMATION
For more information concerning this agenda, contact
Motivated Youth Academy.

Coversheet

CliftonLarsonAllen LLP Correspondence

Section: VII. Oral Presentations
Item: A. CliftonLarsonAllen LLP Correspondence
Purpose: FYI
Submitted by:
Related Material: CliftonLarsonAllen LLP Correspondence.pdf

CliftonLarsonAllen LLP
910 Via Piemonte, Suite 300
Ontario, CA 91764

phone 909-985-7286 **fax** 909-982-0487
claconnect.com

August 14, 2026

To the Board and Management of
Motivated Youth Academy

Subject: Charter School Audit Reporting Deadline Update

We are writing to provide an update regarding the timeline for your charter school's annual audit.

As you may be aware, the statutory due date for the submission of charter school audit reports has been extended by the applicable regulatory authorities. This new regulatory audit due date of January 31st provides additional flexibility for schools and auditors in completing the audit process and submitting required reports.

While the filing deadline has been extended, our firm remains committed to completing your audit on the timeline previously established with management. Accordingly, we are continuing to work toward issuing your audited financial statements and audit report by December 15, assuming the timely receipt of all requested information and cooperation throughout the engagement. Accordingly, it is important that the previously agreed-upon deadlines continue to be met, as delays may increase the likelihood of a late audit filing despite the extended statutory deadline.

The enactment of AB 126 further underscores the importance of timely audit completion and strengthens the state's oversight of the audit process. While the law introduces additional audit and accountability requirements for charter schools, it also reiterates that when audited financial statements are not submitted by the statutory due date, state agencies may investigate the causes of the delay and take action to obtain the required audit report. These actions may include arrangement of alternative audit services, recovery of associated costs, or other corrective measures authorized by law.

Late audit filings may also result in:

- Increased scrutiny from the chartering authority, county office of education, California Department of Education, and State Controller's Office.
- Additional administrative burden related to responding to inquiries regarding the cause of the delay.
- Potential reputational concerns with stakeholders, oversight agencies, governing boards, lenders, and grantors.
- Additional audit costs resulting from compressed timelines, multiple follow-up requests, or the need to perform procedures after originally planned fieldwork dates.

CLA (CliftonLarsonAllen LLP) is an independent network member of CLA Global. See CLAglobal.com/disclaimer.
Securities and investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor, member FINRA/SIPC.

Accordingly, the Board and management should continue to prioritize timely completion of year-end closing activities and prompt response to audit requests. Delays in providing accounting records, supporting documentation, reconciliations, governance information, attendance records, or other requested items can significantly increase the risk that the audit cannot be completed and submitted within required statutory timelines.

We encourage management and the Board to monitor the status of outstanding audit requests throughout the audit process and to ensure adequate resources are assigned to support timely completion of the audit.

Our goal is to provide management and the Governing Board with audited financial information as early as possible to support effective oversight, financial planning, compliance, and decision-making. At this time, we do not anticipate any changes to our audit approach or engagement schedule as a result of the revised filing deadline.

We appreciate the continued cooperation of management and the Governing Board throughout the audit process. Should any circumstances arise that could affect the timing of the engagement, we will communicate those matters promptly.

CliftonLarsonAllen LLP is deeply committed to this industry. Our dedicated team stays current on the sector's regulatory, funding, and accountability requirements, and we are proud to support the continued success and fiscal integrity of the charter school community.

Please feel free to contact us if you have any questions regarding the revised filing deadline or the status of your audit.

Sincerely,

CliftonLarsonAllen LLP



Mei-Li (Lili) Huang
Principal
626-204-7338
lili.huang@claconect.com

Coversheet

Consent - Business/Financial Services

Section: VIII. Consent
Item: A. Consent - Business/Financial Services
Purpose:
Submitted by:
Related Material: Check Register - August 2026.pdf

BACKGROUND:

1. Approved August 2026 Check Register as submitted.

RECOMMENDATION:

1. Approval of August 2026 Check Register

It is recommend the Board approve the August 2026 Check Register as submitted for Motivated Youth Academy (#1628).

Fiscal Impact: None

Motivated Youth Academy

Check Register

For the period ended August 31,2026

Check Number	Vendor	Transaction Description	Check Date	Check Amount
21373	Instructure, Inc.	Transcript Svcs - 08/01/26 - 07/31/27	08/05/2026	$ 1,114.05
21374	2026 CSDC Conference Registration	Professional Development - Bill Dobson	08/12/2026	775.00
21375	Land's End Business Outfitters	Custom Polos - Set Up Fee	08/12/2026	6,847.89
21376	Law Office of Young, Minney & Corr. LLP	Legal Svcs - 07/26	08/12/2026	3,123.00
21377	Wright Specialty Premium Trust	Commercial Auto Insurance - 07/01/26 - 03/01/27	08/12/2026	22,031.00
21378	California Schools VEBA	Insurance Svcs - Employee Benefits - 08/26	08/17/2026	31,248.84
21379	Acacia HR Solutions	Consulting Svcs - 06/26	08/20/2026	1,275.00
21380	Fully Promoted EmbroidMe La Mesa	Office Supplies	08/20/2026	1,690.53
21381	Gallagher Benefit Services, Inc	FSA - 08/26	08/20/2026	30.00
21382	Land's End Business Outfitters	Staff Shirts	08/20/2026	43.67
21383	SchoolsFirst Plan Administration LLC	457b Contributions PR08/10/26	08/20/2026	462.16
21384	Burlington English Inc.	Core Curricula License (50) - 08/01/26 - 07/31/27	08/20/2026	4,800.00
21385	TripLog, Inc.	TripLog License (42 Users) - 08/03/26 - 09/02/26	08/20/2026	630.00
21386	TripLog, Inc.	TripLog License (42 Users) - 08/03/26 - 09/02/26	08/21/2026	630.00
21387	2026 CSDC Conference Registration	Professional Development - Tova Hensley	08/27/2026	675.00
21388	Acacia HR Solutions	Services for September 2026	08/27/2026	5,100.00
21389	California Schools VEBA	Insurance Svcs - Employee Benefits - 09/26	08/27/2026	43,337.82
21390	Crestline Specialties, Inc.	Office Supplies - Staff Backpacks - FY 26-27	08/27/2026	1,637.82
21391	MarshMcLennan Agency	Workers Comp. - 07/01/26 - 07/01/27 - (2/10)	08/27/2026	3,062.00
21392	Securian Life Insurance Company	Life Ins - 09/26	08/27/2026	778.49
21393	SchoolsFirst Plan Administration LLC	457b Contributions PR082626 (8/1-8/15 & 8/16-8/31)	08/27/2026	2,031.06
21394	SchoolsFirst Plan Administration LLC	403b Contributions PR082626 (8/1-8/15)	08/27/2026	1,150.00
322271620000483	Peter Matz	Stipend - 08/26	08/05/2026	700.00
322271620000484	Larry Albert Alvarado	Stipend - 08/26	08/05/2026	700.00
322271620000485	Michael P. Humphrey	Additional Board Evaluation Stipend - 08/26	08/05/2026	1,150.00
322271620000486	William W. Hall	Stipend - 08/26	08/05/2026	1,150.00
322271620000487	Steve Fraire	Stipend - 08/26	08/05/2026	700.00
322271620000488	Charter Impact LLC	Business Mgmt Svcs - 08/26	08/05/2026	15,721.00
322271620000489	Alpha Vision Computers, Inc.	Backupify G-Suite - 07/26	08/12/2026	140.00
322271620000490	JD Learning Partners	Professional Development - Invoice 1 of 4	08/12/2026	17,500.00
322271620000491	R&B Communications	Communications Svcs - 07/26	08/20/2026	709.00
322271620000492	Alpha Vision Computers, Inc.	Cybersecurity Meeting - 08/10/26	08/20/2026	125.00
322271620000493	Keyn Group, LLC	Office Supplies	08/24/2026	9,663.14
322271620000494	Scenario Learning LLC	Employee Safety & Compliance Training - 26/27	08/27/2026	900.00
322271620000495	Amazon Capital Services	Office Supplies	08/27/2026	246.03
ACH	Chase	Service Charges - 07/26	08/05/2026	25.90
ACH	Inova	Federal & State Tax Payments for Pay Date 081026	08/07/2026	5,191.81
ACH	Chase	Chase Ink CC# 0904 Payment	08/10/2026	9,264.07
ACH	Chase	Chase Ink CC# 0904 Payment	08/17/2026	5,067.27
Voided - 21385	Void	Void	08/21/2026	Void
			Total Disbursements in August	**$ 201,426.55**

Coversheet

Consent - Education/Student Services

Section: VIII. Consent
Item: B. Consent - Education/Student Services
Purpose:
Submitted by: Bill Dobson
Related Material: TSW Therapy (Renewal).pdf

BACKGROUND:

1. The renewal is for the Nonpublic, Nonsectarian Agency Services Master Contract with **TSW Therapy, Inc.** for the 2026–2027 fiscal year. This 43-page agreement between Motivated Youth Academy and TSW Therapy, Inc. (under the Sonoma County SELPA framework) establishes the operational, legal, and educational standards for delivering required special education and related therapy services to eligible students. Effective from August 1, 2026, to July 31, 2027, the contract outlines critical compliance mandates—including CDE certification, staff licensing and background clearances, student progress and attendance reporting, positive behavior support standards, and financial rate schedules via Individual Service Agreements (ISAs). Renewing this master contract ensures seamless continuity of specialized therapeutic services for students while maintaining full legal compliance with California Education Code regulations.

RECOMMENDATION:

1. Approval of 2026–2027 TSW Service Agreement (Renewal)
It is recommended that the Board approve the renewal of the 2026–27 TSW Service Agreement for Motivated Youth Academy (#1628).

Fiscal Impact: None

SONOMA SELPA

NONPUBLIC, NONSECTARIAN SCHOOL/AGENCY SERVICES

MASTER CONTRACT

2026-2027

MASTER CONTRACT
GENERAL AGREEMENT FOR NON-SECTARIAN, NONPUBLIC SCHOOL AND AGENCY SERVICES

LEA: **Motivated Youth Academy**

Contract Year: 2026 -2027

Nonpublic School:

Nonpublic Agency: TSW Therapy, Inc

Type of Contract:

X Master Contract for the fiscal year with Individual Service Agreements (ISA) to be approved throughout the term of this contract.

☐ Individual Master Contract for a specific student incorporating the Individual Service Agreement (ISA) into the terms of this Individual Master Contract specific to a single student.

☐ Interim Contract: an extension of the previous fiscal years approved contracts and rates. The sole purpose of this Interim Contract is to provide for ongoing funding at the prior year's rates for no more than 90 days after June 30, 2027 at the sole discretion of the LEA.
Expiration Date:

When this section is included as part of any Master Contract, the changes specified above shall amend Section 4 – Term of Master Contract.

TABLE OF CONTENTS

I. GENERAL PROVISIONS **Page**

1. MASTER CONTRACT **5**
2. CERTIFICATION AND LICENSES **5-6**
3. COMPLIANCE WITH LAWS, STATUTES, REGULATIONS **6**
4. TERM OF MASTER CONTRACT **7**
5. INTEGRATION/CONTINUANCE OF CONTRACT FOLLOWING EXPIRATION OR TERMINATION **7**
6. INDIVIDUAL SERVICES AGREEMENT; EXHIBIT B **7-8**
7. DEFINITIONS **8-9**

II. ADMINISTRATION OF CONTRACT

8. NOTICES **10**
9. MAINTENANCE OF RECORDS **10**
10. SEVERABILITY CLAUSE **11**
11. SUCCESSORS IN INTEREST **11**
12. VENUE AND GOVERNING LAW **12**
13. MODIFICATIONS AND AMENDMENTS REQUIRED TO CONFORM TO LEGAL AND ADMINISTRATIVE GUIDELINES **12**
14. TERMINATION **12**
15. INSURANCE **12-14**
16. INDEMNIFICATION AND HOLD HARMLESS **14-15**
17. INDEPENDENT CONTRACTOR **15**
18. SUBCONTRACTING **15-16**
19. CONFLICTS OF INTEREST **16**
20. NON-DISCRIMINATION **16**

III. EDUCATIONAL PROGRAM

21. FREE AND APPROPRIATE PUBLIC EDUCATION (FAPE) **17**
22. GENERAL PROGRAM OF INSTRUCTION **17**
23. INSTRUCTIONAL MINUTES **18**
24. CLASS SIZE **19**
25. CALENDARS **19**
26. DATA REPORTING **20**
27. LEAST RESTRICTIVE ENVIRONMENT/DUAL ENROLLMENT **20-21**
28. STATEWIDE ACHIEVEMENT TESTING **21**
29. MANDATED ATTENDANCE AT LEA MEETINGS **21**
30. POSITIVE BEHAVIOR INTERVENTIONS AND SUPPORTS **21-23**
31. STUDENT DISCIPLINE **24**
32. IEP TEAM MEETINGS **24-25**
33. SURROGATE PARENTS AND FOSTER YOUTH **25**
34. DUE PROCESS PROCEEDINGS **25-26**
35. COMPLAINT PROCEDURES **26**
36. STUDENT PROGRESS REPORTS/REPORT CARDS AND ASSESSMENTS **26-27**
37. GRADES, HIGH SCHOOL COURSE CREDITS & TRANSCRIPTS **27-28**
38. STUDENT CHANGE OF RESIDENCE **28**
39. WITHDRAWAL OF STUDENT FROM PROGRAM **28**

40. PARENT ACCESS ……..……. **28**
41. LICENSED CHILDREN'S INSTITUTION CONTRACTORS (LCI)
AND RESIDENTIAL TREATMENT CENTER CONTRACTORS (RTC) ….……. **29**
42. STATE MEAL MANDATE ……. **29-30**
43. MONITORING ……..……..…….. **30**

IV. PERSONNEL
44. CLEARANCE REQUIREMENTS …….. **31-32**
45. STAFF QUALIFICATIONS ……...……. **32**
46. VERIFICATION OF LICENSES, CREDENTIALS AND OTHER DOCUMENTS ..……... **33**
47. STAFF ABSENCE …… **33**
48. STAFF PROFESSIONAL BEHAVIOR WHEN PROVIDING SERVICES AT SCHOOL OR
SCHOOL-RELATED EVENTS OR AT SCHOOL FACILITY AND/OR IN THE HOME ….…… **34**

V. HEALTH AND SAFETY MANDATES
49. HEALTH AND SAFETY ……..…….. **34-40**
50. FACILITIES AND FACILITIES MODIFICATIONS ……... **35**
51. ADMINISTRATION OF MEDICATION ……. **35**
52. INCIDENT/ACCIDENT REPORTING ..……... **35**
53. CHILD ABUSE REPORTING ……...…… **36**
54. SEXUAL HARASSMENT ...…….. **36**
55. REPORTING OF MISSING CHILDREN …….……. **36**

VI. FINANCIAL
56. ENROLLMENT, CONTRACTING, SERVICE TRACKING,
ATTENDANCE REPORTING AND BILLING PROCEDURES ……..……... **36-37**
57. RIGHT TO WITHHOLD PAYMENT ...…… **38-39**
58. PAYMENT FROM OUTSIDE AGENCIES …….……. **39**
59. PAYMENT FOR ABSENCES ……..……. **39-41**
60. LEA and/or NONPUBLIC SCHOOL CLOSURE DUE TO EMERGENCY …… **41-42**
61. INSPECTION AND AUDIT ….……. **42-43**
62. RATE SCHEDULE ….…… **43**
63. DEBARMENT CERTIFICATION ……..…… **43**

EXHIBIT A: 2026-2027 RATES

EXHIBIT B: 2026-2027 ISA

2026 -2027

Local Education Agency: Motivated Youth Academy

NONPUBLIC SCHOOL/AGENCY/RELATED SERVICES

PROVIDER: TSW Therapy, Inc

NONPUBLIC, NONSECTARIAN SCHOOL/AGENCY SERVICES MASTER CONTRACT

AUTHORIZATION FOR MASTER CONTRACT AND GENERAL PROVISIONS

1. MASTER CONTRACT

This Master Contract (or "*Contract*") is entered into on July 1, 2026, between **Motivated Youth Academy**, hereinafter referred to as the local educational agency ("LEA"), a member of the Sonoma County SELPA, and **TSW Therapy, Inc.** (nonpublic, nonsectarian school or agency), hereinafter referred to as NPS/A or "CONTRACTOR" for the purpose of providing special education and/or related services to students with exceptional needs under the authorization of California Education Code sections 56157, 56361 and 56365 et seq. and Title 5 of the California Code of Regulations section 3000 et seq., AB490 (Chapter 862, Statutes of 2003) and AB1858 (Chapter 914, Statutes of 2004). It is understood that this agreement does not commit the LEA to pay for special education and/or related services provided to any student, or CONTRACTOR to provide such special education and/or related services, unless and until an authorized LEA representative approves the provision of special education and/or related services by CONTRACTOR.

Upon acceptance of a student, LEA shall submit to CONTRACTOR an Individual Service Agreement (hereinafter referred to as "ISA"). Unless otherwise agreed in writing, these forms shall acknowledge CONTRACTOR's obligation to provide all relevant services specified in the student's Individualized Education Program (hereinafter referred to as "IEP"). The ISA shall be executed within fifteen (15) days of a student's enrollment. LEA and CONTRACTOR shall enter into an ISA for each student served by CONTRACTOR. As available and appropriate, the LEA shall make available access to any electronic IEP system and/or electronic database for the development of the ISA and invoices.

Unless placement and/or services is made pursuant to an Office of Administrative Hearings (hereinafter referred to as "OAH") order, a lawfully executed settlement agreement between LEA and parent or authorized by LEA for a transfer student pursuant to California Education Code section 56325, LEA is not responsible for the costs associated with NPS placement or NPS/A services until the date on which an IEP team meeting is convened, the IEP team determines that a NPS placement is appropriate, and the IEP is signed by the student's parent.

2. CERTIFICATION AND LICENSES

CONTRACTOR shall be certified by the California Department of Education (hereinafter referred to as "CDE") as an NPS/A. All NPS/A services shall be provided consistent with the area of certification and licensure specified by CDE Certification and as defined in California Education Code, section 56366 et seq and within the professional scope of practice of each provider's license, certification, and/or credential. A current copy of CONTRACTOR's NPS/A certification or a waiver of such certification issued by the CDE pursuant to Education Code section 56366.2 must be provided to LEA on or before the date this Agreement is executed by

CONTRACTOR. This Master Contract shall be null and void if such certification or waiver is expired, revoked, rescinded, or otherwise nullified during the effective period of this Master Contract. Total student enrollment shall be limited to capacity as stated on CDE certification, and in Section 24 of the Master Contract.

In addition to meeting the certification requirements of the State of California, a CONTRACTOR that operates a program outside of this State shall be certified and all staff persons providing services to pupils shall be certified and/or licensed by that state to provide, respectively, special education and related services and designated instruction and related services to pupils under the federal Individuals with Disabilities Education Act (20 U.S.C. Sec. 1400 et seq.).

If CONTRACTOR is a licensed children's institution (hereinafter referred to as "LCI"), CONTRACTOR shall be licensed by the state, or other public agency having delegated authority by contract with the state to license, to provide nonmedical care room and board to children, including, but not limited to, individuals with exceptional needs. The LCI must also comply with all licensing requirements relevant to the protection of the child, and have a special permit, if necessary, to meet the needs of each child so placed. If the CONTRACTOR operates a program outside of this State, CONTRACTOR must obtain all required licenses from the appropriate licensing agency in both California and in the state where the LCI is located.

With respect to CONTRACTOR's certification, failure to notify the LEA and CDE in writing of any changes in: (1) credentialed/licensed staff; (2) ownership; (3) management and/or control of the agency; (4) major modification or relocation of facilities; or (5) significant modification of the program may result in the suspension or revocation of CDE certification and/or suspension or termination of this Master Contract by the LEA.

3. COMPLIANCE WITH LAWS, STATUTES, REGULATIONS

During the term of this Master Contract unless otherwise agreed, CONTRACTOR shall comply with all applicable federal, state, and local statutes, laws, ordinances, rules, policies and regulations. CONTRACTOR shall also comply with all applicable LEA policies and procedures unless, taking into consideration all of the surrounding facts and circumstances, a policy or policies or a portion of a policy does not reasonably apply to CONTRACTOR. CONTRACTOR hereby acknowledges and agrees that it accepts all risks and responsibilities for its failure to comply with LEA policies and shall indemnify LEA under the provisions of Section 16 of this Agreement for all liability, loss, damage and expense (including reasonable attorneys' fees) resulting from or arising out of CONTRACTOR's failure to comply with applicable LEA policies (e.g., those policies relating to, the provision of special education and/or related services, facilities for individuals with exceptional needs, student enrollment and transfer, student inactive status, corporal punishment, student discipline, and positive behavior interventions).

CONTRACTOR acknowledges and understands that LEA may report to the CDE any violations of the provisions of this Master Contract; and that this may result in the suspension and/or revocation of CDE nonpublic school/agency certification pursuant to California Education Code section 56366.4(a).

4. TERM OF MASTER CONTRACT

The term of this Master Contract shall be from August 1, 2026 to July 31, 2027 (Title 5 California Code of Regulations section 3062(a)) unless otherwise stated. Neither the CONTRACTOR nor the LEA is required to renew this Master Contract in subsequent contract years. The parties acknowledge that any subsequent Master Contract is to be re-negotiated prior to July 31, 2027. (Title 5 California Code of Regulations section 3062 (d)). In the event the contract negotiations are not agreed to by July 31, 2027, the most recently executed Master Contract will remain in effect for 90 days (Education Code 56366(c)(1)). No Master Contract will be offered unless and until all of the contracting requirements have been satisfied. The offer of a Master Contract to a

CONTRACTOR is at the sole discretion of the LEA.

The provisions of this Master Contract apply to CONTRACTOR and any of its employees or independent contractors. Notice of any change in CONTRACTOR's ownership or authorized representative shall be provided in writing to LEA within thirty (30) calendar days of change of ownership or change of authorized representative.

5. INTEGRATION/CONTINUANCE OF CONTRACT FOLLOWING EXPIRATION OR TERMINATION

This Master Contract includes each ISA and they are incorporated herein by this reference. This Master Contract supersedes any prior or contemporaneous written or oral understanding or agreement. This Master Contract may be amended only by written amendment executed by both parties.

CONTRACTOR shall provide the LEA with information as requested in writing to secure a Master Contract or a renewal.

At a minimum, such information shall include copies of current teacher credentials and clearance, insurance documentation and CDE certification. The LEA may require additional information as applicable. If the application packet is not completed and returned to District, no Master Contract will be issued. If CONTRACTOR does not return the Master Contract to LEA duly signed by an authorized representative within ninety (90) calendar days of issuance by LEA, the new contract rates will not take effect until the newly executed Master Contract is received by LEA and will not be retroactive to the first day of the new Master Contract's effective date. If CONTRACTOR fails to execute the new Master Contract within such ninety-day period, all payments shall cease until such time as the new Master Contract for the current school year is signed and returned to LEA by CONTRACTOR. (California Education Code section 56366(c)(1) and (2)). In the event that this Master Contract expires or terminates, CONTRACTOR shall continue to be bound to all of the terms and conditions of the most recent executed Master Contract between CONTRACTOR and LEA for so long as CONTRACTOR is servicing authorized students at the discretion of the LEA.

6. INDIVIDUAL SERVICE AGREEMENT; EXHIBIT B ("ISA")

This Agreement shall include an ISA developed for each student to whom CONTRACTOR is to provide special education and/or related services. An ISA shall only be issued for students enrolled with the approval of the LEA pursuant to Education Code section 56366 (a)(2)(A). An ISA may be effective for more than one contract year provided that there is a concurrent Master Contract in effect. In the event that this Master Contract expires or terminates, CONTRACTOR, shall continue to be bound to all of the terms and conditions of the most recent executed ISAs between CONTRACTOR and LEA for so long as CONTRACTOR is servicing authorized students.

Any and all changes to a student's educational placement/program provided under this Master Contract and/or an ISA shall be made solely on the basis of a revision to the student's IEP or by written agreement between the parent and LEA. At any time during the term of this Master Contract, a student's parent, CONTRACTOR, or LEA may request a review of a student's IEP subject to all procedural safeguards required by law.

Unless otherwise provided in this Master Contract, the CONTRACTOR shall provide all services specified in the IEP unless the CONTRACTOR and the LEA agree otherwise in the ISA. (California Education Code sections 56366(a) (5) and 3062(e)). In the event the CONTRACTOR is unable to provide a specific service at any time during the life of the ISA, the CONTRACTOR shall notify the LEA in writing within five (5) business days of the last date a service was provided. CONTRACTOR shall provide any and all subsequent compensatory service hours awarded to a student as a result of lack of provision of services while student was

served by NPS/A.

If a parent or LEA contests the termination of an ISA by initiating a due process proceeding with the OAH, CONTRACTOR shall abide by the "stay-put" requirement of state and federal law unless the parent agrees otherwise or an Interim Alternative Educational Setting is deemed lawful and appropriate by LEA or OAH consistent with Section 1415 (k)(1)(7) of Title 20 of the United States Code. CONTRACTOR shall adhere to all LEA requirements concerning changes in placement.

Disagreements between LEA and CONTRACTOR concerning the formulation of an ISA or the Master Contract may be appealed to the County Superintendent of Schools of the County where the LEA is located, or the State Superintendent of Public Instruction pursuant to the provisions of California Education Code section 56366(c) (2).

7. DEFINITIONS

The following definitions shall apply for purposes of this contract:

a. The term "CONTRACTOR" means a nonpublic, nonsectarian school/agency certified by the California Department of Education and its officers, agents, and employees.

b. The term "authorized LEA representative" means a LEA administrator designated to be responsible for NPS/A. It is understood, a representative of the Special Education Local Plan Area (SELPA) of which the LEA is a member is an authorized LEA representative in collaboration with the LEA. The LEA maintains sole responsibility for this Contract, unless otherwise specified in this Contract. [**SELPA Member LEA's** (Alexander Valley Union SD, Bellevue Union SD, Bennett Valley Union SD, Cinnabar SD, Cloverdale Unified SD, Cotati-Rohnert Park Unified SD, Dunham SD, Forestville Union SD, Fort Ross SD, Geyserville Unified SD, Gravenstein Union SD, Guerneville SD, Harmony Union SD, Healdsburg Unified SD, Heartwood Charter SD, Horicon SD, Kashia SD, Kenwood SD, Liberty SD, Mark West Union SD, Monte Rio Union SD, Montgomery SD, Oak Grove Union SD, Old Adobe Union SD, Pathways Charter, Petaluma City SD, Petaluma Joint Union HSD, Piner-Olivet Union SD, Rincon Valley Union SD, Roseland SD, Santa Rosa City Elementary SD, Santa Rosa City High SD, Sonoma County Office of Education, Sebastopol Union SD, Sebastopol Independent Charter, Sonoma Valley Unified, Twin Hills SD, Two Rock Union SD, Waugh SD, West Side Union SD, West Sonoma County Union HSD, Wilmar Union SD, Windsor Unified SD, Wright SD)]

c. The term "credential" means a valid credential, life diploma, permit, or document in special education or pupil personnel services issued by, or under the jurisdiction of, the State Board of Education if issued prior to 1970 or the California Commission on Teacher Credentialing, which entitles the holder thereof to perform services for which certification qualifications are required as defined in Title 5 of the California Code of Regulations section 3001(g).

d. The term "qualified" means that a person holds a certificate, permit or other document equivalent to that which staff in a public school are required to hold to provide special education and related services and has met federal and state certification, licensing, registration, or other comparable requirements which apply to the area in which the individual is providing special education or related services, including those requirements set forth in Title 34 of the Code of Federal Regulations sections 200.56 and 200.58, and those requirements set forth in Title 5 of the California Code of Regulations Sections 3064 and 3065, and adheres to the standards of professional practice established in federal and state law or regulation, including the standards contained in the California Business and Professions Code.

Nothing in this definition shall be construed as restricting the activities in services of a graduate needing direct hours leading to licensure, or of a student teacher or intern leading to a graduate degree at an accredited or approved college or university, as authorized by state laws or regulations. (Title 5 of the California Code of Regulations Section 3001 (r)).

e. The term **"**license" means a valid non-expired document issued by a licensing agency within the Department of Consumer Affairs or other state licensing office authorized to grant licenses and authorizing the bearer of the document to provide certain professional services or refer to themselves using a specified professional title including but not limited to mental health and board and care services at a residential placement. If a license is not available through an appropriate state licensing agency, a certificate of registration with the appropriate professional organization at the national or state level which has standards established for the certificate that are equivalent to a license shall be deemed to be a license as defined in Title 5 of the California Code of Regulations section 3001(l).

f. "Parent" means:

i. a biological or adoptive parent; unless the biological or adoptive parent does not have legal authority to make educational decisions for the child,

ii. a guardian generally authorized to act as the child's parent or authorized to make educational decisions for the child,

iii. an individual acting in the place of a biological or adoptive parent, including a grandparent, stepparent, or other relative with whom the child lives, or an individual who is legally responsible for the child's welfare,

iv. a surrogate parent,

v. a foster parent if the authority of the biological or adoptive parent to make educational decisions on the child's behalf has been specifically limited by court order in accordance with Code of Federal Regulations 300.30(b)(1) or (2).

vi. Parent does not include the state or any political subdivision of government or the NPS/A under contract with the LEA for the provision of special education or designated instruction and services for a child. (California Education Code section 56028).

g. The term "days" means calendar days unless otherwise specified.

h. The phrase "billable day" means a school day in which instructional minutes meet or exceed those in comparable LEA programs.

i. The phrase "billable day of attendance" means a school day as defined in California Education Code Section 46307, in which a student is in attendance and in which instructional minutes meet or exceed those in comparable LEA programs unless otherwise stipulated in an IEP or ISA.

j. It is understood that the term "Master Contract" also means "Contract" and is referred to as such in this document.

ADMINISTRATION OF CONTRACT

8. NOTICES

All notices provided for by this Contract shall be in writing. Notices shall be emailed, mailed or delivered by hand and shall be effective as of the date of receipt by addressee.

All notices mailed or emailed to LEA shall be addressed to the person and address as indicated on the signature page of this Master Contract. Notices to CONTRACTOR shall be addressed as indicated on signature page of this Master Contract.

9. MAINTENANCE OF RECORDS

All records shall be maintained by CONTRACTOR as required by state and federal laws and regulations. Notwithstanding the foregoing sentence, CONTRACTOR shall maintain all records for at least five (5) years after the termination of this Master Contract. For purposes of this Master Contract, "records" shall include, but not be limited to student records as defined by California Education Code section 49061(b) including electronically stored information; registers and roll books of teachers and/or daily service providers; daily service logs and notes and other documents used to record the provision of related services including supervision; daily service logs and notes used to record the provision of services provided through additional instructional assistants, NPA behavior intervention aides, and bus aides; behavior emergency reports (BER); incident reports; notification of injuries; absence verification records (parent/doctor notes, telephone logs, and related documents) if the CONTRACTOR is funded for excused absences, however, such records are not required if positive attendance is required; bus rosters; staff lists specifying credentials held and documents evidencing other staff qualifications, social security numbers, dates of hire, and dates of termination; records of employee training and certification, including verification of behavior training consistent with 56366.1; staff time sheets; non-paid staff and volunteer sign-in sheets; transportation and other related services subcontracts; school calendars; bell/class schedules when applicable; liability and worker's compensation insurance policies; state NPS/A certifications; by-laws, if applicable; lists of current board of directors/trustees, if incorporated; statement of income and expenses; general journals; cash receipts and disbursement books; general ledgers and supporting documents; documents evidencing financial expenditures; federal/state payroll quarterly reports; evidence of electronic payments; and bank statements and canceled checks or facsimile thereof.

CONTRACTOR shall maintain student records in a secure location to ensure confidentiality and prevent unauthorized access. CONTRACTOR shall maintain a current list of the names and positions of CONTRACTOR's employees who have access to confidential records. CONTRACTOR shall maintain an access log for each student's record which lists all persons, agencies, or organizations requesting or receiving information from the record. Such log shall be maintained as required by California Education Code section 49064 and include the name, title, agency/organization affiliation, date/time of access for each individual requesting or receiving information from the student's record, and a description of the record(s) provided. Such log needs to record access to the student's records by: (a) the student's parent; (b) an individual to whom written consent has been executed by the student's parent; or (c) employees of LEA or CONTRACTOR having a legitimate educational interest in requesting or receiving information from the record. CONTRACTOR/LEA shall maintain copies of any written parental concerns granting access to student records. For purposes of this paragraph, "employees of LEA or CONTRACTOR" do not include subcontractors. CONTRACTOR shall grant the following access to student records, (a) the student's parent; (b) employees of LEA or CONTRACTOR having a legitimate educational interest in requesting or receiving information from the record, and comply with parents' requests for copies of student records, as required by state and federal laws and regulations. CONTRACTOR agrees, in the event of school or agency closure, to forward student records within ten (10) business days to LEA. These shall include, but not limited to, current transcripts, IEP/IFSPs, BER's, incident reports, notification of injuries and all other relevant reports. LEA and/or SELPA shall have access to and receive copies of any and all records upon request within five (5) business days.

10. SEVERABILITY CLAUSE

If any provision of this agreement is held, in whole or in part, to be unenforceable for any reason, the remainder of that provision and of the entire agreement shall be severable and remain in effect.

11. SUCCESSORS IN INTEREST

This contract binds CONTRACTOR's successors and assignees. CONTRACTOR shall notify the LEA of any change of ownership or corporate control.

12. VENUE AND GOVERNING LAW

The laws of the State of California shall govern the terms and conditions of this contract with venue in the County where the LEA is located.

13. MODIFICATIONS AND AMENDMENTS REQUIRED TO CONFORM TO LEGAL AND ADMINISTRATIVE GUIDELINES

This Master Contract may be modified or amended by the LEA to conform to administrative and statutory guidelines issued by any state, federal or local governmental agency. The party seeking such modification shall provide the LEA and/or CONTRACTOR thirty (30) days' notice of any such changes or modifications made to conform to administrative or statutory guidelines and a copy of the statute or regulation upon which the modification or changes are based. Both parties shall meet to negotiate any amendments or modifications to the Master Contract.

14. TERMINATION

This Master Contract or ISA may be terminated for cause at the discretion of either party; LEA or CONTRACTOR. The cause shall not be the availability of a public class initiated during the period of the contract unless the parent agrees to the transfer of the student to the public-school program at an IEP team meeting. To terminate the contract either party shall give no less than twenty (20) days prior written notice (California Education Code section 56366(a)(4)). At the time of termination, CONTRACTOR shall provide to LEA any and all documents CONTRACTOR is required to maintain under this Master Contract. ISAs are void upon termination of this Master Contract, as provided in Section 5 or 6. CONTRACTOR or LEA may terminate an ISA for cause. To terminate the ISA, either party shall give twenty (20) days prior written notice.

15. INSURANCE

CONTRACTOR shall, at CONTRACTOR'S sole cost and expense, maintain in full force and effect, during the term of this Contract, the following insurance coverage from a California licensed and/or admitted insurer with an A minus (A-), VII, or better rating from A.M. Best, sufficient to cover any claims, damages, liabilities, costs and expenses (including counsel fees) arising out of or in connection with CONTRACTOR's fulfillment of any of its obligations under this Agreement or either party's use of the work or any component or part thereof:

PART I- INSURANCE REQUIREMENTS FOR NONPUBLIC SCHOOLS AND AGENCIES

A. **Commercial General Liability Insurance**, including both bodily injury and property damage, with

limits as follows:
$2,000,000 per occurrence $ 500,000 fire damage $ 5,000 medical expenses $1,000,000 personal & adv. injury $3,000,000 general aggregate $2,000,000 products/completed operations aggregate.
The policy may not contain an exclusion for coverage of claims arising from claims for sexual molestation or abuse. In the event that CONTRACTOR's policy should have an exclusion for sexual molestation or abuse claims, then CONTRACTOR shall be required to procure a supplemental policy providing such coverage.

B. **Workers' Compensation Insurance** in accordance with provisions of the California Labor Code adequate to protect the CONTRACTOR from claims that may arise from its operations pursuant to the Workers' Compensation Act (Statutory Coverage). The Workers' Compensation Insurance coverage must also include Employers Liability coverage with limits of $1,000,000/$1,000,000/$1,000,000.

C. **Commercial Auto Liability Insurance** for all owned, non-owned or hired automobiles with a $1 million combined single limit.
If no owned automobiles, then only hired and non-owned is required.
If CONTRACTOR uses a vehicle to travel to/from school sites, between schools and/or to/from students' homes or other locations as approved service locations by the LEA, CONTRACTOR must comply with State of California auto insurance requirements.

D. **Errors & Omissions (E & O)/Malpractice (Professional Liability) coverage**, including Sexual Molestation and Abuse coverage, unless that coverage is afforded elsewhere in the Commercial General Liability policy by endorsement or separate policy, with the following limits:

$1,000,000 per occurrence
$2,000,000 general aggregate

E. CONTRACTOR, upon execution of this contract and periodically thereafter upon request, shall furnish the LEA with certificates of insurance evidencing such coverage. The certificate of insurance shall include a ten (10) day non-renewal notice provision. The Commercial General Liability and Automobile Liability policy shall name the LEA and the Board of Education additional insured's premiums on all insurance policies and shall be paid by CONTRACTOR and shall be deemed included in CONTRACTOR's obligations under this contract at no additional charge.

F. Any deductibles or self-insured retentions above $100,000 must be declared to and approved by the LEA. At its option, LEA may require the CONTRACTOR, at the CONTRACTOR's sole cost, to: (a) cause its insurer to reduce to levels specified by the LEA or eliminate such deductibles or self-insured retentions with respect to the LEA, its officials and employees, or (b) procure a bond guaranteeing payment of losses and related investigation.

G. For any claims related to the services performed in connection with this Master Contract, the CONTRACTOR's insurance coverage shall be the primary insurance with respect to the LEA, its subsidiaries, officials and employees. Any insurance or self-insurance maintained by the LEA, its subsidiaries, officials and employees shall be excess of the CONTRACTOR's insurance and shall not contribute with it.

H. All Certificates of Insurance must reference the contract number, name of the school or agency submitting the certificate, and the location of the school or agency submitting the certificate on the certificate.

PART II - INSURANCE REQUIREMENTS FOR NONPUBLIC SCHOOLS AFFILIATED WITH A RESIDENTIAL TREATMENT FACILITY ("RTC")

When CONTRACTOR is a NPS affiliated with **a residential treatment center (NPS/RTC)**, the following

insurance policies are required:

A. **Commercial General Liability** including both bodily injury and property damage, with limits as follows: $3,000,000 per Occurrence and $6,000,000 in General Aggregate.
The policy shall be endorsed to name the LEA and the Board of Education as *named* additional insured and shall provide specifically that any insurance carried by the LEA which may be applicable to any claims or loss shall be deemed excess and the RTC's insurance primary despite any conflicting provisions in the RTC's policy. Coverage shall be maintained with no Self-Insured Retention above $100,000 without the prior written approval of the LEA.

B. **Workers' Compensation Insurance** in accordance with provisions of the California Labor Code adequate to protect the RTC from claims that may arise from its operations pursuant to the Workers' Compensation Act (Statutory Coverage). The Workers' Compensation Insurance coverage must also include Employers Liability coverage with limits of $1,000,000/$1,000,000/$1,000,000.

C. **Commercial Auto Liability** coverage with limits of $1,000,000 Combined Single Limit per Occurrence if the RTC does not operate a student bus service. If the RTC provides student bus services, the required coverage limit is $5,000,000 Combined Single Limit per Occurrence.

D. **Fidelity Bond** or **Crime Coverage** shall be maintained by the RTC to cover all employees who process or otherwise have responsibility for RTC funds, supplies, equipment or other assets. Minimum amount of coverage shall be $250,000 per occurrence, with no self-insured retention.

E. **Professional Liability/Errors & Omissions/Malpractice** coverage with minimum limits of $3,000,000 per occurrence and $6,000,000 general aggregate.

F. **Sexual Molestation and Abuse Coverage**, unless that coverage is afforded elsewhere in the Commercial General Liability or Professional liability policy by endorsement, with minimum limits of $3,000,000 per occurrence and $6,000,000 general aggregate.

If LEA or CONTRACTOR determines that a change in insurance coverage obligations under this section is necessary, either party may reopen negotiations to modify the insurance obligations.

16. INDEMNIFICATION AND HOLD HARMLESS

To the fullest extent allowed by law, CONTRACTOR shall indemnify and hold LEA and its Board Members, administrators, employees, agents, attorneys, volunteers, and subcontractors ("LEA Indemnities") harmless against all liability, loss, damage and expense (including reasonable attorneys' fees) resulting from or arising out of this Master Contract or its performance, to the extent that such loss, expense, damage or liability was proximately caused by negligence, intentional act, or willful act or omission of CONTRACTOR, including, without limitation, its agents, employees, subcontractors or anyone employed directly or indirectly by it (excluding LEA and LEA Indemnities). The duty and obligation to defend shall arise immediately upon tender of a claim or lawsuit to the CONTRACTOR. The LEA and the Member District(s) shall have the right in their sole discretion to select counsel if it's choice to provide the defense at the sole cost of the CONTRACTOR or the applicable insurance carrier.

To the fullest extent allowed by law, LEA shall indemnify and hold CONTRACTOR and its Board Members, administrators, employees, agents, attorneys, and subcontractors ("CONTRACTOR Indemnities") harmless against all liability, loss, damage and expense (including reasonable attorneys' fees) resulting from or arising out of this Master Contract or its performance thereof, to the extent that such loss, expense, damage or liability was proximately caused by the negligent, intentional act or willful act or omission of LEA, including, without limitation, its agents, employees, subcontractors or anyone employed directly or indirectly by it (excluding CONTRACTOR and/or any CONTRACTOR Indemnities).

LEA represents that it is self-insured in compliance with the laws of the State of California, that the self-insurance covers district employees acting within the course and scope of their respective duties and that its self-insurance covers the LEA's indemnification obligations under this Master Contract.

17. INDEPENDENT CONTRACTOR

Nothing herein contained will be construed to imply a joint venture, partnership or principal-agent relationship between the LEA and CONTRACTOR. CONTRACTOR shall provide all services under this Contract as an independent contractor, and neither party shall have the authority to bind or make any commitment on behalf of the other. Nothing contained in this Contract shall be deemed to create any association, partnership, joint venture or relationship of principal and agent, master and servant, or employer and employee between the parties or any affiliates of the parties, or between the LEA and any individual assigned by CONTRACTOR to perform any services for the LEA.

If the LEA is determined to be a partner, joint venture, co-principal, employer or co-employer of CONTRACTOR, CONTRACTOR shall indemnify and hold harmless the LEA from and against any and all claims for loss, liability, or damages arising from that determination, as well as any expenses, costs, taxes, penalties and interest charges incurred by the LEA as a result of that holding.

18. SUBCONTRACTING

CONTRACTOR shall provide written notification to LEA before subcontracting for special education and/or related services pursuant to this Master Contract.

In the event LEA determines that it can provide the subcontracted service(s) at a lower rate, LEA may elect to provide such service(s).

If LEA elects to provide such service(s), LEA shall provide written notification to CONTRACTOR within five (5) days of receipt of CONTRACTOR's original notice and CONTRACTOR shall not subcontract for said service(s).

CONTRACTOR shall incorporate all of the provisions of this Master Contract in all subcontracts, to the fullest extent reasonably possible. Furthermore, when CONTRACTOR enters into subcontracts for the provision of special education and/or related services (including; but not limited to, transportation) for any student, CONTRACTOR shall cause each subcontractor to procure and maintain insurance during the term of each subcontract. Such subcontractor's insurance shall comply with the provisions of Section 15. Each subcontractor shall furnish the LEA with original endorsements and certificates of insurance effecting coverage required by Section 15. The endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. The endorsements are to be on forms as required by the LEA. All endorsements are to be received and approved by the LEA before the subcontractor's work commences. The Commercial General Liability and Automobile Liability policies shall name the LEA/SELPA and the LEA Board of Education as additional insured.

As an alternative to the LEA's forms, a subcontractor's insurer may provide complete, certified copies of all required insurance policies, including endorsements affecting the coverage required by this Master Contract. All Certificates of Insurance must reference the LEA contract number, name of the school or agency submitting the certificate, indication if NPS or NPA, and the location of the school or agency submitting the certificate. In addition, all subcontractors must meet the requirements as contained in Section 44 Clearance Requirements and Section 45 Staff Qualifications of this Master Contract.

19. CONFLICTS OF INTEREST

CONTRACTOR shall provide to LEA upon request a copy of its current bylaws and a current list of its Board of Directors (or Trustees), if it is incorporated. CONTRACTOR and any member of its Board of Directors (or Trustees) shall disclose any relationship with LEA that constitutes or may constitute a conflict of interest pursuant to California Education Code section 56042 and Government Code Section 1090 including, but not limited to, employment with LEA, provision of private party assessments and/or reports, and attendance at IEP team meetings acting as a student's advocate. Pursuant to California Education code section 56042, an attorney or advocate for a parent of an individual with exceptional needs shall not recommend placement at CONTRACTOR's facility if the attorney or advocate is employed or contracted by the CONTRACTOR, or will receive a benefit from the CONTRACTOR, or otherwise has a conflict of interest.

The LEA shall neither execute an ISA with CONTRACTOR nor amend an existing ISA for a student when a recommendation for special education and/or related services is based in whole or in part on assessment(s) or reports provided by CONTRACTOR to the student without prior written authorization by LEA. This paragraph shall apply to CONTRACTOR regardless of when an assessment is performed or a report is prepared (i.e. before or after the student is enrolled in CONTRACTOR's school/agency) or whether an assessment of the student is performed or a report is prepared in the normal course of the services provided to the student by CONTRACTOR. To avoid conflict of interest, and in order to ensure the appropriateness of an Independent Educational Evaluation (hereinafter referred to as "IEE") and its recommendations, the LEA may, not fund an IEE by an evaluator who provides ongoing service(s) or is sought to provide service(s) to the student for whom the IEE is requested. Likewise, the LEA may, in its discretion, not fund services through the evaluator whose IEE the LEA agrees to fund. When no other appropriate assessor is available, LEA may request and if CONTRACTOR agrees, the CONTRACTOR may provide an IEE.

CONTRACTOR shall not admit a student living within the jurisdictional boundaries of the LEA on a private pay or tuition-free "scholarship" basis and concurrently or subsequently advise/request parent(s) to pursue funding for the admitted school year from the LEA through due process proceedings.

20. NON-DISCRIMINATION

CONTRACTOR shall not, in employment or operation of its programs, unlawfully discriminate on the basis of gender, nationality, national origin, ancestry, race, color, ethnicity, ethnic group affiliation, religion, age, marital status, pregnancy or parental status, sex, sexual orientation, gender, gender identity , or expression, physical or mental disability, genetic information or any other classification protected by federal or state law or the perception of one or more of such characteristics or association with a person or group with one or more of these actual or perceived characteristics.

EDUCATIONAL PROGRAM

21. FREE AND APPROPRIATE PUBLIC EDUCATION (FAPE)

The LEA shall provide CONTRACTOR with a copy of the IEP including the Individualized Transition Plan (hereinafter referred to as "ITP") of each student served by CONTRACTOR. CONTRACTOR shall provide special education and/or related services (including transition services) to each student within the NPS/A consistent with the student's IEP and as specified in the ISA. If CONTRACTOR is a NPS, CONTRACTOR shall not accept a student if it cannot provide or ensure the provision of the services outlined in the student's IEP. If student services are provided by a third party (i.e. Related Services Provider), CONTRACTOR shall notify LEA if provision of services cease.

Unless otherwise agreed to between CONTRACTOR and LEA, CONTRACTOR shall be responsible for the provision of all appropriate supplies, equipment, and/or facilities, as specified in the student's IEP and ISA. CONTRACTOR shall make no charge of any kind to parents for special education and/or related services as specified in the student's IEP and ISA (including, but not limited to, screenings, assessments, or interviews that occur prior to or as a condition of the student's enrollment under the terms of this Master Contract). LEA shall provide low incidence equipment for eligible students with low incidence disabilities when specified in the student's IEP and ISA. Such equipment remains the property of the SELPA/LEA and shall be returned to the SELPA/LEA when the IEP team determines the equipment is no longer needed or when the student is no longer enrolled in the NPS. CONTRACTOR shall ensure that facilities are adequate to provide LEA students with an environment which meets all pertinent health and safety regulations. CONTRACTOR may charge a student's parent(s) for services and/or activities not necessary for the student to receive a free appropriate public education after: (a) written notification to the student's parent(s) of the cost and voluntary nature of the services and/or activities; and (b) receipt by the LEA of the written notification and a written acknowledgment signed by the student's parent(s) of the cost and voluntary nature of the services and/or activities. CONTRACTOR shall adhere to all LEA requirements concerning parent acknowledgment of financial responsibility.

Voluntary services and/or activities not necessary for the student to receive a free appropriate public education shall not interfere with the student's receipt of special education and/or related services as specified in the student's IEP and ISA unless the LEA, CONTRACTOR, and PARENT agree otherwise in writing.

22. GENERAL PROGRAM OF INSTRUCTION

All NPS/A shall be provided consistent with the area of certification specified by CDE Certification and as defined in California Education Code section 56366 et seq...

When CONTRACTOR is a NPS, CONTRACTOR's general program of instruction shall: (a) utilize evidence-based practices and be consistent with LEA's standards regarding the particular course of study and curriculum; (b) include curriculum that addresses mathematics, literacy and the use of educational, assistive technology and transition services; (c) be consistent with CDE's standards regarding the particular course of study and curriculum; (d) provide the services as specified in the student's IEP and ISA. Students shall have access to: (a) State Board of Education (SBE) - adopted Common Core State Standards ("CCSS") for curriculum and the same instructional materials for kindergarten and grades 1 to 8, inclusive; and provide standards – aligned core curriculum and instructional materials for grades 9 to 12, inclusive, used by an LEA that contracts with the NPS: (b) college preparation courses; (c) extracurricular activities, such as art, sports, music and academic clubs; (d) career preparation and vocational training, consistent with transition plans pursuant to state and federal law and; (e) supplemental assistance, including individual academic tutoring, psychological counseling, and career and college counseling.

When CONTRACTOR serves students in grades 9 through 12 inclusive, LEA shall provide to CONTRACTOR a specific list of the course requirements to be satisfied by the CONTRACTOR leading toward graduation or completion of LEA's diploma requirements. CONTRACTOR shall not award a high school diploma to students who have not successfully completed all of the LEA's graduation requirements.

When CONTRACTOR is an NPA and/or related services provider, CONTRACTOR's general program of instruction and/or services shall utilize evidence-based practices and be consistent with LEA and CDE guidelines and certification, and provided as specified in the student's IEP and ISA. The NPA providing Behavior Intervention services shall develop a written plan that specifies the nature of their NPA service for each student within thirty (30) days of enrollment and shall be provided in writing to the LEA. School-based services may not be unilaterally converted by CONTRACTOR to a substitute program or provided at a location not specifically authorized by the IEP team. Except for services provided by a CONTRACTOR that is a

Licensed Children's Institution (LCI), all services not provided in the school setting require the presence of a parent, guardian or adult caregiver during the delivery of services, provided such guardian or caregiver have a signed authorization by the parent or legal guardian to authorize emergency services as requested.

LCI CONTRACTORS shall ensure that appropriate and qualified residential or clinical staff is present during the provision of services under this Master Contract. CONTRACTOR shall immediately notify LEA in writing if no parent, guardian or adult caregiver is present. CONTRACTOR shall provide to LEA a written description of the services and location provided prior to the effective date of this Master Contract. CONTRACTORS providing Behavior Intervention services must have a trained behaviorist or trained equivalent on staff. It is understood that Behavior Intervention services are limited per CDE Certification and do not constitute ~~as~~ an instructional program.

When CONTRACTOR is a NPA, CONTRACTOR shall not provide transportation nor subcontract for transportation services for students unless the LEA and CONTRACTOR agree otherwise in writing.

23. INSTRUCTIONAL MINUTES

When CONTRACTOR is a NPS, the total number of instructional minutes per school day provided by CONTRACTOR shall be at least equivalent to the number of instructional minutes per school day provided to students at like grade level attending LEA schools and shall be specified in the student's ISA developed in accordance with the student's IEP.

For students in grades kindergarten through 12 inclusive, unless otherwise specified in the student's IEP and ISA, the number of instructional minutes, excluding breakfast, recess, lunch and passing time shall be at the same level that Ed. Code. prescribes for the LEA.

The total number of annual instructional minutes shall be at least equivalent to the total number of annual instructional minutes provided to students attending LEA schools in like grade level unless otherwise specified in the student's IEP.

When CONTRACTOR is a NPA and/or related services provider, the total number of minutes per school day provided by CONTRACTOR shall be specified in the student's ISA developed in accordance with the student's IEP.

24. CLASS SIZE

When CONTRACTOR is an NPS, CONTRACTOR shall ensure that the number of pupils loaded to a class shall not exceed twelve (12) pupils for grades K – 5, and fourteen (14) pupils for grades 6 – 13. CONTRACTOR shall provide written notice to each LEA with students enrolled in a class for grades K-5 that exceeds twelve (12) pupils.

If CONTRACTOR provides special education for individuals with exceptional needs between the ages of three (3) and five (5) years, inclusive, CONTRACTOR shall comply with the appropriate instructional adult to child ratios pursuant to California Education Code § 56440 et seq.

In the event a NPS is unable to fill a vacant teaching position responsible for direct instruction to students, and the vacancy has direct impact on the CDE Certification of that school, the NPS shall develop a plan to ensure appropriate coverage of students by first utilizing existing certificated staff. The NPS and the LEA may agree to one 30 school day period per contract year where class size may be increased to ensure coverage by an appropriately credentialed teacher. Such an agreement shall be in writing and signed by both parties. This provision does not apply to a NPA.

CONTRACTOR providing special education instruction for individuals with exceptional needs between the

ages of three and five years, inclusive, shall also comply with the appropriate instructional adult to child ratios pursuant to California Education Code sections 56440 et seq.

25. CALENDARS

When CONTRACTOR is a NPS, CONTRACTOR shall submit to the LEA/SELPA a school calendar with the total number of billable days not to exceed 180 days, plus extended school year billable days equivalent to the number of days determined by the LEA's extended school year calendar. Billable days shall include only those days that are included on the submitted and approved school calendar, and/or required by the IEP (developed by the LEA) for each student. CONTRACTOR shall not be allowed to change its school calendar and/or amend the number of billable days without the prior written approval of the LEA. Nothing in this Master Contract shall be interpreted to require the LEA to accept any requests for calendar changes.

Unless otherwise specified by the student's' IEP or ISA, educational services shall occur at the school site. A student shall only be eligible for extended school year services as determined by the IEP team and the provision of such is specifically included in the ISA. Extended school year shall consist of twenty (20) instructional days, unless otherwise agreed upon by the IEP team convened by the LEA. Any days of extended school year in excess of twenty (20) billable days must be mutually agreed to, in writing, prior to the start of the extended school year.

Student must have actually been in attendance during the regular school year and/or during extended school year and received services on a billable day of attendance in order for CONTRACTOR to be eligible for payment. It is specifically understood that services may not be provided on weekends/holidays and other times when school is not in session, unless agreed to by the LEA, in writing, in advance of the delivery of any NPS service. Any instructional days provided without this written agreement shall be at the sole financial responsibility of the CONTRACTOR.

CONTRACTOR shall observe the same legal holidays as LEA. Those holidays are Labor Day, Veteran's Day, Thanksgiving Day, Christmas Day, New Year's Day, Martin Luther King, Jr. Day, President's Day, Memorial Day, Juneteenth and Independence Day. With the approval of LEA, CONTRACTOR may revise the date upon which CONTRACTOR closes in observance of any of the holidays observed by the LEA.

When CONTRACTOR is a NPA, CONTRACTOR shall be provided with a LEA- developed/approved calendar prior to the initiation of services. CONTRACTOR herein agrees to observe holidays as specified in the LEA-developed/approved calendar. CONTRACTOR shall provide services pursuant to the LEA-developed/approved calendar; or as specified in the LEA student's IEP and ISA. Unless otherwise specified in the LEA student's ISA, CONTRACTOR shall provide related services to LEA students on only those days that the LEA student's school of attendance is in session and the LEA student attends school. CONTRACTOR shall bill only for services provided on billable days of attendance as indicated on the LEA calendar unless CONTRACTOR and the LEA agree otherwise, in writing. Student must have actually been in attendance and/or received services on a billable day of attendance in order for CONTRACTOR to be eligible for payment. It is specifically understood that services may not be provided on weekends/holidays and other times when school is not in session, unless agreed to by the LEA, in writing, in advance of the delivery of any NPA service provided by CONTRACTOR. Any instructional days provided without this written agreement shall be at the sole financial responsibility of the CONTRACTOR.

26. DATA REPORTING

CONTRACTOR shall agree to provide to the LEA all data related to student information and billing information with LEA. CONTRACTOR shall agree to provide data related to all sections of this contract, including student discipline as noted below, and requested by and in the format required by the LEA. It is

understood that all NPS/A shall utilize the LEA approved electronic IEP system for all IEP development, service tracking documentation, and progress reporting, unless otherwise agreed to by the LEA. Additional progress reporting may be required by the LEA. The LEA shall provide the CONTRACTOR with appropriate software, user training and proper internet permissions to allow adequate access.

Using forms developed by the CDE or as otherwise mutually agreed upon by CONTRACTOR and LEA, CONTRACTOR shall provide LEA, on a monthly basis, a written report of all incidents in which a statutory offense is committed by any LEA student, regardless if it results in a disciplinary action of suspension or expulsion. This includes all statutory offenses described as described in Education Codes sections 48900 and 48915. CONTRACTOR shall also include incidents resulting in the use of a behavioral restraint and/or seclusion even if they were not a result of a violation of Education Code sections 48900 and 48915.

The LEA shall provide the CONTRACTOR with approved forms and/or format for such data including, but not limited to, invoicing, attendance reports and progress reports. The LEA may approve use of CONTRACTOR'S provided forms at their discretion.

27. LEAST RESTRICTIVE ENVIRONMENT/DUAL ENROLLMENT

CONTRACTOR and LEA shall follow all LEA policies and procedures that support Least Restrictive Environment ("LRE") options and/or dual enrollment options if available and appropriate, for students to have access to the general curriculum and to be educated with their nondisabled peers to the maximum extent appropriate.

CONTRACTOR and LEA shall ensure that LRE placement options are addressed at all IEP team meetings regarding students for whom ISAs have been or may be executed. This shall include IEP team consideration of supplementary aids and services, goals and objectives necessary for placement in the LRE and necessary to enable students to transition to less restrictive settings.

When an IEP team has determined that a student should be transitioned into the public school setting, CONTRACTOR shall assist the LEA in implementing the IEP team's recommended activities to support the transition.

28. STATEWIDE ACHIEVEMENT TESTING

When CONTRACTOR is a NPS, per implementation of Senate Bill 484, CONTRACTOR shall administer all statewide assessments within the California Assessment of Student Performance and Progress ("CAASPP"), Desired Results Developmental Profile ("DRDP"), California Alternative Assessment ("CAA"), achievement and abilities tests (using LEA-authorized assessment instruments), the Fitness Gram, the English Language Proficiency Assessments for California ("ELPAC"), the Alternative English Language Proficiency Assessments for California ("Alternative ELPAC"), and as appropriate to the student, and mandated by LEA pursuant to LEA and state and federal guidelines.

CONTRACTOR is subject to the alternative accountability system developed pursuant to Education Code section 52052, in the same manner as public schools. Each LEA student placed with CONTRACTOR by the LEA shall be tested by qualified staff of CONTRACTOR in accordance with that accountability program. LEA shall provide test administration training to CONTRACTOR'S qualified staff. CONTRACTOR shall attend LEA test training and comply with completion of all coding requirements as required by LEA.

29. MANDATED ATTENDANCE AT LEA MEETINGS

CONTRACTOR shall attend District mandated meetings when legal mandates, and/or LEA policy and

procedures are reviewed, including but not limited to the areas of: curriculum, high school graduation, standards-based instruction, behavior intervention, cultural and linguistic needs of students with disabilities, dual enrollment responsibilities, LRE responsibilities, transition services, data collection and standardized testing and IEPs. LEA shall provide CONTRACTOR with reasonable notice of mandated meetings. Attendance at such meetings does not constitute a billable service hour(s).

30. POSITIVE BEHAVIOR INTERVENTIONS AND SUPPORTS

CONTRACTOR shall comply with the requirements of Education Code sections 49000, et seq., 49005, et seq., 56521.1 and 56521.2. LEA students who exhibit behaviors that interfere with their learning or the learning of others must receive timely and appropriate assessments and positive supports and interventions in accordance with the state and federal law and implementing regulations. If the IEP determines that a student's behavior impedes his or her learning or the learning of others, the IEP team is required to consider the use of positive behavioral interventions and supports, and other strategies, to address that behavior, consistent with Section 1414(d)(3)(B)(i) and (d)(4) of Title 20 of the United States Code and associated federal regulations. This could mean that instead of developing a Behavior Intervention Plan ("BIP"), the IEP team may conclude it is sufficient to address the student's behavioral problems through the development of behavioral goals and behavioral interventions to support those goals.

CONTRACTOR shall maintain a written policy pursuant to California Education Code section 56521.1 regarding emergency interventions and behavioral emergency reports. CONTRACTOR shall ensure that all of its staff members are trained in crisis intervention, emergency procedures, and evidence-based practices and interventions specific to the unique behavioral needs of CONTRACTOR's pupil population. The training shall be provided within 30 days of employment to all new staff who have any contact or interaction with pupils during the school day, and annually to all staff who have any contact or interaction with pupils during the school day. The CONTRACTOR shall select and conduct the training in accordance with California Education Code section 56366.1. CONTRACTOR shall maintain written records of the training and provide written verification of the training annually and upon request.

Emergency interventions are those interventions used with a student during the time they present a serious, dangerous behavior that staff has determined to be present a clear and present danger to self or others, which requires a non-violent physical intervention to protect the safety of student, self, or others that cannot be prevented by use of a less restrictive technique. Pursuant to Education Code section 56521.1, emergency interventions shall not be used as a substitute for a BIP, and shall not be employed longer than necessary to contain the behavior. Emergency interventions may only be used to control unpredictable, spontaneous behavior that poses clear and present danger of serious physical harm to the individual with exceptional needs, or others, and that cannot be immediately prevented by a response less restrictive than the temporary application of a technique used to contain the behavior. If a situation requires prolonged use of emergency intervention, staff must seek assistance from the school site administrator or a law enforcement agency.

CONTRACTOR shall complete a behavior emergency report when an emergency intervention is used or when a physical intervention has not been used, but an injury or serious property damage has occurred. Personal Safety Techniques may or may not have been used. A behavior emergency report form must be completed and submitted to the LEA within twenty-four (24) hours for administrative action. CONTRACTOR shall notify Parent within twenty-four (24) hours via telephone.

If the student's IEP does not contain a BIP CONTRACTOR shall schedule with LEA an IEP meeting within two (2) days to review the behavior emergency report, determine if there is a necessity for a functional behavioral assessment, and to determine an interim plan. If applicable, the IEP team shall document the reasons for not conducting the functional behavioral assessment, not developing an interim plan, or both.

If the student already has a BIP and the incident involved a previously unseen or new serious behavior, or if preexisting behavioral interventions in the BIP were ineffective, CONTRACTOR shall schedule with LEA an IEP meeting to review and determine the need to modify the BIP.

Pursuant to Education Code section 56521.2, CONTRACTOR shall not authorize, order, consent to, or pay for the following interventions, or any other interventions similar to or like the following:

1. any intervention that is designed to, or likely to, cause physical pain, including, but not limited to, electric-shock;
2. an intervention that involves the release of noxious, toxic, or otherwise unpleasant sprays, mists, or substances in proximity to the face of the individual;
3. an intervention that denies adequate sleep, food, water, shelter, bedding, physical comfort, or access to bathroom facilities;
4. an intervention that is designed to subject, used to subject, or likely to subject, the individual to verbal abuse, ridicule, or humiliation, or that can be expected to cause excessive emotional trauma;
5. restrictive interventions that employ a device, material, or objects that simultaneously immobilize all four extremities
6. prone restraint;
7. locked seclusion, unless it is in a facility otherwise licensed or permitted by state law to use a locked room;
8. an intervention that precludes adequate supervision of the individual;
9. an intervention that deprives the individual of one or more of the individual's senses.

CONTRACTOR shall comply with Education Code section 49005.8, 56521.1 and 56521.2. Specifically, Contractor shall not do any of the following:

1. Use seclusion or a behavioral restraint for the purpose of coercion, discipline, convenience, or retaliation.
2. Use locked seclusion, unless it is in a facility otherwise licensed or permitted by the state law to use a locked room.
3. Use a physical restraint technique that obstructs a pupil's respiratory airway or impairs the pupil's breathing or respiratory capacity, including techniques in which a staff member places pressure on a pupil's back or places the staff member's body weight against the pupil's torso or back.
4. Use a behavioral restraint technique that restricts breathing, including, but not limited to, using a pillow, blanket, carpet, mat, or other item to cover a pupil's face.
5. Use prone restraint, including but not limited to prone containment
6. Use a behavioral restraint for longer than is necessary to contain the behavior that poses a clear and present danger of serious physical harm to the pupil or others.

CONTRACTOR shall keep constant, direct observation of a pupil who is in seclusion, which may be through observation of the pupil through a window, or another barrier, through which the educational provider is able to make direct eye contact with the pupil. This observation shall not be through indirect means, including through a security camera or a closed-circuit television.

CONTRACTOR shall afford pupils who are restrained the least restrictive alternative and the maximum freedom of movement, and shall use the least number of restraint points, while ensuring the physical safety of the pupil and others.

In the case of a child whose behavior impedes the child's learning or that of others, the IEP team shall consider the use of positive behavioral interventions and supports, and other strategies, to address that behavior, consistent with Section 1414(d)(3)(B)(i) and (d)(4) of Title 20 of the United States Code and associated federal

regulations.

All restraint practices must be reviewed and revised when they have an adverse effect on a student and are used repeatedly for an individual child, either on multiple occasions within the same classroom or multiple uses by the same individual. CONTRACTOR shall notify the student's parent/guardian when any type of physical or mechanical restraint or seclusion has been used. Upon the use of any type of physical or mechanical restraint or seclusions of a LEA student, CONTRACTOR shall complete a BER per the reporting and notification requirements listed above.

31. STUDENT DISCIPLINE

CONTRACTOR shall maintain and abide by a written policy for student discipline that is consistent with state and federal law and regulations. Using forms developed by the California Department of Education or as otherwise mutually agreed upon by CONTRACTOR and LEA, CONTRACTOR shall provide LEA, on a monthly basis, a written report of all incidents in which a statutory offense is committed by any LEA student, regardless if it results in a disciplinary action of suspension or expulsion. This includes all statutory offenses as described in Education Code 48900 and 48915. CONTRACTOR shall also include incidents resulting in the use of a behavioral restraint and/or seclusion even if they were not a result of a violation of Education Code Sections 48900 and 48915.

When CONTRACTOR seeks to remove a student from his/her current educational placement for disciplinary reasons, CONTRACTOR shall immediately submit a written discipline report to the LEA. Written discipline reports shall include, but not be limited to: the student's name; the time, date, and description of the misconduct; the disciplinary action taken by CONTRACTOR; and the rationale for such disciplinary action. A copy of the student's behavior plan, if any, shall be submitted with the written discipline report. CONTRACTOR and LEA agree to participate in a manifestation determination at an IEP meeting no later than the tenth (10th) day of suspension.

32. IEP TEAM MEETINGS

An IEP team meeting shall be convened at least annually to evaluate: (1) the educational progress of each student placed with CONTRACTOR, including all state assessment results pursuant to the requirements of Education Code section 52052; (2) whether or not the needs of the student continue to be best met at the NPS; and (3) whether changes to the student's IEP are necessary, including whether the student may be transitioned to a public school setting. (California Education Code sections 56366 (a) (2) (B) (i) and (ii)) and pursuant to California Education Code section 56345 (b) (4).)

If the LEA student is to be transferred from a NPS setting into a regular class setting in a public school for any part of the school day, the IEP team shall document, a description of activities provided to integrate the student into the regular education program, including the nature of each activity as well as the time spent on the activity each day or week and a description of the activities provided to support the transition of the student from the special education program into the regular education program. Each student shall be allowed to provide confidential input to any representative of his or her IEP team. Except as otherwise provided in the Master Contract, CONTRACTOR and LEA shall participate in all IEP team meetings regarding students for whom ISAs have been or may be executed. At any time during the term of this Master Contract, the parent, the CONTRACTOR or the LEA may request a review of the student's IEP, subject to all procedural safeguards required by law, including reasonable notice given to, and participation of, the CONTRACTOR in the meeting. Every effort shall be made to schedule IEP team meetings at a time and place that is mutually convenient to parent, CONTRACTOR and LEA. CONTRACTOR shall provide to LEA assessments and written assessment reports by service providers upon request and/or pursuant to LEA policy and procedures. It is understood that

attendance at an IEP meeting is part of CONTRACTOR'S professional responsibility and is not a billable service under this Master Contract.

It is understood that the CONTRACTOR shall utilize the approved electronic IEP system of the LEA for all IEP planning and progress reporting at the LEA's discretion. The LEA or SELPA may provide training for any CONTRACTOR to ensure access to the approved system. The CONTRACTOR shall maintain confidentiality of all IEP data on the approved system and shall protect the password requirements of the system. When a student dis-enrolls from the NPS/NPA, the NPS/NPA and LEA shall discontinue use of the approved system for that student.

Changes in any student's educational program, including instruction, services, or instructional setting provided under this Master Contract, may only be made on the basis of revisions to the student's IEP. In the event that the CONTRACTOR believes the student requires a change of placement, the CONTRACTOR may request a review of the student's IEP for the purposes of consideration of a change in the student's placement. Student is entitled to remain in the last agreed upon and implemented placement unless parent agrees otherwise or an Interim Alternative Educational Setting is deemed lawful and appropriate by LEA or OAH consistent with Section 1415 (k)(1)(7) of Title 20 of the United States Code.

If CONTRACTOR is an NPS, CONTRACTOR shall ensure private and confidential communication, including telecommunication, between a pupil of the NPS and members of the pupil's IEP team and the CDE's Constituent Services Office, at the pupil's discretion.

IEP Team Meetings. Where a contractor (i.e., a non-employee) of the provider of related services to a student pursuant to an IEP is a member of the IEP team and requested to be present at an IEP team meeting, LEA shall be responsible for charges due for that provider's contractor in attendance at the IEP meeting in accordance with the Rate Schedule, (Exhibit A) in the Master Agreement. The rate for such attendance shall be at the individual rate if more than one rate is listed in the Rate Schedule (Exhibit A).

33. SURROGATE PARENTS AND FOSTER YOUTH

CONTRACTOR shall recognize LEA appointed surrogate parent assignments for students without parental representation, including unaccompanied homeless youths, in special education procedures pursuant to California Government Code Section 7579.5. Surrogate parents shall serve as the child's parent and have all the rights relative to the student's education that a parent has under the Individuals with Disabilities Education Act pursuant to *20 USC 1414-1482 and 34 CFR 300.1-300.756*. A pupil in foster care shall be defined pursuant to California Education Code section 42238.01(b). The LEA shall annually notify the CONTRACTOR who the LEA has designated as the educational liaison for foster children. When a pupil in foster care is enrolled in a NPS by the LEA any time after the completion of the pupil's second year of high school, the CONTRACTOR shall schedule the pupil in courses leading towards graduation based on the diploma requirements of the LEA unless provided notice otherwise in writing pursuant to Section 51225.1.

34. DUE PROCESS PROCEEDINGS

CONTRACTOR shall fully participate in special education due process proceedings including mediations and hearings, as requested by LEA. Participation further includes the willingness to make CONTRACTOR's staff available for witness preparation and testimony as is necessary to facilitate a due process hearing. CONTRACTOR shall also fully participate in the investigation and provision of documentation related to any complaint filed with the State of California, the Office of Civil Rights, or any other state and/or federal governmental body or agency. Full participation shall include, but in no way be limited to, cooperating with

LEA representatives to provide complete answers raised by any investigator and/or the immediate provision of any and all documentation that pertains to the operation of CONTRACTOR's program and/or the implementation of a particular student's IEP/Individual and Family Service Plan ("IFSP").

35. COMPLAINT PROCEDURES

CONTRACTOR shall maintain and adhere to its own written procedures for responding to parent complaints. These procedures shall include annually notifying and providing parents of students with appropriate information (including complaint forms) for the following: (1) Uniform Complaint Procedures pursuant to Title 5 of the California Code of Regulations section 4600 et seq.; (2) Nondiscrimination policy pursuant to Title 5 of the California Code of Regulations section 4960 (a); (3) Sexual Harassment Policy, California Education Code 231.5 (a) (b) (c); (4) Title IX Student Grievance Procedure, Title IX 106.8 (a) (d) and 106.9 (a); and (5) Notice of Privacy Practices in compliance with Health Insurance Portability and Accountability Act ("HIPAA"). CONTRACTOR shall include verification of these procedures to the LEA. CONTRACTOR shall immediately notify LEA of any written complaints filed against it related to LEA students and provide LEA with all documentation related to the complaints and/or its investigation of complaints, including any and all reports generated as a result of an investigation.

36. STUDENT PROGRESS REPORTS/REPORT CARDS AND ASSESSMENTS

Unless LEA requests in writing that progress reports be provided on a monthly basis, CONTRACTOR shall provide to parents at least four (4) written progress reports/report cards. At a minimum, progress reports shall include progress over time towards IEP goals and objectives. A copy of the progress reports/report cards shall be maintained at the CONTRACTOR's place of business and shall be submitted to the LEA and LEA student's parent(s) quarterly. Or as required by a pupil's IEP.

The CONTRACTOR shall also provide an LEA representative access to supporting documentation used to determine progress on any goal or objective, including but not limited to log sheets, observation notes, data sheets, pre/post tests, rubrics and other similar data collection used to determine progress or lack of progress on approved goals, objectives, transition plans or behavior intervention plans. The LEA may request such data at any time within five (5) years of the date of service. The CONTRACTOR shall provide this data supporting progress within five (5) business days of request. Additional time may be granted as needed by the LEA.

CONTRACTOR shall complete academic or other evaluations of the student ten (10) days prior to the student's annual or triennial review IEP team meeting for the purpose of reporting the student's present levels of performance at the IEP team meeting as required by state and federal laws and regulations and pursuant to LEA policies, procedures, and/or practices. CONTRACTOR shall provide sufficient copies of its reports, documents, and projected goals to share with members of the IEP team five (5) business days prior to the IEP meeting. CONTRACTOR shall maintain supporting documentation such as test protocols and data collection, which shall be made available to LEA within five (5) business days of request.

The CONTRACTOR is responsible for all evaluation costs regarding the updating of goals and objectives, progress reporting and development of present levels of performance. All assessments resulting from an assessment plan shall be provided by the LEA unless the LEA specifies in writing a request that CONTRACTOR perform such additional assessments. Any assessment and/or evaluation costs may be added to the ISA and/or approved separately by the LEA and at the LEA's sole discretion.

It is understood that all billable hours must be in direct services to pupils as specified in the ISA. For NPA services, supervision provided by a qualified individual as specified in Title 5 Regulation, subsection 3065, shall be determined as appropriate and included in the ISA. Supervision means the direct observation of services, data review, case conferencing and program design consistent with professional standards for each

professional's license, certification, or credential.

CONTRACTOR shall not charge the student's parent(s) or LEA for the provision of progress reports, report cards, evaluations conducted in order to obtain present levels of performance, interviews, and/or meetings. It is understood that all billable hours have limits to those specified on the ISA consistent with the IEP. It is understood that copies of data collection notes, forms, charts and other such data are part of the pupil's record and shall be made available to the LEA upon written request.

37. GRADES, HIGH SCHOOL COURSE CREDITS & TRANSCRIPTS

When CONTRACTOR is an NPS, CONTRACTOR is responsible for assigning grades for any course of instruction taught at the NPS. The grades determined by the pupil's teacher, in the absence of clerical or mechanical mistake, fraud, bad faith, or incompetency, shall be final and consistent with the provisions specified in *EC* Section 49066. The grades each pupil receives in all courses of instruction taught by the NPS shall be reported to the parents and the LEA on a quarterly basis. Consistent with the LEA, should it become evident to the NPS the pupil is in danger of failing a course, the CONTRACTOR must initiate a parent conference, and the LEA representative must be in attendance.

When CONTRACTOR serves students in grades nine (9) through twelve (12) inclusive, LEA shall provide to CONTRACTOR a specific list of the course requirements to be satisfied by the CONTRATOR leading toward graduation or completion of LEA's diploma requirements. CONTRACTOR shall not recommend awarding a high school diploma to students who have not successfully completed all of the LEA's graduation requirements.

Pupil enrolled in high school during the 2020-2021 academic year may request a Pass or No Pass grade as permitted in *EC* Section 49066.5, which may be reflected on the student's transcript and shall not negatively affect the pupil's grade point average.

CONTRACTOR shall prepare transcripts at the close of each semester, or upon student transfer, for students in grades nine (9) through twelve (12) inclusive, and submit them on LEA approved forms to the LEA for evaluation of progress toward completion of diploma, or alternate process requirements as specified in LEA Procedures. CONTRACTOR shall submit to the LEA names of students and the LEA for whom transcripts have been submitted as specified by the LEA.

INDIVIDUAL TRANSITION PLANNING – AB 438, Approved on September 28, 2024

Effective July 1, 2025, if determined appropriate by the pupil's IEP team, beginning when the pupil starts their high school experience and not later than when the pupil is 16 years of age or younger, as appropriate, and annually thereafter, a statement of needed transition services shall be included in the pupil's individualized education program. If the individualized education program team determines that the pupil would benefit from the postponement of the inclusion of appropriate measurable postsecondary goals and transition services until 16 years of age, rather than when the pupil begins their high school experience, the individualized education program team shall appropriately justify the basis for that postponement. (EC section 56043 (h))

38. STUDENT CHANGE OF RESIDENCE

Within five (5) school days from the date CONTRACTOR becomes aware of a student's change of residence, CONTRACTOR shall notify LEA, in writing, of the student's change of residence. Upon enrollment, CONTRACTOR shall notify parents in writing of their obligation to notify CONTRACTOR of the student's change of residence. CONTRACTOR shall maintain, and provide upon request by LEA, documentation of

such notice to parents.

If CONTRACTOR had knowledge or should reasonably have had knowledge of the student's change of residence boundaries and CONTRACTOR fails to follow the procedures specified in this provision, LEA shall not be responsible for the costs of services delivered following the student's change of residence.

39. WITHDRAWAL OF STUDENT FROM PROGRAM

CONTRACTOR shall immediately report electronically and in writing to the LEA within five (5) business days when an LEA student is withdrawn without prior notice from school and/or services, including student's change of residence to a residence outside of LEA service boundaries, and parent/guardian withdrawal of student against professional advice from a NPS/RTC.

40. PARENT ACCESS

CONTRACTOR shall provide for reasonable parental access to students and all facilities including, but not limited to, the instructional setting, recreational activity areas, meeting rooms and student living quarters, when applicable CONTRACTOR shall comply with any known court orders regarding parental visits and access to LEA students.

CONTRACTOR operating programs associated with a NPS/RTC shall cooperate with a parent's reasonable request for LEA student therapeutic visits in their home or at the NPS/RTC. CONTRACTOR shall require that parents obtain prior written authorization for therapeutic visits from the CONTRACTOR and the LEA at least thirty (30) days in advance. When requested CONTRACTOR shall facilitate all parent travel and accommodations and for providing travel information to the parent as appropriate. Payment by LEA for approved travel-related expenses shall be made directly through the LEA consistent with LEA Procedures.

CONTRACTOR providing services in the student's home as specified in the IEP shall ensure that at least one parent of the child, or an adult caregiver with written and signed authorization to make decisions in an emergency, is present. The names of any adult caregiver other than the parent shall be provided to the LEA prior to the start of any home based services, including written and signed authorization in emergency situations. The parent shall inform the LEA of any changes of caregivers and provide written authorization for emergencies. The adult caregiver cannot also be an employee or volunteer associated with the NPS/NPA service provider.

All problems and/or concerns both verbal and written reported to pupil's parents, shall also be provided, in writing, to the LEA.

41. LICENSED CHILDREN'S INSTITUTION ("LCI") CONTRACTORS AND RESIDENTIAL TREATMENT CENTER ("RTC") CONTRACTORS

If CONTRACTOR is a LCI, CONTRACTOR shall adhere to all legal requirements regarding educational placements for LCI students as stated in Education Code 56366 (a) (2) (C), 56366.9 (c) (1), Health and Safety Code section 1501.1 and any other applicable laws and/or regulations, including LEA guidelines or procedures. An LCI shall not require that a pupil be placed in its NPS as a condition of being placed in its residential facility.

If CONTRACTOR is a, NPS/RTC, CONTRACTOR shall adhere to all legal requirements under the Individuals with Disabilities Education Act (IDEA), 20 U.S.C. section 1400 et seq. including the federal regulations 34 C.F.R section 300 et seq. and Education Code section 56000 et seq. including Title 5 of the California Code of Regulations section 3000 et seq. CONTRACTOR shall comply with all monitoring

requirements set forth in Section 43 below.

If CONTRACTOR is a NPS that is owned, operated by, or associated with a LCI, CONTRACTOR shall provide to LEA, on a quarterly basis, a list of all students, including those identified as eligible for special education. For those identified as special education students, the list shall include: 1) special education eligibility at the time of enrollment and; 2) the educational placement and services specified in each student's IEP at the time of enrollment. A copy of the current IEP shall be provided to the LEA.

Unless placement is made pursuant to an Office of Administrative Hearings order or a lawfully executed agreement between LEA and parent, LEA is not responsible for the costs associated with NPS placement until the date on which an IEP team meeting is convened, the IEP team determines that a NPS placement is appropriate, and the IEP is signed by the student's parent or another adult with educational decision-making rights.

In addition to meeting the certification requirements of the State of California, a CONTRACTOR that operates a program outside of this State shall be certified or licensed by that state to provide, respectively, special education and related services and designated instruction and related services to pupils under the federal IDEA Act (20 U.S.C. Sec. 1400 et seq.) and shall be certified or licensed by the state to provide nonmedical care, clinical services, or short-term residential therapeutic programs, as applicable to the facility type; and shall submit to all monitoring requirements specific to out-of-state NPS contractors set forth in Education Code 56366.1 and Section 43 below

42. STATE MEAL MANDATE

When CONTRACTOR is a NPS, CONTRACTOR and LEA shall satisfy the State Meal Mandate under California Education Code sections 49005 et seq.; 49501.5, the universal meal mandate 49530 et seq; and 49550 et seq.

LEA, at its sole discretion, may elect to directly provide meals to CONTRACTOR for distribution to LEA students at the nonpublic school on its own or by another local school district.

CONTRACTOR acknowledges that the LEA does not receive any state or federal reimbursement for any meals CONTRACTOR provides to LEA students and that CONTRACTOR is only eligible to receive direct reimbursement if it is an approved site under the National School Lunch Program.

In the event the LEA requests CONTRACTOR to provide meals to LEA students, CONTRACTOR will provide breakfast and lunch to the LEA students in compliance with the meal pattern requirements under the School Breakfast Program and National School Lunch Program nutritional standards. LEA shall reimburse CONTRACTOR for each meal made available at a mutually agreed upon rate. In the event CONTRACTOR is unable to provide meals, the LEA and CONTRACTOR will work collaboratively to find a solution. In the event CDE determines that meals do not need to be provided, this paragraph shall not apply.

CONTRACTOR shall maintain all documentation of meals provided to LEA students, CONTRACTOR shall comply with record keeping requirements under the School Breakfast Program and the National School Lunch Program or LEA template. Upon request, CONTRACTOR shall provide copies of such records to LEA. CONTRACTOR shall also allow LEA to conduct site monitoring visits as deemed necessary by the LEA.

If CONTRACTOR uses a third-party vendor to provide meals, CONTRACTOR will assure that the third-party vendor agrees to comply with all meal pattern requirements of the School Breakfast Program and National School Lunch Program nutritional standards. Upon request, CONTRACTOR shall provide LEA with any contracts it has with third-party vendors providing meals for students.

43. MONITORING

The State Superintendent of Public Instruction ("Superintendent") through the delegated monitoring activities to the California Department of Education (CDE), shall monitor CONTRACTOR'S facilities, the educational environment, and the quality of the educational program, including the teaching staff, the credentials authorizing service, the standards-based core curriculum being employed, and the standard focused instructional materials used on a three-year cycle, as follows: (1) CONTRACTOR shall complete a self-review in year one; (2) the Superintendent shall conduct an onsite review in year two; and (3) the Superintendent shall conduct a follow-up visit in year three.

CONTRACTOR shall participate in any LEA or CDE compliance review, if applicable, to be conducted as aligned with the CDE Onsite Review and monitoring cycle in accordance with California Education Code section 56366.1(j) and (k) as applicable. This review will address programmatic aspects of the NPS, compliance with relevant state and federal regulations, and Master Contract compliance , as well as pupil perceptions, progress, and concerns, as required by law. CONTRACTOR shall conduct any follow-up or corrective action procedures related to review findings.

If CONTRACTOR is also an LCI and/or NPS/RTC, the CDE shall annually evaluate whether CONTRACTOR is in compliance with Education Code section 56366.9 and Health and Safety Code section 1501.1(b).

The LEA or SELPA shall conduct an onsite visit to the NPS before placement of a pupil if the LEA does not have any pupils enrolled at the school at the time of placement.

The LEA or SELPA shall conduct at least one onsite monitoring visit during each school year to the CONTRACTOR site certified as an NPS where the LEA has placed a pupil and entered a master contract. The monitoring visit shall include, but is not limited to, a review of services specified on the ISA and provided to the pupil, a review of progress the pupil is making toward the goals set forth in the pupil's IEP, a review of progress the pupil is making towards the goals set forth in the pupil's behavioral intervention plan, if applicable, an observation of the pupil during instruction, and a walkthrough of the facility , and, for a pupil placed in an NPS located outside of California, an in-person interview with the pupil, in a manner consistent with the pupil's IEP, to evaluate the pupil's health and safety. The LEA or SELPA shall report the findings resulting from the monitoring visit to the CDE , using the "Local Educational Agency Onsite Visit for Nonpublic School" form developed and published by the department on CDE's internet website, including additional findings required by the CDE specific to NPS located outside California, if applicable, within 60 calendar days of the onsite visit.

If CONTRACTOR is an NPS located outside of California, the LEA or SELPA shall conduct at least quarterly check-ins with a pupil placed by the LEA pursuant to a master contract, through an unmonitored telephone call, in a manner consistent with the pupil's IEP.

CONTRACTOR shall allow LEA representatives access to its facilities for additional periodic monitoring of each student's instructional program. LEA shall have access to observe each student at work, observe the instructional setting, interview CONTRACTOR employees, and student(s) placed by the LEA, and review each student's records and progress. Such access shall include unannounced monitoring visits. When making site visits, LEA shall initially report to CONTRACTOR's site administrative office. CONTRACTOR shall be invited to participate in the review of each student's progress.

CONTRACTOR understands that LEA reserves the right to institute a program audit with or without cause. The program audit may include, but is not limited to, a review of core compliance areas of health and safety; curriculum/instruction; related services; and contractual, legal, and procedural compliance.

When CONTRACTOR is a NPS, CONTRACTOR shall collect all applicable data and prepare the applicable

portion of a School Accountability Report Card as appropriate in accordance with California Education Code Section 33126.

PERSONNEL

44. CLEARANCE REQUIREMENTS

CONTRACTOR shall comply with the requirements of California Education Code sections 44237, 35021.1, 35021.2, and 56366.1 including, but not limited to: obtaining clearance from both the California Department of Justice (hereinafter referred to as “CDOJ”) and clearance from the Federal Bureau of Investigation (hereinafter referred to as "FBI") for CONTRACTOR’s employees and volunteers who will have or likely may have any direct contact with LEA students. CONTRACTOR hereby agrees that CONTRACTOR’s employees and volunteers shall not come in contact with students in person or virtually until CDOJ and FBI clearance are ascertained. CONTRACTOR shall certify in writing to LEA that none of its employees, and volunteers, unless CONTRACTOR determines that the volunteers will have no direct contact with students, or subcontractors who may come into contact with students have been convicted of a violent or serious felony as those terms are defined in California Education Code section 44237(h), unless despite the employee’s conviction of a violent or serious felony, he or she has met the criteria to be eligible for employment pursuant to California Education Code section 44237 (i) or (j). Upon requests, clearance certification shall be submitted to the LEA. In addition, CONTRACTOR shall make a request for subsequent arrest service from CDOJ as required by California Penal Code section 11105.2 CONTRACTOR shall certify to LEA that they have successful background checks and enrolled in subsequent arrest notification service for all employees who may come into contact with students.

Notwithstanding the restrictions on sharing and destroying criminal background check information, CONTRACTOR, upon demand, shall make available to the LEA evidence of a successful criminal background check clearance and enrollment in subsequent arrest notification service, as provided, for each owner, operator, and employee of the NPS/A. CONTRACTOR is required to retain the evidence on-site, as specified, for all staff, including those licensed or credentialed by another state agency. Background clearances and proof of subsequent arrest notification service, as required by California Penal Code section 11105.2, for all staff shall be provided to the LEA upon request.

45. STAFF QUALIFICATIONS

CONTRACTOR shall ensure that all individuals employed, contracted, and/or otherwise hired by CONTRACTOR to provide classroom and/or individualized instruction or related services hold a license, certificate, permit, or other document equivalent to that which staff in a public school are required to hold in the service rendered consistent with Education Code section 56366.1(n)(1) and are qualified pursuant to Title 34 of the Code of Federal Regulations sections 200.56 and 200.58, and Title 5 of the California Code of Regulations sections 3001(r), 3064 and 3065. Such qualified staff may only provide related services within the scope of their professional license, certification or credential and ethical standards set by each profession, and not assume responsibility or authority for another related services provider or special education teacher’s scope of practice.

CONTRACTOR shall ensure that all staff are appropriately credentialed to provide instruction and services to students with the disabling conditions placed in their program/school through documentation provided to the CDE (5 CCR 3064 (a)).

In accordance with California Education Code section 56366.1(a)(5) when CONTRACTOR is a NPS, an appropriately qualified person shall serve as curricular and instructional leader, and be able to provide leadership, oversight and professional development. The administrator of the NPS holds or is in the process of obtaining one of the following: (A) An administrative credential granted by an accredited postsecondary

educational institution and two years of experience with pupils with disabilities. (B) A pupil personnel services credential that authorizes school counseling or psychology. (C) A license as a clinical social worker issued by the Board of Behavioral Sciences. (D) A license in psychology regulated by the Board of Psychology. (E) A master's degree issued by an accredited postsecondary institution in education, special education, psychology, counseling, behavioral analysis, social work, behavioral science, or rehabilitation. (F) A credential authorizing special education instruction and at least two years of experience teaching in special education before becoming an administrator. (G) A license as a marriage and family therapist certified by the Board of Behavioral Sciences. (H) A license as an educational psychologist issued by the Board of Behavioral Sciences. (I) A license as a professional clinical counselor issued by the Board of Behavioral Sciences. (California Education Code Section 56366.1 (a)(5)) CONTRACTOR shall maintain, and provide the LEA upon request, documentation of its administrator's qualification in accordance with the above.

CONTRACTOR shall comply with personnel standards and qualifications regarding instructional aides and teacher assistants respectively pursuant to federal requirements and California Education Code sections 45340 et seq. and 45350 et seq. Specifically, all paraprofessionals, including but not limited to, instructional aides and teacher assistants, employed, contracted, and/or otherwise hired or subcontracted by CONTRACTOR to provide classroom and/or individualized instruction or related services, shall possess a high school diploma (or its recognized equivalent) and at least one of the following qualifications: (a) completed at least two (2) years of study at an institution of higher education; or (b) obtained an associate's (or higher) degree; or (c) met a rigorous standard of quality and can demonstrate, through a formal state or local assessment (i) knowledge of, and the ability to assist in instructing, reading, writing, and mathematics; or (ii) knowledge of, and the ability to assist in instructing, reading readiness, writing readiness, and mathematics readiness, as appropriate. CONTRACTOR shall comply with all laws and regulations governing the licensed professions, including but not limited to, the provisions with respect to supervision.

In addition to meeting the certification requirements of the State of California, a CONTRACTOR that operates a program outside of this state and serving a student by this LEA shall be certified or licensed by that state to provide special education and related services to pupils under the federal Individuals with Disabilities Education Act (20 U.S.C. Sec. 1400 et seq.).

46. VERIFICATION OF LICENSES, CREDENTIALS & OTHER DOCUMENTS

CONTRACTOR shall submit to LEA a staff list, and copies of all current licenses, credentials, certifications, permits and/or other documents which entitle the holder to provide special education and/or related services by individuals employed, contracted, and/or otherwise hired or sub-contracted by CONTRACTOR. CONTRACTOR shall ensure that all licenses, credentials, permits or other documents are on file at the office of the County Superintendent of Schools. CONTRACTOR shall provide the LEA with the verified dates of fingerprint clearance, Department of Justice clearance and Tuberculosis Test clearance for all employees, approved subcontractors and/or volunteers prior to such individuals starting to work with any student.

CONTRACTOR shall monitor the status of licenses, credentials, certifications, permits and/or other documents for all individuals employed, contracted, and/or otherwise hired by CONTRACTOR. CONTRACTOR shall notify LEA and CDE in writing within forty-five (45) days when personnel changes occur which may affect the provision of special education and/or related services to LEA students. CONTRACTOR shall notify LEA within forty-five (45) if any such licenses, certifications or waivers are expired, suspended, revoked, rescinded, challenged pursuant to an administrative or legal complaint or lawsuit, or otherwise nullified during the effective period of this Master Contract. The LEA shall not be obligated to pay for any services provided by a person whose such licenses, certifications or waivers are expired, suspended, revoked, rescinded, or otherwise nullified during the period which such person is providing services under this Master Contract. Failure to notify the LEA and CDE of any changes in credentialing/licensed staff may result in suspension or revocation of CDE

certification and/or suspension or termination of this Master Contract by the LEA.

47. STAFF ABSENCE

When CONTRACTOR is a nonpublic school, and CONTRACTOR's classroom teacher is absent, CONTRACTOR shall provide an appropriately credentialed substitute teacher in the absent teacher's classroom in accordance with California Education Code section 56061. CONTRACTOR shall provide to the LEA documentation of substitute coverage. Substitute teachers shall remain with their assigned class during all instructional time.

The LEA shall not be responsible for any payment for instruction and/or services when an appropriately credentialed substitute teacher is not provided in accordance with California Education Code section 56051.

When CONTRACTOR is a NPA and/or related services provider, and CONTRACTOR's service provider is absent, CONTRACTOR shall provide a qualified (as defined in Section 7 of this agreement and as determined by LEA) substitute, unless LEA provides appropriate coverage in lieu of CONTRACTOR's service providers. It is understood that the parent of a student shall not be deemed to be a qualified substitute for their student. LEA will not pay for services unless a qualified substitute is provided and/or CONTRACTOR provides documentation evidencing the provision of "make-up" services by a qualified service provider within thirty (30) calendar days from the date on which the services should have been provided. CONTRACTOR shall not "bank" or "carry over" make up service hours under any circumstances, unless otherwise agreed to in writing by CONTRACTOR and authorized LEA representative.

48. STAFF PROFESSIONAL BEHAVIOR WHEN PROVIDING SERVICES AT SCHOOL OR SCHOOL RELATED EVENTS OR AT SCHOOL FACILITY AND/OR IN THE HOME

It is understood that all employees, subcontractors, and volunteers of any certified NPS/A shall adhere to the customary professional and ethical standards when providing services. All practices shall only be within the scope of professional responsibility as defined in the professional code of conduct for each profession as well as any LEA professional standards as specified in Board policies and/or regulations when made available to the CONTRACTOR.

For services provided on a public school campus, sign in/out procedures shall be followed by NPS/A providers working in a public school classroom along with all other procedures for being on campus consistent with school and district policy. Such policies and procedures shall be made available to the CONTRACTOR upon request. It is understood that the public school credentialed classroom teacher is responsible for the instructional program.

CONTRACTOR providing services outside of the student's school as specified in the IEP shall ensure that at least one parent of the child or an adult caregiver with written and signed authority to make decisions in an emergency is present during provision of services. The names of any adult caregiver other than the parent shall be provided to the LEA prior to the start of any home-based services, including written and signed authorization in emergency situations. The adult caregiver cannot also be an employee or volunteer associated with the NPS/NPA service provider. All problems and/or concerns reported by CONTRACTOR to parents or guardians, in either verbal or written form, shall be reported to the LEA.

HEALTH AND SAFETY MANDATES

49. HEALTH AND SAFETY

CONTRACTOR shall comply with all applicable federal, state, local, and LEA laws, regulations, ordinances, policies, and procedures regarding student and employee health and safety. CONTRACTOR shall comply with the requirements of California Education Code sections 35021 et. seq. and, 49406, regarding the examination of CONTRACTOR's employees and volunteers for tuberculosis. CONTRACTOR shall provide to LEA documentation for each individual volunteering, employed, contracted, and/or otherwise hired by CONTRACTOR of such compliance before an individual comes in contact with a student.

CONTRACTOR shall comply with OSHA Blood-Borne Pathogens Standards, 29 Code of Federal Regulations (CFR) section 1910.1030, when providing medical treatment or assistance to a student. CONTRACTOR further agrees to provide annual training regarding universal health care precautions and to post required notices in areas designated in the California Health and Safety Code.

50. FACILITIES AND FACILITIES MODIFICATIONS

CONTRACTOR shall provide special education and/or related services to students in facilities that comply with all applicable federal, state, and local laws, regulations, and ordinances related, but not limited to: disability access; fire, health, sanitation, and building standards and safety; fire warning systems; zoning permits; and occupancy capacity. When CONTRACTOR is a NPS, CONTRACTOR shall conduct fire drills as required by Title 5 California Code of Regulations section 550. CONTRACTOR shall be responsible for any structural changes and/or modifications to CONTRACTOR's facilities as required complying with applicable federal, state, and local laws, regulations, and ordinances. Failure to notify the LEA and CDE of any changes in, major modification or relocation of facilities may result in the suspension or revocation of CDE certification and/or suspension or termination of this Master Contract by the LEA.

51. ADMINISTRATION OF MEDICATION

CONTRACTOR shall comply with the requirements of California Education Code section 49422 et seq. when CONTRACTOR serves a student that is required to take prescription and/or over-the-counter medication during the school day. CONTRACTOR may designate personnel to assist the student with the administration of such medication after the student's parent(s) provide to CONTRACTOR: (a) a written statement from a physician detailing the type, administration method, amount, and time schedules by which such medication shall be taken; and (b) a written statement from the student's parent(s) granting CONTRACTOR permission to administer medication(s) as specified in the physician's statement. CONTRACTOR shall maintain, and provide to LEA upon request, copies of such written statements. CONTRACTOR shall maintain a written log for each student to whom medication is administered. Such written log shall specify the student's name; the type of medication; the date, time, and amount of each administration; and the name of CONTRACTOR's employee who administered the medication. CONTRACTOR maintains full responsibility for storing medications in a secure location and ensuring appropriate staff training in the administration of such medication consistent with physician's written orders. Any change in medication type, administration method, amount or schedule must be authorized by both a licensed physician and parent.

52. INCIDENT/ACCIDENT REPORTING

CONTRACTOR shall submit within 24 hours, electronically, any serious accident or incident report to the LEA. CONTRACTOR shall properly submit required accident or incident reports pursuant to the procedures specified in LEA Procedures.

53. CHILD ABUSE REPORTING

CONTRACTOR hereby agrees to annually train all staff members, including volunteers, so that they are familiar with and agree to adhere to its own child and dependent adult abuse reporting obligations and procedures as specified in California Penal Code section 11164 et seq. and Education Code 44691. To protect the privacy rights of all parties involved (i.e., reporter, child and alleged abuser), reports will remain confidential as required by law and professional ethical mandates. A written statement acknowledging the legal requirements of such reporting and verification of staff adherence to such reporting shall be submitted to the LEA.

54. SEXUAL HARASSMENT

CONTRACTOR shall have a Sexual and Gender Identity harassment policy that clearly describes the kinds of conduct that constitutes sexual harassment and that is prohibited by the CONTRACTOR's policy, as well as federal and state law. The policy should include procedures to make complaints without fear of retaliation, and for prompt and objective investigations of all sexual harassment complaints. CONTRACTOR further agrees to provide annual training to all employees regarding the laws concerning sexual harassment and related procedures pursuant to Government Code 12950.1.

55. REPORTING OF MISSING CHILDREN

CONTRACTOR assures LEA that all staff members, including volunteers, are familiar with and agree to adhere to requirements for reporting missing children as specified in California Education Code section 49370. A written statement acknowledging the legal requirements of such reporting and verification of staff adherence to such reporting shall be properly submitted to the LEA. The written statement shall be submitted as specified by the LEA.

FINANCIAL

56. ENROLLMENT, CONTRACTING, SERVICE TRACKING, ATTENDANCE REPORTING, AND BILLING PROCEDURES

CONTRACTOR shall assure that the nonpublic school or nonpublic agency has the necessary financial resources to provide an appropriate education for the students enrolled and will distribute those resources in such a manner to implement the IEP and ISA for each and every student.

CONTRACTOR shall comply with all LEA procedures concerning enrollment, contracting, attendance reporting, service tracking and billing including requirements of electronic billing as specified by the LEA Procedures, as well as provide all such records requested by LEA concerning the same. CONTRACTOR shall be paid for the provision of special education and/or related services specified in the student's IEP and ISA. All payments by LEA shall be made in accordance with the terms and conditions of this Master Contract and governed by all applicable federal and state laws.

CONTRACTOR shall maintain separate registers for the basic education program, each related service, and services provided by instructional assistants, behavior intervention aides and bus aides. Original attendance forms (i.e., roll books for the basic education program, service tracking documents and notes for instructional assistants, behavioral intervention aides, bus aides, and each related service) shall be completed by the actual service provider whose signature shall appear on such forms and shall be available for review, inspection, or audit by LEA during the effective period of this contract and for a period of five (5) years thereafter.

CONTRACTOR shall verify the accuracy of minutes of reported attendance that is the basis of services being billed for payment.

CONTRACTOR shall submit invoices and related documents to LEA for payment, for each calendar month when education or related services were provided. Invoices and related documents shall be properly submitted electronically and in addition, on an LEA form with signatures in the manner prescribed by LEA. At a minimum, each invoice must contain the following information: month of service; specific days and times of services coordinated by the LEA approved calendar unless otherwise specified in the IEP or agreed to by the LEA; name of staff who provided the service; approved cost of each invoice; total for each service and total for the monthly invoice; date invoice was mailed; signature of NPS/NPA administrator authorizing that the information is accurate and consistent with the ISA, CDE certificates and staff notification; verification that attendance report is attached as appropriate; indication of any made-up session consistent with this contract; verification that progress reports have been provided consistent with the ISA (monthly or quarterly unless specified otherwise on the ISA); and name or initials of each student for when the service was provided.

In the event services were not provided, rationale for why the services were not provided shall be included.

Such an invoice is subject to all conditions of this contract. At the discretion of the LEA, an electronic invoice may be required provided such notice has been made in writing and training provided to the CONTRACTOR at no additional charge for such training.

Invoices shall be submitted no later than thirty (30) days after the end of the attendance accounting period in which the services were rendered. LEA shall make payment to CONTRACTOR based on the number of billable days of attendance and hours of service at rates specified in this contract within forty-five (45) days of LEA's receipt of properly submitted hard copy of invoices prepared and submitted as specified in California Education Code Section 56366.5 and the LEA. CONTRACTOR shall correct deficiencies and submit rebilling invoices no later than thirty (30) calendar days after the invoice is returned by LEA. LEA shall pay properly submitted re-billing invoices no later than forty-five (45) days after the date a completely corrected re-billing invoice is received by LEA.

In no case shall initial payment claim submission for any Master Contract fiscal year (August-July) extend beyond December 31st after the close of the fiscal year. In no case shall any rebilling for the Master Contract fiscal year (August-July) extend beyond six (6) months after the close of the fiscal year unless approved by the LEA to resolve billing issues including re-billing issues directly related to a delay in obtaining information from the Commission on Teacher Credentialing regarding teacher qualification, but no later than twelve (12) months from the close of the fiscal year. If the billing or re- billing error is the responsibility of the LEA, then no limit is set provided that the LEA and CONTRACTOR have communicated such concerns in writing during the 12-month period following the close of the fiscal year. LEA will not pay mileage for NPA employees.

57. RIGHT TO WITHHOLD PAYMENT

LEA may withhold payment to CONTRACTOR when: (a) CONTRACTOR has failed to perform, in whole or in part, under the terms of this contract; (b) CONTRACTOR has billed for services rendered on days other than billable days of attendance or for days when student was not in attendance and/or did not receive services; (c) CONTRACTOR was overpaid by LEA as determined by inspection, review, and/or audit of its program, work, and/or records; (d) CONTRACTOR has failed to provide supporting documentation with an invoice, as required by EC 56366(c)(2); (e) education and/or related services are provided to students by personnel who are not appropriately credentialed, licensed, or otherwise qualified; (f) LEA has not received prior to school closure or contract termination, all documents concerning one or more students enrolled in CONTRACTOR's educational program; (g) CONTRACTOR fails to confirm a student's change of residence to another district or confirms the change of residence to another district, but fails to notify LEA within five (5) days of such

confirmation; or (h) CONTRACTOR receives payment from Medi-Cal or from any other agency or funding source for a service provided to a student. It is understood that no payments shall be made for any invoices that are not received by six (6) months following the close of the prior fiscal year, for services provided in that year.

Final payment to CONTRACTOR in connection with the cessation of operations and/or termination of a Master Contract will be subject to the same documentation standards described for all payment claims for regular ongoing operations. In addition, final payment may be withheld by the LEA until completion of a review or audit, if deemed necessary by the LEA. Such review or audit will be completed within ninety (90) days. The final payment may be adjusted to offset any previous payments to the CONTRACTOR determined to have been paid in error or in anticipation of correction of documentation deficiencies by the CONTRACTOR that remain uncorrected.

The amount which may be withheld by LEA with respect to each of the subparagraphs of the preceding paragraph are as follows: (a) the value of the service CONTRACTOR failed to perform; (b) the amount of overpayment; (c) the portion of the invoice for which satisfactory documentation has not been provided by CONTRACTOR; (d) the amount invoiced for services provided by the individual not appropriately credentialed, licensed, or otherwise qualified; (e) the proportionate amount of the invoice related to the applicable pupil for the time period from the date the violation occurred and until the violation is cured; or (f) the amount paid to CONTRACTOR by Medi-Cal or another agency or funding source for the service provided to the student.

If LEA determines that cause exists to withhold payment to CONTRACTOR, LEA shall, within ten (10) business days of this determination, provide to CONTRACTOR written notice that LEA is withholding payment. Such notice shall specify the basis or bases for LEA's withholding payment and the amount to be withheld. Within thirty (30) days from the date of receipt of such notice, CONTRACTOR shall take all necessary and appropriate action to correct the deficiencies that form the basis for LEA's withholding payment or submit a written request for extension of time to correct the deficiencies or submit to LEA written documentation demonstrating that the basis or bases cited by the LEA for withholding payment is unfounded. Upon receipt of CONTRACTOR's written request showing good cause, LEA shall extend CONTRACTOR's time to correct deficiencies (usually an additional thirty (30) days), otherwise payment will be denied.

If after subsequent request for payment has been denied and CONTRACTOR believes that payment should not be withheld, CONTRACTOR shall send written notice to LEA specifying the reason it believes payment should not be withheld. LEA shall respond to CONTRACTOR's notice within thirty (30) business days by indicating that a warrant for the amount of payment will be made or stating the reason LEA believes payment should not be made. If LEA fails to respond within thirty (30) business days or a dispute regarding the withholding of payment continues after the LEA's response to CONTRACTOR's notice, CONTRACTOR may invoke the following escalation policy.

After forty-five (45) business days: The CONTRACTOR may notify the Authorized LEA's Representative of the dispute in writing. The LEA Authorized Representative shall respond to the CONTRACTOR in writing within fifteen (15) business days.

After sixty (60) business days: The LEA or CONTRACTOR may appeal to the County Superintendent of Schools so long as the County Superintendent of Schools is not participating in the Local Plan involved in the NPS/A contract, or a mutually agreed upon mediator. Both parties agree to pay for their own costs and expenses arising out of such mediation. Each party agrees to act in good faith in participating in any mediation process agreed to by the parties.

58. PAYMENT FROM OUTSIDE AGENCIES

CONTRACTOR shall notify LEA when Medi-Cal or any other agency is billed for the costs associated with

the provision of special education and/or related services to students. Upon request, CONTRACTOR shall provide to LEA any and all documentation regarding reports, billing, and/or payment by Medi-Cal or any other agency for the costs associated with the provision of special education and/or related services to students. CONTRACTOR shall provide prior written notice of the rights and protections required by Title 34 of the Code of Federal Regulations section 300.154(d) whenever it seeks to use the LEA students' public benefits to pay for special education and related services. Such notice shall be provided before seeking payment from Medi-Cal for the first time and annually.

59. PAYMENT FOR ABSENCES

NONPUBLIC SCHOOL STAFF ABSENCE

Whenever a classroom teacher employed by CONTRACTOR is absent, CONTRACTOR shall provide an appropriately credentialed substitute teacher in the absent teacher's classroom in accordance with California Education Code section 56061. CONTRACTOR shall provide to LEA documentation of substitute coverage pursuant to the LEA Procedures. Substitute teachers shall remain with their assigned class during all instructional time. LEA will not pay for instruction and/or services unless said instruction or service is provided by an appropriately credentialed substitute teacher.

Whenever a related service provider is absent, CONTRACTOR shall provide a qualified (as defined in Section 7 of this agreement and as determined by LEA) substitute. LEA will not pay for services unless a qualified substitute is provided and/or CONTRACTOR provides documentation evidencing the provision of "make-up" services by a qualified service provider within thirty (30) calendar days from the date on which the services should have been provided unless otherwise agreed in student's IEP.

NONPUBLIC SCHOOL STUDENT ABSENCE

If CONTRACTOR is a nonpublic school, no later than the tenth (10th) cumulative day of a student's unexcused absence, CONTRACTOR shall notify the LEA of such absence.

Excused Absence Method

A. LEA shall not be responsible for payment for more than 8 cumulative days of absences, for each of the first ninety days and second ninety days of the school year (i.e., semester), unless a written time extension is granted by LEA. No more than three of the 8 cumulative absences shall be unexcused. Reimbursements for Related Services cannot be claimed except in the case of a Bundled tuition rate.

B. On the 4th consecutive day of a pupil's absence, CONTRACTOR shall notify LEA of such absence. If CONTRACTOR fails to provide such notice by the 4th day of consecutive absence, CONTRACTOR shall not be compensated for services delivered during continuing absence after the 4th consecutive day of excused absence.

C. All excused absences must be verified and a copy must be submitted to LEA with the monthly invoice. All documentation must be kept for at least five (5) years from the date of origination.

D. Only the individuals listed below may verify the reason for absence:
   1. School or public health nurse
   2. Physician
   3. Principal

4. Teacher
5. School employee assigned to make such verification
6. Student eighteen years of age or over
7. Parent

E. Any reasonable method which established the reason for the absence may be used:
   1. Written note from parent, guardian, representative or adult pupil (over 18 or emancipated)
   2. Telephone conversation with parent, guardian, representative, or adult pupil (over 18 or emancipated)

F. Standards for excused absences are defined in the education code. Contractor is responsible for verification of excused absence in accordance with current requirements.

Criteria for a billable day for payment purposes is one (1) day of attendance as defined in California Education Code, sections 46010, 46010.3 and 46307. LEA shall not pay for services provided on days that a student's attendance does not qualify for Average Daily Attendance (ADA) reimbursement under state law. Per Diem rates for students whose IEPs authorize less than a full instructional day may be adjusted on a pro rata basis in accordance with the actual proportion of the school day the student was served. LEA shall not be responsible for payment of related services for days on which a student's attendance does not qualify for Average Daily Attendance ("ADA") reimbursement under state law, nor shall student be eligible for make-up services.

STUDENT ABSENCES AS IT RELATES TO ENHANCED STAFFING (1:1 AIDES)

To the extent an absent student is supported by instructional assistance or behavior intervention (enhanced staffing), LEA shall compensate CONTRACTOR for the daily rate for the enhanced staffing assistance for each day of absence in accordance with Section 59.A of the Master Contract in which it states, "LEA shall not be responsible for payment for more than 8 cumulative days of absences, for each of the first ninety days and second ninety days of the school year, (i.e. semester), unless the LEA grants a written time extension. No more than three of the 8 cumulative absences shall be unexcused.

NONPUBLIC AGENCY STAFF ABSENCE

When CONTRACTOR is a nonpublic agency and CONTRACTOR's service provider is absent, CONTRACTOR shall provide a qualified (as defined in Section 7 of this agreement and as determined by LEA) substitute, unless LEA provides appropriate coverage in lieu of CONTRACTOR's service providers. LEA shall not pay for services unless a qualified substitute is provided and/or CONTRACTOR provides documentation evidencing the provision of "make-up" services by a qualified service provider within thirty (30) calendar days from the date on which the services should have been provided. CONTRACTOR shall not "bank" or "carry over" make up service hours under any circumstances, unless otherwise agreed to in writing by CONTRACTOR and LEA. In the event services were not provided, reasons for why the services were not provided shall be included.

NONPUBLIC AGENCY STUDENT ABSENCE

If CONTRACTOR is a nonpublic agency, it shall notify LEA of the absence of a student no later than the fifth (5th) consecutive service day of the student's absence. LEA shall not be responsible for the payment of services when a student is absent.

60. LEA and/or NONPUBLIC SCHOOL CLOSURE DUE TO EMERGENCY

The following shall apply in the event of a LEA or NPS school closure due to an emergency consistent with guidelines followed by LEAs under Education Code sections 41422 and 46392:

a) If CONTRACTOR remains open, if allowed, during an emergency and serves students appropriately as delineated in the ISA, CONTRACTOR shall receive payment, regardless of whether a sending LEA is open or closed.

b) NPS School Closure - In the event of a NPS School Closure for the reasons set forth in Education Code section 41422, if the LEA is able to obtain alternative placement for the student, CONTRACTOR shall not receive payment for days the student is not in attendance due to CONTRACTOR's school closure. If the LEA is unable to obtain alternative placement, CONTRACTOR shall receive payment consistent with the student's approved ISA, as though the student were continuing their regular attendance, until an alternative placement can be found and CONTRACTOR shall implement LEA student IEP in accordance with Education Code section 56345(a)(9) pertaining to emergency conditions.

c) LEA and NPS School Closure- In the event of the LEA and NPS School Closures, on days the LEA is funded, CONTRACTOR shall receive payment consistent with the student's approved ISA, until an alternative placement can be found and CONTRACTOR shall implement LEA student's IEP in accordance with Education Code section 56345(a)(9) pertaining to emergency conditions. If the LEA is able to obtain alternative placement for the student, CONTRACTOR shall not receive payment for days the student is not in attendance with CONTRACTOR due to CONTRACTOR'S school closure.

When the emergency school closure is lifted, CONTRACTOR shall notify the LEAs it serves of any lost instructional minutes. CONTRACTOR and LEAs shall work collaboratively to determine the need for make-up days or service changes, and shall work together to amend IEP and ISA paperwork as appropriate.

61. INSPECTION AND AUDIT

The CONTRACTOR shall maintain and the LEA shall have the right to examine and audit all of the books, records, documents, accounting procedures and practices and other evidence that reflect all costs claimed to have been incurred or fees claimed to have been earned under this Agreement.

CONTRACTOR shall provide access to LEA to all records including, but not limited to: student records as defined by California Education Code section 49061(b); registers and roll books of teachers; daily service logs and notes or other documents used to record the provision of related services; Medi-Cal/daily service logs and notes used to record provision of services provided by instructional assistants, behavior intervention aides, bus aides, and supervisors; absence verification records (parent/doctor notes, telephone logs, and related documents); bus rosters; staff lists specifying credentials held, business licenses held, documents evidencing other qualifications, , dates of hire, and dates of termination; staff time sheets; non-paid staff and volunteer sign-in sheets; transportation and other related service subcontracts; school calendars; bell/class schedules when applicable; liability and worker's compensation insurance policies; state NPS/A certifications; by-laws; lists of current board of directors/trustees, if incorporated; other documents evidencing financial expenditures; federal/state payroll quarterly reports Form 941/DE3DP; and bank statements and canceled checks or facsimile thereof. Such access shall include unannounced inspections by LEA. CONTRACTOR shall make available to LEA all budgetary information including operating budgets submitted by CONTRACTOR to LEA for the relevant contract period being audited.

CONTRACTOR shall make all records available at the office of LEA or CONTRACTOR's offices (to be specified by LEA) at all reasonable times and without charge. All records shall be provided to LEA within five

(5) working days of a written request from LEA. CONTRACTOR shall, at no cost to LEA, provide assistance for such examination or audit. LEA's rights under this section shall also include access to CONTRACTOR's offices for purposes of interviewing CONTRACTOR's employees. If any document or evidence is stored in an electronic form, a hard copy shall be made available to the LEA, unless the LEA agrees to the use of the electronic format.

CONTRACTOR shall obtain from its subcontractors and suppliers written agreements to the requirements of this section and shall provide a copy of such agreements to LEA upon request by LEA.

If an inspection, review, or audit by LEA, a state agency, a federal agency, and/or an independent agency/firm determines that CONTRACTOR owes LEA monies as a result of CONTRACTOR's over billing or failure to perform, in whole or in part, any of its obligations under this Master Contract, LEA shall provide to CONTRACTOR written notice demanding payment from CONTRACTOR and specifying the basis or bases for such demand. Unless CONTRACTOR and LEA otherwise agree in writing, CONTRACTOR shall pay to LEA the full amount owed as a result of CONTRACTOR's over billing and/or failure to perform, in whole or in part, any of its obligations under this Master Contract, as determined by an inspection, review, or audit by LEA, a state agency, a federal agency, and/or an independent agency/firm. CONTRACTOR shall make such payment to LEA within thirty (30) days of receipt of LEA's written notice demanding payment.

62. RATE SCHEDULE; EXHIBIT A

The attached rate schedule (EXHIBIT A) limits the number of students that may be enrolled and maximum dollar amount of the contract. It may also limit the maximum number of students that can be provided specific services. Per Diem rates for students whose IEPs authorize less than a full instructional day may be adjusted proportionally. In such cases only, the adjustments in basic education rate shall be based on the required minimum number of minutes per grade level as set forth in paragraph 23, above, and in California Education Code Section 46200-46208.

Special education and/or related services offered by CONTRACTOR shall be provided by qualified personnel as per State and Federal law, and the codes and charges for such educational and/or related services during the term of this contract, shall be as stated in Exhibit A.

63. DEBARMENT CERTIFICATION

By signing this agreement, the CONTRACTOR certifies that:

(a) The CONTRACTOR and any of its shareholders, partners, or executive officers are not presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any Federal agency, and

(b) Have not, within a three-year period preceding this contract, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a Federal, state or local government contract or subcontract; violation of Federal or state antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, or receiving stolen property; and are not presently indicted for, or otherwise criminally or civilly charged by a Government entity with, commission of any of these offenses.

64. PAYMENT FOR ROOM AND BOARD

When CONTRACTOR is an NPS associated with an RTC (NPS/RTC), CONTRACTOR shall be eligible for Room and Board payments on dates that the student was actually in attendance and received Room and Board services, payable for up to a maximum of 365 billable days or 366 days during a leap year, which may include a maximum of ten (10) days per Contract year when the student's bed is unoccupied due to home visits of a therapeutic nature, unless otherwise mutually agreed upon by CONTRACTOR and LEA. Any payment for additional days in special circumstances, such as a student's hospitalization or extended home visits exceeding ten (10) days in a Contract year, requires prior written approval from both the LEA and the CONTRACTOR.

The parties hereto have executed this Contract by and through their duly authorized agents or representatives. This contract is effective on the 1st day of August, 2026 and terminates at 5:00 P.M. on July 31, 2027, unless sooner terminated as provided herein.

CONTRACTOR	LEA
TSW Therapy, Inc Nonpublic School/Agency	Motivated Youth Academy LEA Name
By: _____ Signature Date	By: _____ Signature Date
Molly Cote Name and Title of Authorized Representative	Bill Dobson Name and Title of Authorized Representative

Notices to CONTRACTOR shall be addressed to:	Notices to LEA shall be addressed to:
Name and Title Molly Cote	**Name and Title** Bill Dobson
Nonpublic School/Agency/Related Service Provider TSW Therapy, Inc	**LEA** Motivated Youth Academy
Address 22891 Cedarspring	**Address** 500 La Terraza BLVD STE 150
City State Zip Lake Forest, CA 92630	**City State Zip** Escondido, CA 92025
Phone Fax (949)322-7289	**Phone Fax** (619) 343-2048
Email thespokenwordspeech@gmail.com	**Email** bdobson@myacademy.org

Exhibit A: RATE SHEET 2026-2027

SPECIAL EDUCATION SERVICES

SPEECH AND LANGUAGE SERVICES

- *$144.00/hour for direct and consult speech therapy services for individual therapy sessions, assessment, assessment report writing, IEP attendance, consultation, collaboration, documentation, progress reports, case management, staffing, staff meetings, SEIS tracker, (or other attendance monitoring system). Services may be virtual, or in-person person based on location and availability. Services provided by TSW Therapy, Inc staff SLP/SLPA.*
- *$90/hour for group therapy sessions. Services may be virtual, or in-person based on location and availability. Services provided by TSW Therapy, Inc staff SLP/SLPA.*
- *Expert Witness Testimony at Due Process Hearing- $500.00 per hour.*

Occupational Therapy:

- *$144.00/hour for direct and consult occupational therapy services for individual therapy sessions, assessment, assessment report writing, IEP attendance, consultation, collaboration, documentation, progress reports, case management, staffing, staff meetings, SEIS tracker, (or other attendance monitoring system). Services may be virtual, or in-person person based on location and availability. Services provided by TSW Therapy, Inc staff OT/COTA.*
- *$90/hour for group therapy sessions. Services may be virtual, or in-person based on location and availability. Services provided by TSW Therapy, Inc staff OT/COTA.*

Cancellation Policy:

If a student cancels with less than 24-hour notice, Provider will bill the Charter School for the missed session and the session will not be made- up. If an IEP Meeting is cancelled with less than 24-hour notice, Provider will bill the Charter School. If services are due to the absence of Provider, a make-up session will be offered for the time indicated on the student's IEP.

Coversheet

Consent - Personnel Services

Section: VIII. Consent
Item: C. Consent - Personnel Services
Purpose:
Submitted by: Bill Dobson
Related Material:
2026-2027 California Schools VEBA Benefits Plan (Renewal).pdf
2026-2027 Educators Legal Liability Policy and Umbrella Policy with American Southern Home Insurance.pdf
2026-2027 Package Policy with Wright Specialty Insurance.pdf
2026-2027 Auto Policy with Wright Specialty Insurance.pdf

BACKGROUND:

3. **The California Schools VEBA Benefits Plan** renewal packet outlines the benefit plan offerings and preliminary rates for the 2027 plan year for Motivated Youth Academy Charter School. The renewal applies to the Academy's active employees and early retirees and includes medical, dental, vision, prescription, employee assistance, and wellness benefit offerings. The 2027 plan year will be effective January 1, 2027, through December 31, 2027. Board approval is requested to renew the Academy's participation in the California Schools VEBA Benefits Plan and authorize the applicable benefit plan selections and Participation Agreement, Exhibit "C" Contract Amendment, for the 2027 plan year.

4. Motivated Youth Academy is seeking Board approval to renew its **Educators Legal Liability and Commercial Excess Liability (Umbrella) insurance coverage with American Southern Home Insurance Compan**y for the 2026–2027 policy year. The policy period is July 1, 2026, through July 1, 2027, and provides excess liability protection above the Academy's underlying insurance coverage. The policy includes coverage related to Educators Legal Liability, Employee Benefits Liability, Abuse or Molestation Liability, Counseling Professional Liability, Commercial General Liability, and Automobile Liability, subject to the applicable policy terms, conditions, exclusions, and limits. The Commercial Excess Liability policy provides $4,000,000 in excess liability coverage, with an annual premium of $5,914.00. Board approval is requested to renew the coverage for the 2026–2027 policy year to maintain appropriate insurance protection for the Academy's operations and educational activities.

5. Motivated Youth Academy is seeking Board approval to renew its **Package Policy with Wright Specialty Insurance** for the 2026–2027 policy year. The policy, issued through American Southern Home Insurance Company, provides a comprehensive package of insurance coverages designed to protect the Academy's operations, property, and educational activities. The policy period is July 1, 2026, through July 1, 2027, with an estimated total annual premium of $16,117.00. Coverage includes Educators Legal Liability, General Liability, Inland Marine, Crime, and Property insurance. The policy provides liability protection for covered claims and legal matters, as well as coverage for Academy property and equipment, including scheduled computer equipment. Board approval is requested to renew the Package Policy for the 2026–2027 policy year and maintain appropriate insurance protection for the Academy.

6. For the 2026–2027 policy year, Motivated Youth Academy maintains **Commercial Automobile Insurance through Wright Specialty Insurance** for the period of July 1, 2026, through July 1, 2027. The policy provides liability coverage for covered automobiles, including applicable owned, hired, and non-owned autos, with a $1,000,000 liability limit. The policy also includes applicable California-specific provisions governing cancellation and nonrenewal, as well as standard commercial automobile coverage conditions. The total stated annual premium for the policy is $792. This coverage is maintained to support the Academy's ongoing operations and to provide appropriate financial protection against automobile-related liability exposures.

RECOMMENDATION:

3. Approval of 2026-2027 California Schools VEBA Benefits Plan (Renewal)

It is recommended that the Board approve the 2026-2027 California Schools VEBA Benefits Plan for Motivated Youth Academy (#1628).

Fiscal Impact: None

4. Approval of 2026-2027 Educators Legal Liability Policy and Umbrella Policy with American Southern Home Insurance

It is recommended that the Board approve the 2026-2027 Educators Legal Liability Policy and Umbrella Policy with American Southern Home Insurance for Motivated Youth Academy (#1628).

Fiscal Impact: $5,914.00

5. Approval of 2026-2027 Package Policy with Wright Specialty Insurance

It is recommended that the Board approve the 2026-2027 Package Policy with Wright Specialty Insurance for Motivated Youth Academy (#1628).

Fiscal Impact: $16,117.00

6. Approval of 2026-2027 Auto Policy with Wright Specialty Insurance

It is recommended that the Board approve the 2026-2027 Auto Policy with Wright Specialty Insurance for Motivated Youth Academy (#1628).

Fiscal Impact: $792.00

Docusign Envelope ID: 84BMF209-9FA1-4387-B13B-8E03AE4CB47 MF Academy - Regular Meeting of the Board of Directors - Agenda - Thursday September 10, 2026 at 9:00 AM

2027

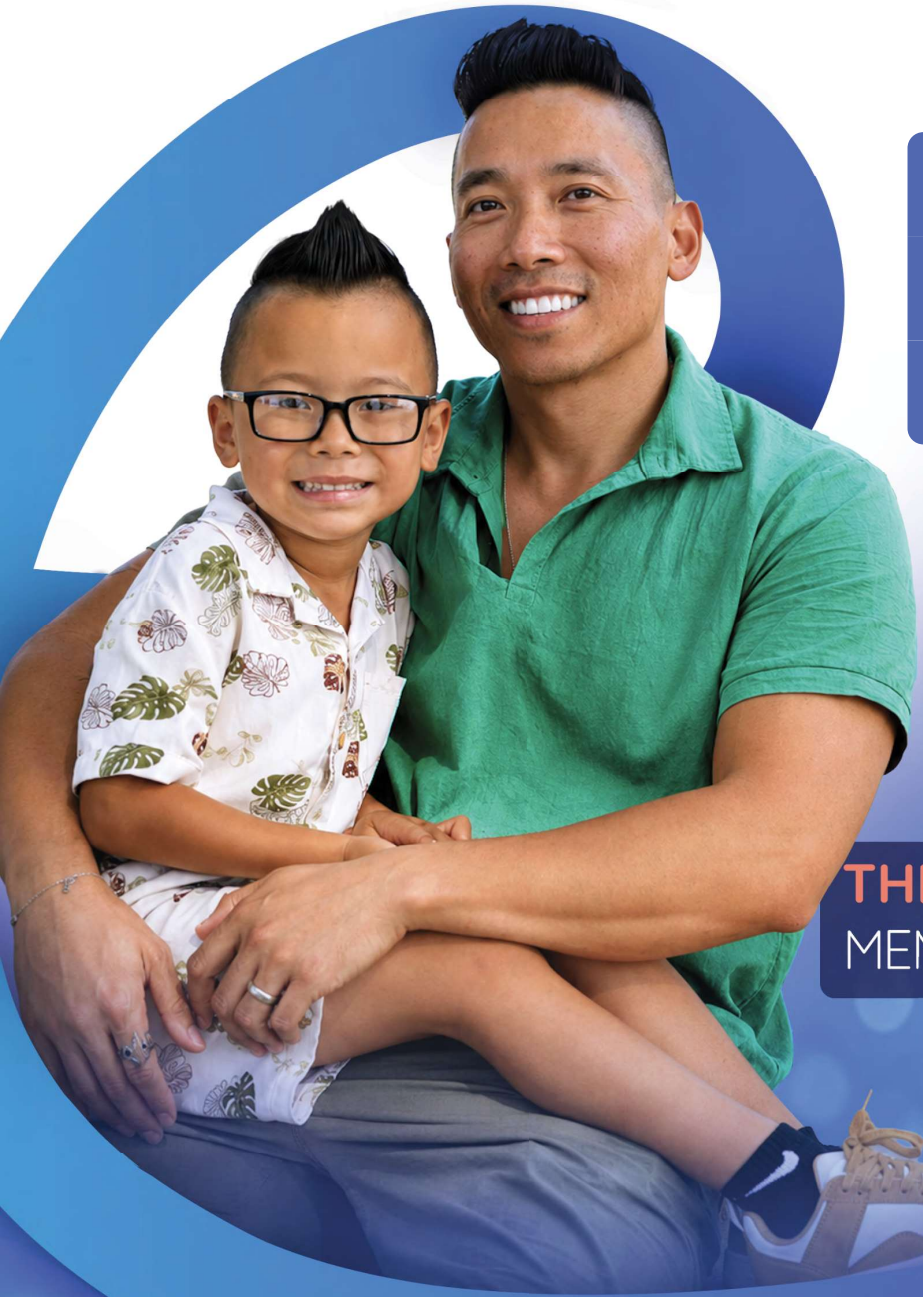
RATE PACKET OVERVIEW

CALIFORNIA SCHOOLS VEBA

YOUR HEALTH
OUR PURPOSE

CALIFORNIA SCHOOLS VEBA
YOUR HEALTH, OUR PURPOSE

2027 RATE PACKET OVERVIEW



This guide helps you review your 2027 plan year rates and options, understand the key cost and access considerations behind your renewal, and make plan year decisions with confidence.

THE PAMINTUAN FAMILY
MEMBERS SINCE: 2014

KEY 2027 PLAN YEAR CONSIDERATIONS: Questions to Guide Your Decisions

CALIFORNIA SCHOOLS VEBA
YOUR HEALTH, OUR PURPOSE

How will the plan designs you select impact renewal rates and affordability?

- Renewal rates vary by carrier and plan type. Consider how your selections may affect both your group's budgets and member costs*
- Have you taken advantage of cost-saving opportunities?

Here are just a few examples:

Affordable Plan Options:

Journey HMO Plan: Up to 20% savings; includes CalVEBA-funded, member-vested HealthInvest HRA contribution. This is an option for Kaiser Permanente, VEBA Direct, and UnitedHealthcare (UHC).

Harmony Plan: Lowest-cost UHC network; 5 plan designs

Alliance Plan: Significant savings vs. full network or UMR PPO; 5 plan designs

Is a full network or narrow network the better fit for your population?

- **Full networks** offer broader provider access, which may be important for geographically dispersed or specialized care needs*
- **Narrow networks** can offer lower premiums and better rate stability. In certain geographical areas, opting into our narrow networks preserves access to the majority of available full network providers while helping to manage costs more effectively.

Are you offering plans that meet evolving member needs?

- The Surest PPO Plan gives members more visibility into costs before they receive care. With no deductible, coinsurance, or cost-shifting, members can use the app or website to view upfront prices, compare UHC network providers, and choose the option that works best for them. Smart technology highlights top-rated providers first, helping members make confident decisions.
- The Journey Plan is an innovative, low-cost health care option that includes a CalVEBA funded HRA that rolls over annually, supporting both everyday care and future needs like orthodontics or specialty care.

> By encouraging participation from members across the health spectrum, the Journey Plan helps strengthen the pool, improve rate stability, and ensure that contributions support care when it's needed most.

Are you staying on track with the administrative timeline?

Please see your rate packet for important deadlines including:

- **Fall Benefits Administrator Training:** September 2, 9:00 am–11:00 am
- **Plan Selections Due: Submit Participation Form (Exhibit C)** October 16, 2026
- **Enrollment Forms Due** November 6, 2026

CALIFORNIA SCHOOLS VEBA
YOUR HEALTH, OUR PURPOSE

HOW TO READ YOUR RATE PACKET

What's in My Packet?

- **Current Plan Info (2026) –** What's currently offered.
- **2027 Plan Options & Rates –** What's changing and how much it costs.
- **Plan Comparison Charts –** Side-by-side benefit breakdowns.
- **Participation Form (Exhibit C)–** Where you confirm or update your selections.
- **Enrollment Snapshot –** Who's enrolled in what.

What Do I Need to Do?

- **No Changes?** Just sign and return the form.
- **Making Changes?** Check the "Add/Change" box, list updates, and sign.
- **Deadline:** Submit by **October 16, 2026** to avoid defaulting to similar plans.

How to Read the Rates

- The rate sheets will indicate the structure of the rates. The rates will be shown as either "Monthly" (12-month payroll) OR "Tenthly" (10-month payroll).
- Each plan shows current vs. renewal pricing and % change.
- Look for tiers or coverage level: Single, Two-Party, Family.

Important Definition Quick Guide:

Tenthly Rate:	Cost spread over 10 months. Multiply by 1.2 to estimate the monthly rate.
Monthly Rate:	Cost spread over 12 months.
Participation Form (Exhibit C):	The official document that finalizes your district's selected plans and rates.
Participation Agreement:	The form where you confirm or update your plan choices for 2027.
Default Plans:	If no form is submitted by October 16, 2026, your district will be auto enrolled in plans that closely match 2026.
Cost Benefit Scale:	A visual guide showing how richer benefits (lower copays) usually mean higher premiums.
Out-of-Area Plan:	PPO coverage for employees or dependents living outside California.
Bronze Plan:	A lower-cost HMO option for part-time employees (20–30 hours/week); not available to retirees.

CALIFORNIA SCHOOLS VEBA
YOUR HEALTH, OUR PURPOSE

PLAN COMPARISON TIPS: 3 Things to Look For

1. **Use the Benefit Charts to compare copays, deductibles, and coverage.**
2. **Plans are grouped by provider: e.g., UHC, Kaiser Permanente, SIMNSA, Surest, UMR PPO.**
3. **Cost Benefit Scales help you balance affordability vs. coverage.**

HAVE QUESTIONS OR NEED SUPPORT?

- If you have questions or want to explore plan options, contact your Account Manager.



LOOKING AHEAD: 2027

CALIFORNIA SCHOOLS VEBA
YOUR HEALTH, OUR PURPOSE

As you review 2027 plan year rates and options, now is also the time to begin strategic conversations about contribution strategy, opt-out incentives, and plan mix. These decisions can affect affordability, member access, and long-term pool health.

Consider the following:

- **Contribution Strategy**
  How your group allocates employer/association contributions can influence plan selection behavior, equity across employee groups, and the overall risk profile of your pool. A thoughtful contribution strategy can help manage costs while supporting access.

- **Opt-Out Incentives**
  Opt-out incentives may reduce enrollment in the short term, but they can also encourage healthier individuals to waive coverage. When lower-utilization members leave the pool, renewal rates can become less stable. Retaining those members helps balance utilization and supports the long-term health of the pool.

- **Kaiser Permanente / Non-Kaiser Permanente Balance**
  Your plan mix affects both member choice and financial sustainability. A well-balanced offering with benefit parity across Kaiser Permanente and non-Kaiser Permanente plans can help influence renewal rates and ensure equitable access to preferred providers.

  For San Diego County groups offering UHC HMO or PPO plans, these strategic levers can also influence tier placement, potentially unlocking more favorable rates and plan performance in future years.

Why It Matters:
These decisions go beyond administration. They shape renewal rates, the member experience, and your group's long-term goals.

Questions Or Need Support?

If you have questions or need help reviewing your options, contact your Account Manager. If you're unsure who your Account Manager is, contact Heather Simonson, CalVEBA Ombudsman, at Heather_Simonson@RPAdmin.com.





2027 Renewal

Motivated Youth Academy Charter School

All Units

The information contained herein is subject to the disclosures and disclaimers on the final page of this report/proposal/review.

CALIFORNIA SCHOOLS VEBA
YOUR HEALTH, OUR PURPOSE

2027 PRELIMINARY RENEWAL PACKET

As part of the 2027 renewal process, California Schools VEBA has prepared this Preliminary Renewal Packet for your review and action. This packet contains the information and forms needed to confirm your organization's benefit plan selections for the 2027 plan year.

Below is quick guide on how to utilize this renewal package. Please do not hesitate to contact your Account Manager for any assistance during the renewal process.

STEP 1: REVIEW CURRENT PLAN INFORMATION

Review the **2026 Client Information Sheet "Exhibit C"**, which reflects the plans currently offered to active employees, early retirees, COBRA and retirees for the 2026 plan year.

STEP 2: REVIEW PRELIMINARY RATES AND ADDITIONAL INSERTS

Review the **Preliminary Renewal Rates** page for current and 2027 renewal rates. **Alternative Offerings** pages give insight into possible alternative plan offerings and how to obtain a quote. Additionally, **Benefits Grids** inserted into the packet to showcase current offerings, along with a **Census** illustrating enrollment in current plan offerings. These inserts serve to help make informed decisions about your organizations 2027 renewal.

STEP 3: COMPLETE THE PARTICIPATION AGREEMENT "EXHIBIT C" CONTRACT AMENDMENT

Required Action

Complete the **Participation Agreement "Exhibit C" Contract Amendment,** indicate your organization's name at the top of the form, if applicable write in plan changes and gather all necessary required signatures.

If NO Plan Changes Are Being Made for 2027

Leave the "**Add/Change from 2026 Plans**" section blank.

If Plan Changes Are Being Made for 2027

Check the "**Add/Change from 2026 Plans**" box.
Clearly indicate the requested plan changes for the 2027 plan year

Important Note: You may only select one of each of the following: UnitedHealthcare (UHC) HMO, UMR PPO, UHC CS VEBA Alliance, UHC Harmony, UHC Journey, Surest PPO, Kaiser Permanente, SIMNSA, and a Bronze plan. Medicare and Out-of-Area plans are standard VEBA plans that are available to all clients and do not need to be selected or returned.

Regardless, if there are plan change or not for the 2027 Plan year, all organizations are required to submit a completed and signed Participation Agreement "Exhibit C" Contract Amendment. All required signatures, by authorized organization representatives, must sign the amendment for plan selections to be considered valid.

SUBMISSION DEADLINE: OCTOBER 16, 2026. If a completed amendment is not received the submission deadline your organization will be defaulted to the 2026 plans that most closely match current offerings.

CALIFORNIA SCHOOLS VEBA
YOUR HEALTH, OUR PURPOSE

VEBA District Information Sheet

2026 Exhibit "C"

Rates Effective July 1, 2026 – December 31, 2026

Prepared For: **Motivated Youth Academy Charter School**
Bargaining Unit: **All**

Rate Structure: Actives: **Monthly**
Early Retirees: **Monthly**

2026 Plans	2026 VEBA Tier	2026 Included Benefits				
		Medical	Rx	Chiro	Acu	EAP
Harmony $20/$30 Rx: $5/$25/50%	2	UHC	ESI	Yes	Yes	Yes
CS VEBA Alliance $20/$30 Rx: $5/$25/50%	2	UHC	ESI	Yes	Yes	Yes
Nexus ACO Select Plus PPO (SD) 80/50 Rx: $10/$30/50%	1	UMR	ESI	Yes	Yes	Yes
Kaiser $20 Rx: $15/$30, 30-Day Drug	Standard	Kaiser	Kaiser	Yes	Yes	Yes
2026 Ancillaries						
Delta Dental PPO, Vision Service Plan (VSP), and Securian Life						

Important Information

- The plans and corresponding rates provided in the 2026 Exhibit "C" are for active employees and early retirees.
  - When a retiree, or a dependent of a retiree, reach the age of 65, the member must enroll in a Supplemental Medicare plan or be subject to higher, non-Medicare rates. Retirees who wish to remain on an Active plan, and are not Medicare Eligible, will be charged up to 330% of the Active rate depending on plan type.
- Pursuant to the Participation Agreement, your district and/or bargaining unit shall abide by the VEBA Administrative Policies and Procedures incorporated from the "Restated Agreement and Declaration of Trust Establishing the Southern California Schools Voluntary Employees Benefits Associations" ("VEBA Agreement").
- All standard medical rates issued include:
  - Optum Chiropractic (Except SIMNSA, Kaiser, and Medicare plans)
  - Optum Employee Assistance Program
  - Advocacy and Wellness Programs, including Teladoc Medical Experts (formerly known as Best Doctors)
  - Prescription medication coverage through Express Scripts, Kaiser Rx, or SIMNSA Health Plan

Important Note: Plans references are included for information only and are not intended to supersede, alter or expand benefits rights or liabilities as set forth in the official plan documents

The information contained herein is subject to the disclosures and disclaimers on the final page of this report/proposal/review.

YOUR HEALTH, OUR PURPOSE

CALIFORNIA SCHOOLS VEBA (CALVEBA) PARTICIPATION AGREEMENT
EXHIBIT "C" CONTRACT AMENDMENT
2027 PLAN YEAR

Organization:_____

Bargaining Unit(s): Enter Bargaining Unit Name

By signing this document, your organization and/or bargaining unit will receive a revised Exhibit C to your California Schools VEBA Participation Agreement to reflect the selected 2027 plans and corresponding rates. As part of this amendment, you agree to be bound by the following terms and conditions:

- CalVEBA is the exclusive authorized representative for all selected benefit programs and available services. Under this exclusive authority, CalVEBA negotiates and administers all programs and maintains sole access to proprietary insurance data, including but not limited to premium rates; renewal packages; plan documents; enrollment rosters; and historical pool claims information.
- Selections will not be valid until VEBA receives your plan selection with the appropriate district and labor signatures.
- The plans and corresponding rate options provided in the 2027 Rate Package are for active employees and early retirees. Once VEBA receives your completed amendment request, a revised Exhibit C will be produced and distributed to the signatory parties, which will include the standard rates for Medicare and Out-of-Area plans.
    - *Please note: The rates listed are preliminary and are subject to change with reasonable notification to you.*
- Pursuant to the Participation Agreement, your district and/or bargaining unit shall abide by the VEBA Administrative Policies and Procedures incorporated from the "Restated Agreement and Declaration of Trust Establishing the Southern California Schools Voluntary Employees Benefits Associations" ("VEBA Agreement").
- All benefit references are for informational purposes only and are not intended to alter or supersede carrier contracts. All plan offerings and rates are subject to final carrier contracts.
- All standard medical rates issued include:
    - Optum Chiropractic and Acupuncture (Except SIMNSA and Medicare plans)
    - Optum Employee Assistance Program
    - Advocacy and Wellness Programs, including Teladoc Medical Experts
    - Prescription medication coverage through Express Scripts, Kaiser, Cigna, or SIMNSA Health Plan

If there are changes, please check the **"Add/Change box"** and write in the changes for the 2027 plan year.
If there are NO changes, please leave the space blank, your district and/or bargaining unit will be defaulted to the 2027 plans which most closely resemble your 2026 current plans.

Regardless of any changes, please sign below and return to CalVEBA at Renewals@VEBAOnline.com to request the issuance of an Exhibit "C" for the 2027 contract year. Failure to do so by Friday, October 16, 2026 will result in default elections.

☐ **Add/Change from 2026 plans.** List changed plans: ~~Enter Add/Changes~~

	Print Name / Title	Signature	Email	Date
1	Title:			
2	Title:			
3	Title:			
4	Title:			
5	Title:			
6	Title:			
7	Title:			

Rates and benefits provided in this renewal are bound by the following terms and conditions:

- Preliminary rates are for selection purposes only and will become valid once VEBA receives your plan selection with the necessary district and labor signatures. You will then receive the final Exhibit "C" to amend your contract for the 2027 plan year.
- All benefit references are informational and do not alter or supersede carrier contracts.
- Rates apply to active employees, their dependents, and retirees under age 65. They do not apply to AB528, AB1401, Medicare-eligible retirees, or Medicare-eligible dependents unless specified. Retirees and dependents over 65 who are not Medicare-eligible and wish to remain on an active employee plan must pay a non-Medicare surcharge of up to 330% of the traditional premium.
- UnitedHealthcare and Kaiser HMO Bronze plans are only available for active employees who are not eligible for non-Bronze plans and work a minimum of 20 hours, but no more than 30 hours per week. Bronze plans are not available to early retirees nor retirees over the age of 65.
- "Out-of-Area" non-HMO plans are exclusively available to employees and dependent(s) residing outside of the California HMO service areas.
- For employees enrolled in a UnitedHealthcare HMO with a dependent(s) living outside of the California HMO service areas, the dependent(s) will be automatically enrolled in the Surest Out-of-Area PPO "Dependent Only Plan."
- Employees enrolled in UMR or Surest PPOs will have their dependent(s) remain on the current plan, regardless of their residence location.
- Availability of the Surest Out-of-Area PPO may vary by state or rural area, contingent upon the specific zip code.
- Short-term prescription drug copays reflect generic/preferred brand/non-preferred brand when using an Express Scripts Network.
- Employees must have Medicare Parts A & B to enroll in Kaiser Permanente Senior Advantage (KPSA), Medicare Advantage HMO (MAPD HMO), and Medicare Advantage PPO (MAPD PPO). Medicare eligibility is determined by the Centers for Medicaid and Medicare. Submission of an application does not guarantee enrollment.
- Chiropractic and acupuncture benefits are not available for Kaiser Permanente Senior Advantage (KPSA).
- Medicare Advantage HMO (MAPD HMO) and Medicare Advantage PPO (MAPD PPO) prescription coverage is provided by Optum Rx.
- Generally, KPSA plans mirror the active employee benefits available to the district and/or bargaining unit. However, a KPSA 30 plan is not available. KPSA members of districts and/or bargaining units on Kaiser 30 will be enrolled in the KPSA 20 plan. KPSA 10 with Vision is not available. KPSA members of districts and/or bargaining units on Kaiser 10 with Vision will be enrolled in KPSA 10, 10/10/20, 30-Day Drug, and will not have a vision benefit.
- All appropriate tenthly and/or monthly rates will be provided on a Final Exhibit "C." To estimate a tenthly rate, multiply a monthly rate by 1.2. To estimate a monthly rate, divide a tenthly rate by 1.2
- For tenthly district, active employees who are newly enrolled during one of your tenthly (i.e., no pay) months will be charged the monthly rate for those months.

CALIFORNIA SCHOOLS VEBA
YOUR HEALTH, OUR PURPOSE

Organization Name: Motivated Youth Academy
Bargaining Unit: All
Effective Dates: January 1, 2027 - December 31, 2027
Frequency: Monthly

UHC Harmony $20/$30 (Tier 2) With Acupuncture

Tier	2026 Monthly	2027 Monthly	% Change
Single	$873	$980	12.3%
Two Party	$1,701	$1,910	12.3%
Family	$2,386	$2,680	12.3%

UHC CS VEBA Alliance $20/$30 (Tier 2) With Acupuncture

Tier	2026 Monthly	2027 Monthly	% Change
Single	$1,048	$1,176	12.2%
Two Party	$1,933	$2,169	12.2%
Family	$2,707	$3,038	12.2%

UMR Nexus ACO Select Plus PPO (SD) 80/50 - No HRA (Tier 1) with Acupuncture

Tier	2026 Monthly	2027 Monthly	% Change
Single	$2,216	$2,375	7.2%
Two Party	$4,362	$4,675	7.2%
Family	$6,118	$6,557	7.2%

Kaiser $20 Rx: $15/$30 30-Day Drug With Acupuncture

Tier	2026 Monthly	2027 Monthly	% Change
Single	$917	$961	4.8%
Two Party	$1,811	$1,898	4.8%
Family	$2,553	$2,676	4.8%

Organization Name: Motivated Youth Academy
Bargaining Unit: All
Effective Dates: January 1, 2027 - December 31, 2027
Frequency: Monthly

Dental

Delta Dental PPO

Tier	2026 Monthly	2027 Monthly	% Change
Single	$55.86	$58.37	4.5%
Two Party	$115.53	$120.73	4.5%
Family	$170.36	$178.03	4.5%

Vision

Vision Service Plan (VSP)

Tier	2026 Monthly	2027 Monthly	% Change
Single	$8.48	$8.48	0.0%
Two Party	$16.71	$16.71	0.0%
Family	$26.88	$26.88	0.0%

Organization Name: VEBA Pool - UMR Out of Area Plans
Bargaining Unit: All
Effective Dates: January 1, 2027 - December 31, 2027
Frequency: Monthly / Tenthly

UMR Out-of-Area Plans

Surest Out-of-Area PPO

Tier	2026 Monthly	2026 Tenthly	2027 Monthly	2027 Tenthly	% Change
Single	$1,890	$2,268	$1,990	$2,388	5.3%
Two Party	$4,005	$4,806	$4,214	$5,057	5.2%
Family	$5,431	$6,517	$5,709	$6,851	5.1%

UMR Out-of-Area Non-Differential PPO (Geographic restrictions apply)

Tier	2026 Monthly	2026 Tenthly	2027 Monthly	2027 Tenthly	% Change
Single	$1,909	$2,290	$2,094	$2,513	9.7%
Two Party	$4,050	$4,860	$4,442	$5,330	9.7%
Family	$5,500	$6,600	$6,032	$7,238	9.7%

UMR Hawaii PPO

Tier	2026 Monthly	2026 Tenthly	2027 Monthly	2027 Tenthly	% Change
Single	$1,937	$2,324	$2,125	$2,550	9.7%
Two Party	$4,111	$4,933	$4,510	$5,412	9.7%
Family	$5,584	$6,700	$6,126	$7,351	9.7%

Organization Name: VEBA Pool - Kaiser Permanente Out of Area Plan
Bargaining Unit: All
Effective Dates: January 1, 2027 - December 31, 2027
Frequency: Monthly / Tenthly

Kaiser Permanente Out-of-Area Plans

Kaiser Colorado HMO $30 / $40 (Actives/COBRA Only)

Tier	2026 Monthly	2026 Tenthly	2027 Monthly	2027 Tenthly	% Change
Single	$1,062	$1,275	$1,154	$1,385	8.7%
Two Party	$2,106	$2,528	$2,290	$2,748	8.7%
Family	$3,036	$3,644	$3,301	$3,961	8.7%

Kaiser Georgia $500 Deductible HMO $20 / $30 (Actives/COBRA Only)

Tier	2026 Monthly	2026 Tenthly	2027 Monthly	2027 Tenthly	% Change
Single	$1,059	$1,271	$1,134	$1,361	7.1%
Two Party	$2,100	$2,520	$2,250	$2,700	7.1%
Family	$3,140	$3,769	$3,364	$4,036	7.1%

Kaiser Hawaii HMO $15 (Actives/COBRA Only)

Tier	2026 Monthly	2026 Tenthly	2027 Monthly	2027 Tenthly	% Change
Single	$731	$877	TBD	TBD	TBD
Two Party	$1,444	$1,732	TBD	TBD	TBD
Family	$2,156	$2,587	TBD	TBD	TBD

Kaiser Mid-Atlantic $500 Deductible HMO $20 / $30 (Actives/COBRA Only)

Tier	2026 Monthly	2026 Tenthly	2027 Monthly	2027 Tenthly	% Change
Single	$791	$949	TBD	TBD	TBD
Two Party	$1,617	$1,940	TBD	TBD	TBD
Family	$2,242	$2,691	TBD	TBD	TBD

Kaiser Northwest $500 Deductible HMO $20 / $30 (Actives/COBRA Only)

Tier	2026 Monthly	2026 Tenthly	2027 Monthly	2027 Tenthly	% Change
Single	$838	$1,005	TBD	TBD	TBD
Two Party	$1,657	$1,988	TBD	TBD	TBD
Family	$2,476	$2,972	TBD	TBD	TBD

Kaiser Washington $500 Deductible HMO $20 / $30 (Actives/COBRA Only)

Tier	2026 Monthly	2026 Tenthly	2027 Monthly	2027 Tenthly	% Change
Single	$793	$952	$937	$1,124	18.2%
Two Party	$1,454	$1,745	$1,714	$2,057	17.9%
Family	$2,400	$2,880	$2,827	$3,392	17.8%

Organization Name: VEBA Pool - Kaiser Permanente Out of Area Plan
Bargaining Unit: All
Effective Dates: January 1, 2027 - December 31, 2027
Frequency: Monthly / Tenthly

Kaiser Permanente Out-of-Area Plans

Kaiser Colorado HMO $30 / $40 (Early Retirees Only)

Tier	2026 Monthly	2026 Tenthly	2027 Monthly	2027 Tenthly	% Change
Single	$1,740	$2,088	$1,886	$2,263	8.4%
Two Party	$3,462	$4,155	$3,754	$4,505	8.4%
Family	$4,993	$5,992	$5,412	$6,494	8.4%

Kaiser Georgia $500 Deductible HMO $20 / $30 (Early Retirees Only)

Tier	2026 Monthly	2026 Tenthly	2027 Monthly	2027 Tenthly	% Change
Single	$1,579	$1,895	$1,688	$2,026	6.9%
Two Party	$3,140	$3,769	$3,358	$4,029	6.9%
Family	$4,701	$5,642	$5,027	$6,033	6.9%

Kaiser Hawaii HMO $15 (Early Retirees Only)

Tier	2026 Monthly	2026 Tenthly	2027 Monthly	2027 Tenthly	% Change
Single	$1,096	$1,315	$1,181	$1,417	7.8%
Two Party	$2,173	$2,607	$2,336	$2,804	7.5%
Family	$3,250	$3,900	$3,492	$4,190	7.4%

Kaiser Mid-Atlantic $500 Deductible HMO $20 / $30 (Early Retirees Only)

Tier	2026 Monthly	2026 Tenthly	2027 Monthly	2027 Tenthly	% Change
Single	$1,099	$1,319	TBD	TBD	TBD
Two Party	$2,256	$2,707	TBD	TBD	TBD
Family	$3,132	$3,758	TBD	TBD	TBD

Kaiser Northwest $500 Deductible HMO $20 / $30 (Early Retirees Only)

Tier	2026 Monthly	2026 Tenthly	2027 Monthly	2027 Tenthly	% Change
Single	$1,290	$1,547	$1,371	$1,645	6.3%
Two Party	$2,561	$3,073	$2,715	$3,259	6.0%
Family	$3,832	$4,598	$4,060	$4,872	5.9%

Kaiser Washington $500 Deductible HMO $20 / $30 (Early Retirees Only)

Tier	2026 Monthly	2026 Tenthly	2027 Monthly	2027 Tenthly	% Change
Single	$1,638	$1,965	$1,930	$2,316	17.8%
Two Party	$2,310	$2,772	$2,721	$3,265	17.8%
Family	$3,286	$3,943	$3,869	$4,642	17.7%

CALIFORNIA SCHOOLS VEBA
YOUR HEALTH, OUR PURPOSE

Kaiser Permanente HMO Plan Summaries

Effective Period: January 1, 2027 - December 31, 2027

Plan design changes highlighted in red

Benefit Summary	Kaiser HMO $10, Rx: $10 / $20 30-day What You Pay	Kaiser HMO $15, Rx: $10 / $25 30-day What You Pay	Kaiser HMO $20, Rx: $15 / $30 30-day What You Pay	Kaiser HMO $30, Rx: $15 / $30 30-day What You Pay
Medical Deductible (individual/family)	None	None	None	None
Medical Out-of-Pocket Maximum (individual/family)	$1,500 / $3,000	$1,500 / $3,000	$2,500 / $5,000	$3,000 / $6,000
Health Account	None	None	None	None
PCP Office Visit	$10 copay	$15 copay	$20 copay	$30 copay
Specialist Office Visit	$10 copay	$15 copay	$20 copay	$30 copay
Preventive Care	No charge	No charge	No charge	No charge
Inpatient Hospital Care	No charge	No charge	$250 admit copay	$500 admit copay
Mental Health Services (outpatient/inpatient)	$10 copay / No charge	$15 copay / No charge	$20 copay / $250 admit copay	$30 copay / $500 admit copay
Substance Abuse Services (outpatient/inpatient)	$10 copay / No charge	$15 copay / No charge	$20 copay / No charge	$30 copay / No charge
Outpatient Diagnostic Laboratory and Radiology (standard procedures)	No charge	No charge	No charge	No charge
Complex Radiology (PET & MRI)	No charge	No charge	$100 copay	$150 copay
Outpatient Surgery	$10 copay	$15 copay	$20 copay	$250 copay
Outpatient Physical/Rehabilitation Therapy (Office Visit)	$10 copay	$15 copay	$20 copay	$30 copay
Chiropractic and Acupuncture Services*	$10 copay	$15 copay	$20 copay	$30 copay
Urgent Care (Office Visit only)	$10 copay	$15 copay	$20 copay	$30 copay
Emergency Room (Copay waived if admitted)	$100 copay	$100 copay	$150 copay	$150 copay
Rx Deductible (individual/family)	None	None	None	None
Rx Out-of-Pocket Maximum (individual/family)	N/A	N/A	N/A	N/A
Rx Formulary List	Kaiser	Kaiser	Kaiser	Kaiser
Rx Pharmacy Network	Kaiser	Kaiser	Kaiser	Kaiser
Short-Term Prescription Drugs* ***(up to 30-day supply)***	G: $10 copay B: $20 copay (up to a 30-day supply)	G: $10 copay B: $25 copay (up to a 30-day supply)	G: $15 copay B: $30 copay (up to a 30-day supply)	G: $15 copay B: $30 copay (up to a 30-day supply)
Long-Term Prescription Drugs* ***(up to 90-day supply)***	G: $20 copay B: $40 copay (up to a 100-day supply)	G: $20 copay B: $50 copay (up to a 100-day supply)	G: $30 copay B: $60 copay (up to a 100-day supply)	G: $30 copay B: $60 copay (up to a 100-day supply)

*Chiropractic and Acupuncture services have no annual visit maximums, must be medically necessary and may be subject to prior authorization from OptumHealth.

***G** = Generic, **P** = Preferred, **B** = Brand, **PB** = Preferred Brand, **NPB** = Non-preferred Brand, **S** = Specialty

Disclaimer: Prepared by RPA San Diego on behalf of CS VEBA.

This document is an outline of the coverage proposed by the carrier(s), based on information provided by your company. It does not include all the terms, coverages, exclusions, limitations, and conditions of the actual contract language. The policies themselves must be read for those details. The intent of this document is to provide you with general information about your employee benefit plans. It does not necessarily address all the specific issues which may be applicable to you. It should not be construed as, nor is it intended to provide, legal advice. Questions regarding specific issues should be directed to your Human Resources/Benefits Department.

CALIFORNIA SCHOOLS VEBA
YOUR HEALTH, OUR PURPOSE

UnitedHealthcare Performance HMO Plan Summaries

Effective Period: January 1, 2027 - December 31, 2027

Plan design changes highlighted in red

Benefit Summary	UHC Performance HMO $10/100% What You Pay	UHC Performance HMO $15/100% What You Pay	UHC Performance HMO $20/$250A What You Pay	UHC Performance HMO $20/$30/$500A What You Pay
Medical Deductible (individual/family)	None	None	None	None
Medical Out-of-Pocket Maximum (individual/family)	$1,500 / $3,000	$1,500 / $3,000	$2,500 / $5,000	$3,000 / $6,000
Health Account	None	None	None	None
PCP Office Visit	$10 copay	$15 copay	$20 copay	$20 copay
Specialist Office Visit	$10 copay	$15 copay	$20 copay	$30 copay
Preventive Care	No charge	No charge	No charge	No charge
Inpatient Hospital Care	No charge	No charge	$250 admit copay	$500 admit copay
Mental Health Services (outpatient/inpatient)	$10 copay / No charge	$15 copay / No charge	$20 copay / $250 copay	$20 copay / $500 copay
Substance Abuse Services (outpatient/inpatient)	No charge	No charge	No charge	No charge
Outpatient Diagnostic Laboratory and Radiology (standard procedures)	No charge	No charge	No charge	No charge
Complex Radiology (PET & MRI)	No charge	No charge	$100 copay	$200 copay
Outpatient Surgery	No charge	No charge	No charge	$250 copay
Outpatient Physical/Rehabilitation Therapy (Office Visit)	$10 copay	$15 copay	$20 copay	$20 copay
Chiropractic and Acupuncture Services*	$10 copay	$15 copay	$20 copay	$20 copay
Urgent Care (Office Visit only)	$10 copay	$15 copay	$20 copay	$20 copay
Emergency Room (Copay waived if admitted)	$100 copay	$100 copay	$150 copay	$150 copay
Rx Deductible (individual/family)	None	None	None	None
Rx Out-of-Pocket Maximum (individual/family)	Combined with medical	Combined with medical	Combined with medical	Combined with medical
Rx Formulary List	National Preferred	National Preferred	National Preferred	National Preferred
Rx Pharmacy Network	Express Advantage Network**	Express Advantage Network**	Express Advantage Network**	Express Advantage Network**
Short-Term Prescription Drugs* ***(up to 30-day supply)***	$5 Generic $25 PB 50% $40 min $175 max NPB	$5 Generic $25 PB 50% $40 min $175 max NPB	$10 Generic $25 PB 50% $40 min $175 max NPB	$10 Generic $25 PB 50% $40 min $175 max NPB
Long-Term Prescription Drugs* ***(up to 90-day supply)***	$10 Generic $50 PB 50% $80 min $350 max NPB	$10 Generic $50 PB 50% $80 min $350 max NPB	$20 Generic $50 PB 50% $80 min $350 max NPB	$20 Generic $50 PB 50% $80 min $350 max NPB

*Chiropractic and Acupuncture services have no annual visit maximums, must be medically necessary and may be subject to prior authorization from OptumHealth.

**Pay standard copays if you fill your prescription at an EAN Pharmacy (EAN Pharmacies include Costco, Vons, Haggen, Safeway, SuperValue, WinnDixie, Walmart, and many independent pharmacies) visit www.Express-scripts.com for a complete list of EAN pharmacies.

**Pay standard copays plus $5/prescription if you fill your prescription at a non-EAN Pharmacy (Non-EAN Pharmacies include CVS, Walgreens, and certain independent pharmacies).

**You will pay the Retail Refill Allowance (RRA) penalty (equal to 2 times short-term medication copay for 30-day supply) if you fill long-term prescriptions at a network pharmacy other than Smart90 (Costco and Sharp Rees-Stealy pharmacies).

**Copays waived for preferred generic hypertension, hypoglycemic, and cholesterol medications purchased at mail or Smart 90. This does not include normal retail use or brand drugs.

***G = Generic, **P** = Preferred, **B** = Brand, **PB** = Preferred Brand, **NPB** = Non-preferred Brand, **S** = Specialty

Disclaimer: Prepared by RPA San Diego on behalf of CS VEBA.

This document is an outline of the coverage proposed by the carrier(s), based on information provided by your company. It does not include all the terms, coverages, exclusions, limitations, and conditions of the actual contract language. The policies themselves must be read for those details. The intent of this document is to provide you with general information about your employee benefit plans. It does not necessarily address all the specific issues which may be applicable to you. It should not be construed as, nor is it intended to provide, legal advice. Questions regarding specific issues should be directed to your Human Resources/Benefits Department.

CALIFORNIA SCHOOLS VEBA
YOUR HEALTH, OUR PURPOSE

UnitedHealthcare CS VEBA Alliance HMO Plan Summaries

Effective Period: January 1, 2027 - December 31, 2027

Plan design changes highlighted in red

Benefit Summary	UHC CS VEBA Alliance HMO $10/100% What You Pay	UHC CS VEBA Alliance HMO $15/100% What You Pay	UHC CS VEBA Alliance HMO $20/$250A What You Pay	UHC CS VEBA Alliance HMO $20/$30/$500A What You Pay
Medical Deductible (individual/family)	None	None	None	None
Medical Out-of-Pocket Maximum (individual/family)	$1,500 / $3,000	$1,500 / $3,000	$2,500 / $5,000	$3,000 / $6,000
Health Account	None	None	None	None
PCP Office Visit	$10 copay	$15 copay	$20 copay	$20 copay
Specialist Office Visit	$10 copay	$15 copay	$20 copay	$30 copay
Preventive Care	No charge	No charge	No charge	No charge
Inpatient Hospital Care	No charge	No charge	$250 admit copay	$500 admit copay
Mental Health Services (outpatient/inpatient)	$10 copay / No charge	$15 copay / No charge	$20 copay / $250 admit copay	$20 copay / $500 admit copay
Substance Abuse Services (outpatient/inpatient)	No charge	No charge	No charge	No charge
Outpatient Diagnostic Laboratory and Radiology (standard procedures)	No charge	No charge	No charge	No charge
Complex Radiology (PET & MRI)	No charge	No charge	$100 copay	$200 copay
Outpatient Surgery	No charge	No charge	No charge	$250 copay
Outpatient Physical/Rehabilitation Therapy (Office Visit)	$10 copay	$15 copay	$20 copay	$20 copay
Chiropractic and Acupuncture Services*	$10 copay	$15 copay	$20 copay	$20 copay
Urgent Care (Office Visit only)	$10 copay	$15 copay	$20 copay	$20 copay
Emergency Room (Copay waived if admitted)	$100 copay	$100 copay	$150 copay	$150 copay
Rx Deductible (individual/family)	None	None	None	None
Rx Out-of-Pocket Maximum (individual/family)	Combined with medical	Combined with medical	Combined with medical	Combined with medical
Rx Formulary List	National Preferred	National Preferred	National Preferred	National Preferred
Rx Pharmacy Network	Express Advantage Network**	Express Advantage Network**	Express Advantage Network**	Express Advantage Network**
Short-Term Prescription Drugs* ***(up to 30-day supply)***	$10 Generic $30 PB 50% $40 min $175 max NPB	$10 Generic $30 PB 50% $40 min $175 max NPB	$10 Generic $30 PB 50% $40 min $175 max NPB	$10 Generic $30 PB 50% $40 min $175 max NPB
Long-Term Prescription Drugs* ***(up to 90-day supply)***	$20 Generic $60 PB 50% $80 min $350 max NPB	$20 Generic $60 PB 50% $80 min $350 max NPB	$20 Generic $60 PB 50% $80 min $350 max NPB	$20 Generic $60 PB 50% $80 min $350 max NPB

*Chiropractic and Acupuncture services have no annual visit maximums, must be medically necessary and may be subject to prior authorization from OptumHealth.

**Pay standard copays if you fill your prescription at an EAN Pharmacy (EAN Pharmacies include Costco, Vons, Haggen, Safeway, SuperValue, WinnDixie, Walmart, and many independent pharmacies) visit www.Express-scripts.com for a complete list of EAN pharmacies.

**Pay standard copays plus $5/prescription if you fill your prescription at a non-EAN Pharmacy (Non-EAN Pharmacies include CVS, Walgreens, and certain independent pharmacies).

**You will pay the Retail Refill Allowance (RRA) penalty (equal to 2 times short-term medication copay for 30-day supply) if you fill long-term prescriptions at a network pharmacy other than Smart90 (Costco and Sharp Rees-Stealy pharmacies).

**Copays waived for preferred generic hypertension, hypoglycemic, and cholesterol medications purchased at mail or Smart 90. This does not include normal retail use or brand drugs.

***G = Generic, **P** = Preferred, **B** = Brand, **PB** = Preferred Brand, **NPB** = Non-preferred Brand, **S** = Specialty

Disclaimer: Prepared by RPA San Diego on behalf of CS VEBA.

This document is an outline of the coverage proposed by the carrier(s), based on information provided by your company. It does not include all the terms, coverages, exclusions, limitations, and conditions of the actual contract language. The policies themselves must be read for those details. The intent of this document is to provide you with general information about your employee benefit plans. It does not necessarily address all the specific issues which may be applicable to you. It should not be construed as, nor is it intended to provide, legal advice. Questions regarding specific issues should be directed to your Human Resources/Benefits Department.

CALIFORNIA SCHOOLS VEBA
YOUR HEALTH, OUR PURPOSE

UnitedHealthcare Harmony HMO Plan Summaries

Effective Period: January 1, 2027 - December 31, 2027

Plan design changes highlighted in red

Benefit Summary	UHC Harmony HMO $10/100% What You Pay	UHC Harmony HMO $15/100% What You Pay	UHC Harmony HMO $20/$250A What You Pay	UHC Harmony HMO $20/$30/$500A What You Pay
Medical Deductible (individual/family)	None	None	None	None
Medical Out-of-Pocket Maximum (individual/family)	$1,500 / $3,000	$1,500 / $3,000	$2,500 / $5,000	$3,000 / $6,000
Health Account	None	None	None	None
PCP Office Visit	$10 copay	$15 copay	$20 copay	$20 copay
Specialist Office Visit	$10 copay	$15 copay	$20 copay	$30 copay
Preventive Care	No charge	No charge	No charge	No charge
Inpatient Hospital Care	No charge	No charge	$250 admit copay	$500 admit copay
Mental Health Services (outpatient/inpatient)	$10 copay / No charge	$15 copay / No charge	$20 copay / $250 admit copay	$20 copay / $500 admit copay
Substance Abuse Services (outpatient/inpatient)	No charge	No charge	No charge	No charge
Outpatient Diagnostic Laboratory and Radiology (standard procedures)	No charge	No charge	No charge	No charge
Complex Radiology (PET & MRI)	No charge	No charge	$100 copay	$200 copay
Outpatient Surgery	No charge	No charge	No charge	$250 copay
Outpatient Physical/Rehabilitation Therapy (Office Visit)	$10 copay	$15 copay	$20 copay	$20 copay
Chiropractic and Acupuncture Services*	$10 copay	$15 copay	$20 copay	$20 copay
Urgent Care (Office Visit only)	$10 copay	$15 copay	$20 copay	$20 copay
Emergency Room (Copay waived if admitted)	$100 copay	$100 copay	$150 copay	$150 copay
Rx Deductible (individual/family)	None	None	None	None
Rx Out-of-Pocket Maximum (individual/family)	Combined with medical	Combined with medical	Combined with medical	Combined with medical
Rx Formulary List	National Preferred	National Preferred	National Preferred	National Preferred
Rx Pharmacy Network	Express Advantage Network**	Express Advantage Network**	Express Advantage Network**	Express Advantage Network**
Short-Term Prescription Drugs* ***(up to 30-day supply)***	$5 Generic $25 PB 50% $40 min $175 max NPB	$5 Generic $25 PB 50% $40 min $175 max NPB	$10 Generic $25 PB 50% $40 min $175 max NPB	$10 Generic $25 PB 50% $40 min $175 max NPB
Long-Term Prescription Drugs* ***(up to 90-day supply)***	$10 Generic $50 PB 50% $80 min $350 max NPB	$10 Generic $50 PB 50% $80 min $350 max NPB	$20 Generic $50 PB 50% $80 min $350 max NPB	$20 Generic $50 PB 50% $80 min $350 max NPB

*Chiropractic and Acupuncture services have no annual visit maximums, must be medically necessary and may be subject to prior authorization from OptumHealth.

**Pay standard copays if you fill your prescription at an EAN Pharmacy (EAN Pharmacies include Costco, Vons, Haggen, Safeway, SuperValue, WinnDixie, Walmart, and many independent pharmacies) visit www.Express-scripts.com for a complete list of EAN pharmacies.

**Pay standard copays plus $5/prescription if you fill your prescription at a non-EAN Pharmacy (Non-EAN Pharmacies include CVS, Walgreens, and certain independent pharmacies).

**You will pay the Retail Refill Allowance (RRA) penalty (equal to 2 times short-term medication copay for 30-day supply) if you fill long-term prescriptions at a network pharmacy other than Smart90 (Costco and Sharp Rees-Stealy pharmacies).

**Copays waived for preferred generic hypertension, hypoglycemic, and cholesterol medications purchased at mail or Smart 90. This does not include normal retail use or brand drugs.

***G = Generic, **P** = Preferred, **B** = Brand, **PB** = Preferred Brand, **NPB** = Non-preferred Brand, **S** = Specialty

Disclaimer: Prepared by RPA San Diego on behalf of CS VEBA.

This document is an outline of the coverage proposed by the carrier(s), based on information provided by your company. It does not include all the terms, coverages, exclusions, limitations, and conditions of the actual contract language. The policies themselves must be read for those details. The intent of this document is to provide you with general information about your employee benefit plans. It does not necessarily address all the specific issues which may be applicable to you. It should not be construed as, nor is it intended to provide, legal advice. Questions regarding specific issues should be directed to your Human Resources/Benefits Department.

CALIFORNIA SCHOOLS VEBA
YOUR HEALTH, OUR PURPOSE

UnitedHealthcare Journey HMO Plan Summaries: CS VEBA Alliance

Effective Period: January 1, 2027 - December 31, 2027

Benefit Summary	UHC CS VEBA Alliance HMO Journey, $500 What You Pay	UHC CS VEBA Alliance HMO Journey, $1,000 What You Pay	UHC CS VEBA Alliance HMO Journey, $2,000 What You Pay
Medical Deductible (individual/family)	$500 / $1,000	$1,000 / $2,000	$2,000 / $4,000
Medical Out-of-Pocket Maximum (individual/family)	$2,500 / $5,000	$3,000 / $6,000	$3,500 / $7,000
Health Account	HealthInvest HRA $250 / $500 / $800	HealthInvest HRA $375 / $750 / $1,200	HealthInvest HRA $500 / $1,000 / $1,600
PCP Office Visit	$10 copay	$15 copay	$25 copay
Specialist Office Visit	$20 copay	$30 copay	$40 copay
Preventive Care	No charge	No charge	No charge
Inpatient Hospital Care	20% coinsurance (after deductible)	20% coinsurance (after deductible)	20% coinsurance (after deductible)
Mental Health Services (outpatient/inpatient)	$10 copay / 20% coinsurance (after deductible)	$15 copay / 20% coinsurance (after deductible)	$25 copay / 20% coinsurance (after deductible)
Substance Abuse Services (outpatient/inpatient)	No charge	No charge	No charge
Outpatient Diagnostic Laboratory and Radiology (standard procedures)	No charge	No charge	No charge
Complex Radiology (PET & MRI)	$50 copay	$75 copay	$100 copay
Outpatient Surgery	20% coinsurance (after deductible)	20% coinsurance (after deductible)	20% coinsurance (after deductible)
Outpatient Physical/Rehabilitation Therapy (Office Visit)	$10 copay	$15 copay	$25 copay
Chiropractic and Acupuncture Services*	$10 copay	$15 copay	$30 copay
Urgent Care (Office Visit only)	$10 copay	$15 copay	$25 copay
Emergency Room (Copay waived if admitted)	20% coinsurance (after deductible)	20% coinsurance (after deductible)	20% coinsurance (after deductible)
Rx Deductible (individual/family)	None	None	None
Rx Out-of-Pocket Maximum (individual/family)	Combined with medical	Combined with medical	Combined with medical
Rx Formulary List	National Preferred	National Preferred	National Preferred
Rx Pharmacy Network	Express Advantage Network**	Express Advantage Network**	Express Advantage Network**
Short-Term Prescription Drugs* ***(up to 30-day supply)***	$10 Generic $25 PB 50% $40 min $175 max NPB	$10 Generic $30 PB 50% $40 min $175 max NPB	$10 Generic $30 PB 50% $40 min $175 max NPB
Long-Term Prescription Drugs* ***(up to 90-day supply)***	$20 Generic $50 PB 50% $80 min $350 max NPB	$20 Generic $60 PB 50% $80 min $350 max NPB	$20 Generic $60 PB 50% $80 min $350 max NPB

*Chiropractic and Acupuncture services have no annual visit maximums, must be medically necessary and may be subject to prior authorization from OptumHealth.

**Pay standard copays if you fill your prescription at an EAN Pharmacy (EAN Pharmacies include Costco, Vons, Haggen, Safeway, SuperValue, WinnDixie, Walmart, and many independent pharmacies) visit www.Express-scripts.com for a complete list of EAN pharmacies.

**Pay standard copays plus $5/prescription if you fill your prescription at a non-EAN Pharmacy (Non-EAN Pharmacies include CVS, Walgreens, and certain independent pharmacies).

**You will pay the Retail Refill Allowance (RRA) penalty (equal to 2 times short-term medication copay for 30-day supply) if you fill long-term prescriptions at a network pharmacy other than Smart90 (Costco and Sharp Rees-Stealy pharmacies).

**Copays waived for preferred generic hypertension, hypoglycemic, and cholesterol medications purchased at mail or Smart 90. This does not include normal retail use or brand drugs.

***G = Generic, **P** = Preferred, **B** = Brand, **PB** = Preferred Brand, **NPB** = Non-preferred Brand, **S** = Specialty

Disclaimer: Prepared by RPA San Diego on behalf of CS VEBA.

This document is an outline of the coverage proposed by the carrier(s), based on information provided by your company. It does not include all the terms, coverages, exclusions, limitations, and conditions of the actual contract language. The policies themselves must be read for those details. The intent of this document is to provide you with general information about your employee benefit plans. It does not necessarily address all the specific issues which may be applicable to you. It should not be construed as, nor is it intended to provide, legal advice. Questions regarding specific issues should be directed to your Human Resources/Benefits Department.

CALIFORNIA SCHOOLS VEBA
YOUR HEALTH, OUR PURPOSE

UnitedHealthcare Journey HMO Plan Summaries: Harmony

Effective Period: January 1, 2027 - December 31, 2027

Benefit Summary	UHC Harmony HMO Journey, $500 What You Pay	UHC Harmony HMO Journey, $1,000 What You Pay	UHC Harmony HMO Journey, $2,000 What You Pay
Medical Deductible (individual/family)	$500 / $1,000	$1,000 / $2,000	$2,000 / $4,000
Medical Out-of-Pocket Maximum (individual/family)	$2,500 / $5,000	$3,000 / $6,000	$3,500 / $7,000
Health Account	HealthInvest HRA $500 / $800 / $1,100	HealthInvest HRA $750 / $1,200 / $1,650	HealthInvest HRA $1,000 / $1,600 / $2,200
PCP Office Visit	$10 copay	$15 copay	$25 copay
Specialist Office Visit	$20 copay	$30 copay	$40 copay
Preventive Care	No charge	No charge	No charge
Inpatient Hospital Care	20% coinsurance (after deductible)	20% coinsurance (after deductible)	20% coinsurance (after deductible)
Mental Health Services (outpatient/inpatient)	$10 copay / 20% coinsurance (after deductible)	$15 copay / 20% coinsurance (after deductible)	$25 copay / 20% coinsurance (after deductible)
Substance Abuse Services (outpatient/inpatient)	No charge	No charge	No charge
Outpatient Diagnostic Laboratory and Radiology (standard procedures)	No charge	No charge	No charge
Complex Radiology (PET & MRI)	$50 copay	$75 copay	$100 copay
Outpatient Surgery	20% coinsurance (after deductible)	20% coinsurance (after deductible)	20% coinsurance (after deductible)
Outpatient Physical/Rehabilitation Therapy (Office Visit)	$10 copay	$15 copay	$25 copay
Chiropractic and Acupuncture Services*	$10 copay	$15 copay	$30 copay
Urgent Care (Office Visit only)	$10 copay	$15 copay	$25 copay
Emergency Room (Copay waived if admitted)	20% coinsurance (after deductible)	20% coinsurance (after deductible)	20% coinsurance (after deductible)
Rx Deductible (individual/family)	None	None	None
Rx Out-of-Pocket Maximum (individual/family)	Combined with medical	Combined with medical	Combined with medical
Rx Formulary List	National Preferred	National Preferred	National Preferred
Rx Pharmacy Network	Express Advantage Network**	Express Advantage Network**	Express Advantage Network**
Short-Term Prescription Drugs* ***(up to 30-day supply)***	$10 Generic $25 PB 50% $40 min $175 max NPB	$10 Generic $30 PB 50% $40 min $175 max NPB	$10 Generic $30 PB 50% $40 min $175 max NPB
Long-Term Prescription Drugs* ***(up to 90-day supply)***	$20 Generic $50 PB 50% $80 min $350 max NPB	$20 Generic $60 PB 50% $80 min $350 max NPB	$20 Generic $60 PB 50% $80 min $350 max NPB

*Chiropractic and Acupuncture services have no annual visit maximums, must be medically necessary and may be subject to prior authorization from OptumHealth.

**Pay standard copays if you fill your prescription at an EAN Pharmacy (EAN Pharmacies include Costco, Vons, Haggen, Safeway, SuperValue, WinnDixie, Walmart, and many independent pharmacies) visit www.Express-scripts.com for a complete list of EAN pharmacies.

**Pay standard copays plus $5/prescription if you fill your prescription at a non-EAN Pharmacy (Non-EAN Pharmacies include CVS, Walgreens, and certain independent pharmacies).

**You will pay the Retail Refill Allowance (RRA) penalty (equal to 2 times short-term medication copay for 30-day supply) if you fill long-term prescriptions at a network pharmacy other than Smart90 (Costco and Sharp Rees-Stealy pharmacies).

**Copays waived for preferred generic hypertension, hypoglycemic, and cholesterol medications purchased at mail or Smart 90. This does not include normal retail use or brand drugs.

***G = Generic, **P** = Preferred, **B** = Brand, **PB** = Preferred Brand, **NPB** = Non-preferred Brand, **S** = Specialty

Disclaimer: Prepared by RPA San Diego on behalf of CS VEBA.

This document is an outline of the coverage proposed by the carrier(s), based on information provided by your company. It does not include all the terms, coverages, exclusions, limitations, and conditions of the actual contract language. The policies themselves must be read for those details. The intent of this document is to provide you with general information about your employee benefit plans. It does not necessarily address all the specific issues which may be applicable to you. It should not be construed as, nor is it intended to provide, legal advice. Questions regarding specific issues should be directed to your Human Resources/Benefits Department.

CALIFORNIA SCHOOLS VEBA
YOUR HEALTH, OUR PURPOSE

Kaiser Permanente Journey HMO Plan Summaries

Effective Period: January 1, 2027 - December 31, 2027

Benefit Summary	Kaiser Journey HMO $500 Rx $10 / $30 30-day What You Pay	Kaiser Journey HMO $1,000 Rx $10 / $30 30-day What You Pay	Kaiser Journey HMO $2,000 Rx $10 / $30 30-day What You Pay
Medical Deductible (individual/family)	$500 / $1,000	$1,000 / $2,000	$2,000 / $4,000
Medical Out-of-Pocket Maximum (individual/family)	$2,500 / $5,000	$3,000 / $6,000	$3,500 / $7,000
Health Account	HealthInvest HRA $500 / $800 / $1,100	HealthInvest HRA $750 / $1,200 / $1,650	HealthInvest HRA $1,000 / $1,600 / $2,200
PCP Office Visit	$10 copay	$15 copay	$25 copay
Specialist Office Visit	$20 copay	$30 copay	$40 copay
Preventive Care	No charge	No charge	No charge
Inpatient Hospital Care	20% coinsurance (after deductible)	20% coinsurance (after deductible)	20% coinsurance (after deductible)
Mental Health Services (outpatient/inpatient)	$10 copay / 20% coinsurance (after deductible)	$15 copay / 20% coinsurance (after deductible)	$25 copay / 20% coinsurance (after deductible)
Substance Abuse Services (outpatient/inpatient)	No charge	No charge	No charge
Outpatient Diagnostic Laboratory and Radiology (standard procedures)	No charge	No charge	No charge
Complex Radiology (PET & MRI)	$50 copay	$75 copay	$100 copay
Outpatient Surgery	20% coinsurance (after deductible)	20% coinsurance (after deductible)	20% coinsurance (after deductible)
Outpatient Physical/Rehabilitation Therapy (Office Visit)	$10 copay	$15 copay	$25 copay
Chiropractic and Acupuncture Services*	$10 copay	$15 copay	$30 copay
Urgent Care (Office Visit only)	$10 copay	$15 copay	$25 copay
Emergency Room (Copay waived if admitted)	20% coinsurance (after deductible)	20% coinsurance (after deductible)	20% coinsurance (after deductible)
Rx Deductible (individual/family)	None	None	None
Rx Out-of-Pocket Maximum (individual/family)	N/A	N/A	N/A
Rx Formulary List	Kaiser	Kaiser	Kaiser
Rx Pharmacy Network	Kaiser	Kaiser	Kaiser
Short-Term Prescription Drugs* ***(up to 30-day supply)***	G: $10 copay B: $30 copay (up to a 30-day supply)	G: $10 copay B: $30 copay (up to a 30-day supply)	G: $10 copay B: $30 copay (up to a 30-day supply)
Long-Term Prescription Drugs* ***(up to 90-day supply)***	G: $20 copay B: $60 copay (up to a 100-day supply)	G: $20 copay B: $60 copay (up to a 100-day supply)	G: $20 copay B: $60 copay (up to a 100-day supply)

*Chiropractic and Acupuncture services have no annual visit maximums, must be medically necessary and may be subject to prior authorization from OptumHealth.

***G** = Generic, **P** = Preferred, **B** = Brand, **PB** = Preferred Brand, **NPB** = Non-preferred Brand, **S** = Specialty

Disclaimer: Prepared by RPA San Diego on behalf of CS VEBA.

This document is an outline of the coverage proposed by the carrier(s), based on information provided by your company. It does not include all the terms, coverages, exclusions, limitations, and conditions of the actual contract language. The policies themselves must be read for those details. The intent of this document is to provide you with general information about your employee benefit plans. It does not necessarily address all the specific issues which may be applicable to you. It should not be construed as, nor is it intended to provide, legal advice. Questions regarding specific issues should be directed to your Human Resources/Benefits Department.

CALIFORNIA SCHOOLS VEBA
YOUR HEALTH, OUR PURPOSE

UMR NexusACO PPO Plan Summary

Effective Period: January 1, 2027 - December 31, 2027

No plan design changes for 2027

Benefit Summary	UMR NexusACO PPO In Network Tier 1 What You Pay	 In Network Tier 2 What You Pay	 Out of Network Tier 3 What You Pay
Medical Deductible (individual/family)	$1,000 / $2,000	$2,000 / $4,000	$4,000 / $8,000
Medical Out-of-Pocket Maximum (individual/family)	$2,500 / $5,000	$5,000 / $10,000	$7,500 / $14,000
Health Account	None		
PCP Office Visit	$30 copay	20% coinsurance (after deductible)	50% coinsurance (after deductible)
Specialist Office Visit	$50 copay	20% coinsurance (after deductible)	50% coinsurance (after deductible)
Preventive Care	No charge	No charge	No coverage for non-network services
Inpatient Hospital Care	20% coinsurance (after deductible)	40% coinsurance (after deductible)	50% coinsurance with Prior Authorization (after deductible)
Mental Health Services (outpatient/inpatient)	$30 copay / 20% coinsurance (after deductible)	20% coinsurance (after deductible)	50% coinsurance (after deductible)
Substance Abuse Services (outpatient/inpatient)	$30 copay / 20% coinsurance (after deductible)	20% coinsurance (after deductible)	50% coinsurance (after deductible)
Outpatient Diagnostic Laboratory and Radiology (standard procedures) *Freestanding Facility or Physician Office*	No charge	20% coinsurance (deductible does not apply)	50% coinsurance (after deductible)
OR *Hospital-based Lab or Radiology*	20% coinsurance (deductible does not apply)	40% coinsurance (deductible does not apply)	
Complex Radiology (PET & MRI) *Freestanding Facility or Physician Office*	20% coinsurance (after deductible)	40% coinsurance (after deductible)	50% coinsurance (after deductible)
OR *Hospital-based Complex Radiology*			
Outpatient Surgery *Ambulatory Surgery Center or Physician's Office*	20% coinsurance (after deductible)	40% coinsurance (after deductible)	50% coinsurance with Prior Authorization (after deductible)
OR *Outpatient Hospital-based Surgical Center*	20% coinsurance (after deductible) and $100 copayment	40% coinsurance (after deductible) and $100 copayment	
Outpatient Physical/Rehabilitation Therapy (Office Visit)	$30 copay	20% coinsurance (after deductible)	50% coinsurance (after deductible)
Chiropractic and Acupuncture Services*	$30 copay	$30 copay	50% coinsurance (after deductible)
Urgent Care (Office Visit only)	$50 copay	$50 copay	50% coinsurance (after deductible)
Emergency Room (Copay waived if admitted)	$100 copay	$100 copay	$100 copay
Rx Deductible (individual/family)	None		
Rx Out-of-Pocket Maximum (individual/family)	Combined with medical		
Rx Formulary List	National Preferred		
Rx Pharmacy Network	Express Advantage Network**		
Short-Term Prescription Drugs*** *(up to 30-day supply)*	$10 Generic $30 PB 50% $40 min $175 max NPB		Retail: with submission of a paper claim, member will be reimbursed at the rate the Plan would have paid had the member used an in-network pharmacy less the member's copay.
Long-Term Prescription Drugs*** *(up to 90-day supply)*	$20 Generic $60 PB 50% $80 min $350 max NPB		No coverage for non-network pharmacy

PPO medical and prescription drug plans exclude coverage for infertility services, but have access to Kindbody Fertility Solutions for applicable covered benefits.

*Chiropractic and Acupuncture services have no annual visit maximums, must be medically necessary and may be subject to prior authorization from UMR.

**Pay standard copays if you fill your prescription at an EAN Pharmacy (EAN Pharmacies include Costco, Vons, Haggen, Safeway, SuperValue, WinnDixie, Walmart, and many independent pharmacies) visit www.Express-scripts.com for a complete list of EAN pharmacies.

**Pay standard copays plus $5/prescription if you fill your prescription at a non-EAN Pharmacy (Non-EAN Pharmacies include CVS, Walgreens, and certain independent pharmacies).

**You will pay the Retail Refill Allowance (RRA) penalty (equal to 2 times short-term medication copay for 30-day supply) if you fill long-term prescriptions at a network pharmacy other than Smart90 (Costco and Sharp Rees-Stealy pharmacies).

**Copays waived for preferred generic hypertension, hypoglycemic, and cholesterol medications purchased at mail or Smart 90. This does not include normal retail use or brand drugs.

***G** = Generic, **P** = Preferred, **B** = Brand, **PB** = Preferred Brand, **NPB** = Non-preferred Brand, **S** = Specialty

Disclaimer: Prepared by RPA San Diego on behalf of CS VEBA.

This document is an outline of the coverage proposed by the carrier(s), based on information provided by your company. It does not include all the terms, coverages, exclusions, limitations, and conditions of the actual contract language. The policies themselves must be read for those details. The intent of this document is to provide you with general information about your employee benefit plans. It does not necessarily address all the specific issues which may be applicable to you. It should not be construed as, nor is it intended to provide, legal advice. Questions regarding specific issues should be directed to your Human Resources/Benefits Department.

CALIFORNIA SCHOOLS VEBA
YOUR HEALTH, OUR PURPOSE

Surest PPO $500 Plan Summary

Effective Period: January 1, 2027 - December 31, 2027

No plan design changes for 2027

Benefit Summary	Surest PPO $500	
	In Network What You Pay	Out of Network What You Pay
Medical Deductible (individual/family)	None	None
Medical Out-of-Pocket Maximum (individual/family)	$2,000 / $4,000	$8,000 / $16,000
Health Account	None	
PCP Office Visit	$5 to $25 copay	$75 copay
Specialist Office Visit	$5 to $25 copay	$75 copay
Preventive Care	No charge	$40 copay
Inpatient Hospital Care	$500 copay	$1,500 copay
Mental Health Services (outpatient/inpatient)	$30 copay / $500 copay	$90 copay / $1,500 copay
Substance Abuse Services (outpatient/inpatient)	$30 copay / $500 copay	$90 copay / $1,500 copay
Outpatient Diagnostic Laboratory and Radiology (standard procedures) *Freestanding Facility or Physician Office OR*	No charge	No charge
Hospital-based Lab or Radiology	No charge	
Complex Radiology (PET & MRI) *Freestanding Facility or Physician Office OR*	$25 to $370 copay	Up to $1,125
Hospital-based Complex Radiology	$25 to $370 copay	
Outpatient Surgery *Ambulatory Surgery Center or Physician's Office*	$30 to $210 copay	$630 copay
Outpatient Hospital-based Surgical Center	$30 to $210 copay	
Outpatient Physical/Rehabilitation Therapy (Office Visit)	$5 to $25 copay	Up to $75 copay
Chiropractic and Acupuncture Services*	$5 copay (Chiro) / $10 copay (Acu)	$15 copay (Chiro) / $30 copay (Acu)
Urgent Care (Office Visit only)	$10 copay	$30 copay
Emergency Room (Copay waived if admitted)	$100 copay	$100 copay
Rx Deductible (individual/family)	None	
Rx Out-of-Pocket Maximum (individual/family)	Combined with medical	
Rx Formulary List	National Preferred	
Rx Pharmacy Network	Express Advantage Network**	
Short-Term Prescription Drugs*** *(up to 30-day supply)*	$10 Generic $30 PB 50% $40 min $175 max NPB	Retail: with submission of a paper claim, member will be reimbursed at the rate the Plan would have paid had the member used an in-network pharmacy less the member's copay.
Long-Term Prescription Drugs*** *(up to 90-day supply)*	$20 Generic $60 PB 50% $80 min $350 max NPB	No coverage for non-network pharmacy

PPO medical and prescription drug plans exclude coverage for infertility services, but have access to Kindbody Fertility Solutions for applicable covered benefits.

*Chiropractic and Acupuncture services have no annual visit maximums, must be medically necessary and may be subject to prior authorization from UMR.

*Chiropractic and acupuncture services each have a 60-visit limit per person per plan year and are combined for in-network and out-of-network. Must be medically necessary and may be subject to prior authorization from Surest.

**Pay standard copays if you fill your prescription at an EAN Pharmacy (EAN Pharmacies include Costco, Vons, Haggen, Safeway, SuperValue, WinnDixie, Walmart, and many independent pharmacies) visit www.Express-scripts.com for a complete list of EAN pharmacies.

**Pay standard copays plus $5/prescription if you fill your prescription at a non-EAN Pharmacy (Non-EAN Pharmacies include CVS, Walgreens, and certain independent pharmacies).

**You will pay the Retail Refill Allowance (RRA) penalty (equal to 2 times short-term medication copay for 30-day supply) if you fill long-term prescriptions at a network pharmacy other than Smart90 (Costco and Sharp Rees-Stealy pharmacies).

**Copays waived for preferred generic hypertension, hypoglycemic, and cholesterol medications purchased at mail or Smart 90. This does not include normal retail use or brand drugs.

***G = Generic, **P** = Preferred, **B** = Brand, **PB** = Preferred Brand, **NPB** = Non-preferred Brand, **S** = Specialty

Disclaimer: Prepared by RPA San Diego on behalf of CS VEBA.

This document is an outline of the coverage proposed by the carrier(s), based on information provided by your company. It does not include all the terms, coverages, exclusions, limitations, and conditions of the actual contract language. The policies themselves must be read for those details. The intent of this document is to provide you with general information about your employee benefit plans. It does not necessarily address all the specific issues which may be applicable to you. It should not be construed as, nor is it intended to provide, legal advice. Questions regarding specific issues should be directed to your Human Resources/Benefits Department.

CALIFORNIA SCHOOLS VEBA
YOUR HEALTH, OUR PURPOSE

Surest PPO $1,000 Plan Summary

Effective Period: January 1, 2027 - December 31, 2027

No plan design changes for 2027

Benefit Summary	Surest PPO $1,000	
	In Network What You Pay	Out of Network What You Pay
Medical Deductible (individual/family)	None	None
Medical Out-of-Pocket Maximum (individual/family)	$3,000 / $6,000	$8,000 / $16,000
Health Account	None	
PCP Office Visit	$5 to $40 copay	$120 copay
Specialist Office Visit	$5 to $40 copay	$120 copay
Preventive Care	No charge	$60 copay
Inpatient Hospital Care	$1,000 copay	$3,000 copay
Mental Health Services (outpatient/inpatient)	$50 copay / $1,000 copay	$150 copay / $3,000 copay
Substance Abuse Services (outpatient/inpatient)	$50 copay / $1,000 copay	$150 copay / $3,000 copay
Outpatient Diagnostic Laboratory and Radiology (standard procedures) *Freestanding Facility or Physician Office OR*	No charge	No charge
Hospital-based Lab or Radiology	No charge	
Complex Radiology (PET & MRI) *Freestanding Facility or Physician Office OR*	$40 to $370 copay	Up to $1,650
Hospital-based Complex Radiology	$40 to $370 copay	
Outpatient Surgery *Ambulatory Surgery Center or Physician's Office*	$50 to $320 copay	$960 copay
Outpatient Hospital-based Surgical Center	$50 to $320 copay	
Outpatient Physical/Rehabilitation Therapy (Office Visit)	$5 to $35 copay	Up to $105 copay
Chiropractic and Acupuncture Services*	$10 copay (Chiro) / $20 copay (Acu)	$30 copay (Chiro) / $60 copay (Acu)
Urgent Care (Office Visit only)	$20 copay	$60 copay
Emergency Room (Copay waived if admitted)	$180 copay	$180 copay
Rx Deductible (individual/family)	None	
Rx Out-of-Pocket Maximum (individual/family)	Combined with medical	
Rx Formulary List	National Preferred	
Rx Pharmacy Network	Express Advantage Network**	
Short-Term Prescription Drugs*** *(up to 30-day supply)*	$10 Generic $30 PB 50% $40 min $175 max NPB	Retail: with submission of a paper claim, member will be reimbursed at the rate the Plan would have paid had the member used an in-network pharmacy less the member's copay.
Long-Term Prescription Drugs*** *(up to 90-day supply)*	$20 Generic $60 PB 50% $80 min $350 max NPB	No coverage for non-network pharmacy

PPO medical and prescription drug plans exclude coverage for infertility services, but have access to Kindbody Fertility Solutions for applicable covered benefits.

*Chiropractic and Acupuncture services have no annual visit maximums, must be medically necessary and may be subject to prior authorization from UMR.

*Chiropractic and acupuncture services each have a 60-visit limit per person per plan year and are combined for in-network and out-of-network. Must be medically necessary and may be subject to prior authorization from Surest.

**Pay standard copays if you fill your prescription at an EAN Pharmacy (EAN Pharmacies include Costco, Vons, Haggen, Safeway, SuperValue, WinnDixie, Walmart, and many independent pharmacies) visit www.Express-scripts.com for a complete list of EAN pharmacies.

**Pay standard copays plus $5/prescription if you fill your prescription at a non-EAN Pharmacy (Non-EAN Pharmacies include CVS, Walgreens, and certain independent pharmacies).

**You will pay the Retail Refill Allowance (RRA) penalty (equal to 2 times short-term medication copay for 30-day supply) if you fill long-term prescriptions at a network pharmacy other than Smart90 (Costco and Sharp Rees-Stealy pharmacies).

**Copays waived for preferred generic hypertension, hypoglycemic, and cholesterol medications purchased at mail or Smart 90. This does not include normal retail use or brand drugs.

***G = Generic, **P** = Preferred, **B** = Brand, **PB** = Preferred Brand, **NPB** = Non-preferred Brand, **S** = Specialty

Disclaimer: Prepared by RPA San Diego on behalf of CS VEBA.

This document is an outline of the coverage proposed by the carrier(s), based on information provided by your company. It does not include all the terms, coverages, exclusions, limitations, and conditions of the actual contract language. The policies themselves must be read for those details. The intent of this document is to provide you with general information about your employee benefit plans. It does not necessarily address all the specific issues which may be applicable to you. It should not be construed as, nor is it intended to provide, legal advice. Questions regarding specific issues should be directed to your Human Resources/Benefits Department.

CALIFORNIA SCHOOLS VEBA
YOUR HEALTH, OUR PURPOSE

Surest PPO $2,000 Plan Summary

Effective Period: January 1, 2027 - December 31, 2027

No plan design changes for 2027

Benefit Summary	Surest PPO $2,000	
	In Network What You Pay	Out of Network What You Pay
Medical Deductible (individual/family)	None	None
Medical Out-of-Pocket Maximum (individual/family)	$5,000 / $10,000	$10,000 / $20,000
Health Account	None	
PCP Office Visit	$10 to $65 copay	$195 copay
Specialist Office Visit	$10 to $65 copay	$195 copay
Preventive Care	No charge	$100 copay
Inpatient Hospital Care	$2,000 copay	$4,800 copay
Mental Health Services (outpatient/inpatient)	$75 copay / $1,600 copay	$225 copay / $4,800 copay
Substance Abuse Services (outpatient/inpatient)	$75 copay / $1,600 copay	$225 copay / $4,800 copay
Outpatient Diagnostic Laboratory and Radiology (standard procedures) *Freestanding Facility or Physician Office OR*	No charge	No charge
Hospital-based Lab or Radiology	No charge	
Complex Radiology (PET & MRI) *Freestanding Facility or Physician Office OR*	$60 to $950 copay	Up to $2,850
Hospital-based Complex Radiology	$60 to $950 copay	
Outpatient Surgery *Ambulatory Surgery Center or Physician's Office*	$125 to $800 copay	$1,575 copay
Outpatient Hospital-based Surgical Center	$125 to $800 copay	
Outpatient Physical/Rehabilitation Therapy (Office Visit)	$5 to $60 copay	Up to $180 copay
Chiropractic and Acupuncture Services*	$15 copay (Chiro) / $30 copay (Acu)	$45 copay (Chiro) / $90 copay (Acu)
Urgent Care (Office Visit only)	$35 copay	$105 copay
Emergency Room (Copay waived if admitted)	$350 copay	$350 copay
Rx Deductible (individual/family)	None	
Rx Out-of-Pocket Maximum (individual/family)	Combined with medical	
Rx Formulary List	National Preferred	
Rx Pharmacy Network	Express Advantage Network**	
Short-Term Prescription Drugs*** *(up to 30-day supply)*	$10 Generic $30 PB 50% $40 min $175 max NPB	Retail: with submission of a paper claim, member will be reimbursed at the rate the Plan would have paid had the member used an in-network pharmacy less the member's copay.
Long-Term Prescription Drugs*** *(up to 90-day supply)*	$20 Generic $60 PB 50% $80 min $350 max NPB	No coverage for non-network pharmacy

PPO medical and prescription drug plans exclude coverage for infertility services, but have access to Kindbody Fertility Solutions for applicable covered benefits.

*Chiropractic and Acupuncture services have no annual visit maximums, must be medically necessary and may be subject to prior authorization from UMR.

*Chiropractic and acupuncture services each have a 60-visit limit per person per plan year and are combined for in-network and out-of-network. Must be medically necessary and may be subject to prior authorization from Surest.

**Pay standard copays if you fill your prescription at an EAN Pharmacy (EAN Pharmacies include Costco, Vons, Haggen, Safeway, SuperValue, WinnDixie, Walmart, and many independent pharmacies) visit www.Express-scripts.com for a complete list of EAN pharmacies.

**Pay standard copays plus $5/prescription if you fill your prescription at a non-EAN Pharmacy (Non-EAN Pharmacies include CVS, Walgreens, and certain independent pharmacies).

**You will pay the Retail Refill Allowance (RRA) penalty (equal to 2 times short-term medication copay for 30-day supply) if you fill long-term prescriptions at a network pharmacy other than Smart90 (Costco and Sharp Rees-Stealy pharmacies).

**Copays waived for preferred generic hypertension, hypoglycemic, and cholesterol medications purchased at mail or Smart 90. This does not include normal retail use or brand drugs.

***G = Generic, **P** = Preferred, **B** = Brand, **PB** = Preferred Brand, **NPB** = Non-preferred Brand, **S** = Specialty

Disclaimer: Prepared by RPA San Diego on behalf of CS VEBA.

This document is an outline of the coverage proposed by the carrier(s), based on information provided by your company. It does not include all the terms, coverages, exclusions, limitations, and conditions of the actual contract language. The policies themselves must be read for those details. The intent of this document is to provide you with general information about your employee benefit plans. It does not necessarily address all the specific issues which may be applicable to you. It should not be construed as, nor is it intended to provide, legal advice. Questions regarding specific issues should be directed to your Human Resources/Benefits Department.

CALIFORNIA SCHOOLS VEBA
YOUR HEALTH, OUR PURPOSE

2027 HEALTH PLAN ALTERNATIVE OFFERINGS

HMO PLAN OFFERINGS

UnitedHealthcare (UHC) HMO

VEBA offers a variety of UHC HMO networks depending on your service area. The UHC pages includes summaries of the benefit packages available to your organization for selection. Changing the copays of your plan, within the same network, will result in a premium difference.

PLAN NAME	UHC Harmony HMO $10/100%	UHC Harmony HMO $15/100%	UHC Harmony HMO $20/$250A	UHC Harmony HMO $20/$30/$500A
Benefit Highlights	Member Cost	Member Cost	Member Cost	Member Cost
Medical Deductible (individual / family)	None	None	None	None
Medical Out-of-Pocket Maximum (individual / family)	$1,500 / $3,000	$1,500 / $3,000	$2,500 / $5,000	$3,000 / $6,000
Health Account	None	None	None	None
PCP Office Visit	$10 copay	$15 copay	$20 copay	$20 copay
Specialist Office Visit	$10 copay	$15 copay	$20 copay	$30 copay
Preventive Care	No charge	No charge	No charge	No charge
Inpatient Hospital Care	No charge	No charge	$250 admit copay	$500 admit copay
Outpatient Diagnostic Laboratory and Radiology (standard procedures)	No charge	No charge	No charge	No charge
Complex Radiology (PET & MRI)	No charge	No charge	$100 copay	$200 copay
Outpatient Surgery	No charge	No charge	No charge	$250 copay
Urgent Care (Office Visit only)	$10 copay	$15 copay	$20 copay	$20 copay
Emergency Room (copay waived if admitted)	$100 copay	$100 copay	$150 copay	$150 copay
Rx Deductible (individual / family)	None	None	None	None
Rx Out-of-Pocket Maximum (individual / family)	N/A	N/A	N/A	N/A
Short-Term Prescription Drugs*** (up to 30-day supply)	G: $5 copay PB: $25 copay NPB: 50% ($40 min/$175 max)	G: $5 copay PB: $25 copay NPB: 50% ($40 min/$175 max)	G: $10 copay PB: $25 copay NPB: 50% ($40 min/$175 max)	G: $10 copay PB: $25 copay NPB: 50% ($40 min/$175 max)
Long-Term Prescription Drugs*** (up to 90-day supply)	G: $10 copay PB: $50 copay NPB: 50% ($80 min/$350 max)	G: $10 copay PB: $50 copay NPB: 50% ($80 min/$350 max)	G: $20 copay PB: $50 copay NPB: 50% ($80 min/$350 max)	G: $20 copay PB: $50 copay NPB: 50% ($80 min/$350 max)

Full Benefit Details Available Upon Request

***G = Generic, P = Preferred, B = Brand, PB = Preferred Brand, NPB = Non-preferred Brand, S = Specialty

If you are interested in receiving a quote for an alternative medical plan, or any ancillary coverages please contact your VEBA Account Manager or email us at Benefits@VEBA-Trust.com.

Important Note: Plans referenced are included for informational purposes only and are not intended to supersede, alter or expand benefits rights or liabilities as set forth in the official plan documents

CALIFORNIA SCHOOLS VEBA
YOUR HEALTH, OUR PURPOSE

2027 HEALTH PLAN ALTERNATIVE OFFERINGS

HMO PLAN OFFERINGS

UnitedHealthcare (UHC) HMO

VEBA offers a variety of UHC HMO networks depending on your service area. The UHC pages includes summaries of the benefit packages available to your organization for selection. Changing the copays of your plan, within the same network, will result in a premium difference.

PLAN NAME	UHC Performance HMO $10/100%	UHC Performance HMO $15/100%	UHC Performance HMO $20/$250A	UHC Performance HMO $20/$30/$500A
Benefit Highlights	Member Cost	Member Cost	Member Cost	Member Cost
Medical Deductible (individual / family)	None	None	None	None
Medical Out-of-Pocket Maximum (individual / family)	$1,500 / $3,000	$1,500 / $3,000	$2,500 / $5,000	$3,000 / $6,000
Health Account	None	None	None	None
PCP Office Visit	$10 copay	$15 copay	$20 copay	$20 copay
Specialist Office Visit	$10 copay	$15 copay	$20 copay	$30 copay
Preventive Care	No charge	No charge	No charge	No charge
Inpatient Hospital Care	No charge	No charge	$250 admit copay	$500 admit copay
Outpatient Diagnostic Laboratory and Radiology (standard procedures)	No charge	No charge	No charge	No charge
Complex Radiology (PET & MRI)	No charge	No charge	$100 copay	$200 copay
Outpatient Surgery	No charge	No charge	No charge	$250 copay
Urgent Care (Office Visit only)	$10 copay	$15 copay	$20 copay	$20 copay
Emergency Room (copay waived if admitted)	$100 copay	$100 copay	$150 copay	$150 copay
Rx Deductible (individual / family)	None	None	None	None
Rx Out-of-Pocket Maximum (individual / family)	N/A	N/A	N/A	N/A
Short-Term Prescription Drugs*** (up to 30-day supply)	G: $5 copay PB: $25 copay NPB: 50% ($40 min/$175 max)	G: $5 copay PB: $25 copay NPB: 50% ($40 min/$175 max)	G: $10 copay PB: $25 copay NPB: 50% ($40 min/$175 max)	G: $10 copay PB: $30 copay NPB: 50% ($40 min/$175 max)
Long-Term Prescription Drugs*** (up to 90-day supply)	G: $10 copay PB: $50 copay NPB: 50% ($80 min/$350 max)	G: $10 copay PB: $50 copay NPB: 50% ($80 min/$350 max)	G: $20 copay PB: $50 copay NPB: 50% ($80 min/$350 max)	G: $20 copay PB: $60 copay NPB: 50% ($80 min/$350 max)

Full Benefit Details Available Upon Request

***G = Generic, P = Preferred, B = Brand, PB = Preferred Brand, NPB = Non-preferred Brand, S = Specialty

If you are interested in receiving a quote for an alternative medical plan, or any ancillary coverages please contact your VEBA Account Manager or email us at Benefits@VEBA-Trust.com.

Important Note: Plans referenced are included for informational purposes only and are not intended to supersede, alter or expand benefits rights or liabilities as set forth in the official plan documents

CALIFORNIA SCHOOLS VEBA
YOUR HEALTH, OUR PURPOSE

2027 HEALTH PLAN ALTERNATIVE OFFERINGS

HMO PLAN OFFERINGS

UnitedHealthcare (UHC) HMO

VEBA offers a variety of UHC HMO networks depending on your service area. The UHC pages includes summaries of the benefit packages available to your organization for selection. Changing the copays of your plan, within the same network, will result in a premium difference.

PLAN NAME	UHC CSVEBA Alliance HMO $10/100%	UHC CSVEBA Alliance HMO $15/100%	UHC CSVEBA Alliance HMO $20/$250A	UHC CSVEBA Alliance HMO $20/$30/$500A
Benefit Highlights	Member Cost	Member Cost	Member Cost	Member Cost
Medical Deductible (individual / family)	None	None	None	None
Medical Out-of-Pocket Maximum (individual / family)	$1,500 / $3,000	$1,500 / $3,000	$2,500 / $5,000	$3,000 / $6,000
Health Account	None	None	None	None
PCP Office Visit	$10 copay	$15 copay	$20 copay	$20 copay
Specialist Office Visit	$10 copay	$15 copay	$20 copay	$30 copay
Preventive Care	No charge	No charge	No charge	No charge
Inpatient Hospital Care	No charge	No charge	$250 admit copay	$500 admit copay
Outpatient Diagnostic Laboratory and Radiology (standard procedures)	No charge	No charge	No charge	No charge
Complex Radiology (PET & MRI)	No charge	No charge	$100 copay	$200 copay
Outpatient Surgery	No charge	No charge	No charge	$250 copay
Urgent Care (Office Visit only)	$10 copay	$15 copay	$20 copay	$20 copay
Emergency Room (copay waived if admitted)	$100 copay	$100 copay	$150 copay	$150 copay
Rx Deductible (individual / family)	None	None	None	None
Rx Out-of-Pocket Maximum (individual / family)	N/A	N/A	N/A	N/A
Short-Term Prescription Drugs*** (up to 30-day supply)	G: $10 copay PB: $30 copay NPB: 50% ($40 min/$175 max)	G: $10 copay PB: $30 copay NPB: 50% ($40 min/$175 max)	G: $10 copay PB: $30 copay NPB: 50% ($40 min/$175 max)	G: $10 copay PB: $30 copay NPB: 50% ($40 min/$175 max)
Long-Term Prescription Drugs*** (up to 90-day supply)	G: $20 copay PB: $60 copay NPB: 50% ($80 min/$350 max)	G: $20 copay PB: $60 copay NPB: 50% ($80 min/$350 max)	G: $20 copay PB: $60 copay NPB: 50% ($80 min/$350 max)	G: $20 copay PB: $60 copay NPB: 50% ($80 min/$350 max)

Full Benefit Details Available Upon Request

***G = Generic, P = Preferred, B = Brand, PB = Preferred Brand, NPB = Non-preferred Brand, S = Specialty

If you are interested in receiving a quote for an alternative medical plan, or any ancillary coverages please contact your VEBA Account Manager or email us at Benefits@VEBA-Trust.com.

Important Note: Plans referenced are included for informational purposes only and are not intended to supersede, alter or expand benefits rights or liabilities as set forth in the official plan documents

CALIFORNIA SCHOOLS VEBA
YOUR HEALTH, OUR PURPOSE

2027 HEALTH PLAN ALTERNATIVE OFFERINGS

HMO PLAN OFFERINGS

UnitedHealthcare (UHC) HMO Journey Plans

VEBA offers a variety of UHC HMO networks depending on your service area. The UHC pages includes summaries of the benefit packages available to your organization for selection. Changing the copays of your plan, within the same network, will result in a premium difference.

Plan Name	UHC Harmony HMO $500, Rx: $10/$25/50%	UHC Harmony HMO $1,000, Rx: $10/$30/50%	UHC Harmony HMO $2,000, Rx: $10/$30/50%
Benefit Highlights	**Member Cost**	**Member Cost**	**Member Cost**
Medical Deductible (individual / family)	$500 / $1,000	$1,000 / $2,000	$2,000 / $4,000
Medical Out-of-Pocket Maximum (individual / family)	$2,500 / $5,000	$3,000 / $6,000	$3,500 / $7,000
Health Account	$500 / $800 / $1,100	$750 / $1,200 / $1,650	$1,000 / $1,600 / $2,200
PCP Office Visit	$10 copay	$15 copay	$25 copay
Specialist Office Visit	$20 copay	$30 copay	$40 copay
Preventive Care	No charge	No charge	No charge
Inpatient Hospital Care	20% coinsurance (after deductible)	20% coinsurance (after deductible)	20% coinsurance (after deductible)
Outpatient Diagnostic Laboratory and Radiology (standard procedures)	No charge	No charge	No charge
Complex Radiology (PET & MRI)	$50 copay	$75 copay	$100 copay
Outpatient Surgery	20% coinsurance (after deductible)	20% coinsurance (after deductible)	20% coinsurance (after deductible)
Urgent Care (Office Visit only)	$10 copay	$15 copay	$25 copay
Emergency Room (copay waived if admitted)	20% coinsurance (after deductible)	20% coinsurance (after deductible)	20% coinsurance (after deductible)
Rx Deductible (individual / family)	None	None	None
Rx Out-of-Pocket Maximum (individual / family)	N/A	N/A	N/A
Short-Term Prescription Drugs*** (up to 30-day supply)	G: $10 copay PB: $25 copay NPB: 50% ($40 min/$175 max)	G: $10 copay PB: $30 copay NPB: 50% ($40 min/$175 max)	G: $10 copay PB: $30 copay NPB: 50% ($40 min/$175 max)
Long-Term Prescription Drugs*** (up to 90-day supply)	G: $20 copay PB: $50 copay NPB: 50% ($80 min/$350 max)	G: $20 copay PB: $60 copay NPB: 50% ($80 min/$350 max)	G: $20 copay PB: $60 copay NPB: 50% ($80 min/$350 max)

Full Benefit Details Available Upon Request

***G = Generic, P = Preferred, B = Brand, PB = Preferred Brand, NPB = Non-preferred Brand, S = Specialty

If you are interested in receiving a quote for an alternative medical plan, or any ancillary coverages please contact your VEBA Account Manager or email us at Benefits@VEBA-Trust.com.

Important Note: Plans referenced are included for informational purposes only and are not intended to supersede, alter or expand benefits rights or liabilities as set forth in the official plan documents

CALIFORNIA SCHOOLS VEBA
YOUR HEALTH, OUR PURPOSE

2027 HEALTH PLAN ALTERNATIVE OFFERINGS

HMO PLAN OFFERINGS

UnitedHealthcare (UHC) HMO Journey Plans

VEBA offers a variety of UHC HMO networks depending on your service area. The UHC pages includes summaries of the benefit packages available to your organization for selection. Changing the copays of your plan, within the same network, will result in a premium difference.

Plan Name	UHC CS VEBA Alliance HMO $500, Rx: $10/$25/50%	UHC CS VEBA Alliance HMO $1,000, Rx: $10/$30/50%	UHC CS VEBA Alliance HMO $2,000, Rx: $10/$30/50%
Benefit Highlights	**Member Cost**	**Member Cost**	**Member Cost**
Medical Deductible (individual / family)	$500 / $1,000	$1,000 / $2,000	$2,000 / $4,000
Medical Out-of-Pocket Maximum (individual / family)	$2,500 / $5,000	$3,000 / $6,000	$3,500 / $7,000
Health Account	$250 / $500 / $800	$375 / $750 / $1,200	$500 / $1,000 / $1,600
PCP Office Visit	$10 copay	$15 copay	$25 copay
Specialist Office Visit	$20 copay	$30 copay	$40 copay
Preventive Care	No charge	No charge	No charge
Inpatient Hospital Care	20% coinsurance (after deductible)	20% coinsurance (after deductible)	20% coinsurance (after deductible)
Outpatient Diagnostic Laboratory and Radiology (standard procedures)	No charge	No charge	No charge
Complex Radiology (PET & MRI)	$50 copay	$75 copay	$100 copay
Outpatient Surgery	20% coinsurance (after deductible)	20% coinsurance (after deductible)	20% coinsurance (after deductible)
Urgent Care (Office Visit only)	$10 copay	$15 copay	$25 copay
Emergency Room (copay waived if admitted)	20% coinsurance (after deductible)	20% coinsurance (after deductible)	20% coinsurance (after deductible)
Rx Deductible (individual / family)	None	None	None
Rx Out-of-Pocket Maximum (individual / family)	N/A	N/A	N/A
Short-Term Prescription Drugs*** (up to 30-day supply)	G: $10 copay PB: $25 copay NPB: 50% ($40 min/$175 max)	G: $10 copay PB: $30 copay NPB: 50% ($40 min/$175 max)	G: $10 copay PB: $30 copay NPB: 50% ($40 min/$175 max)
Long-Term Prescription Drugs*** (up to 90-day supply)	G: $20 copay PB: $50 copay NPB: 50% ($80 min/$350 max)	G: $20 copay PB: $60 copay NPB: 50% ($80 min/$350 max)	G: $20 copay PB: $60 copay NPB: 50% ($80 min/$350 max)

Full Benefit Details Available Upon Request

***G = Generic, P = Preferred, B = Brand, PB = Preferred Brand, NPB = Non-preferred Brand, S = Specialty

If you are interested in receiving a quote for an alternative medical plan, or any ancillary coverages please contact your VEBA Account Manager or email us at Benefits@VEBA-Trust.com.

Important Note: Plans referenced are included for informational purposes only and are not intended to supersede, alter or expand benefits rights or liabilities as set forth in the official plan documents



2027 HEALTH PLAN ALTERNATIVE OFFERINGS

HMO PLAN OFFERINGS

UnitedHealthcare (UHC) HMO Networks

VEBA offers a variety of UHC HMO networks depending on your service area. The below medical groups are main medical groups by counties. For an extensive list of participating medical groups please reach out to your account manager.

CSVEBA Alliance

County Names	Participating Medical Groups
San Diego	Scripps & Affiliates, Mercy Physicians, Optum Care, Rady Children's, UCSD & Affiliates, Greater Tri-Cities IPA
Orange	Optum Care (Monarch), Memorial Care, Regal/ADOC, Greater Newport Physicians*, Providence
Riverside	Optum Care (Prime Care, Beaver), Promise Care, Desert Oasis, Regal, Redlands-Yucipa, Providence
San Bernardino	Optum Care (Prime Care, Beaver), Desert Oasis, Regal/Lakeside, Chaffey Medical, Victor Valley
Los Angeles	Optum Care (Apple Care, Prime Care, Monarch), Regal/Lakeside, High Desert, Sierra, Torrance, Providence

* = available for Orange County, Long Beach and Saddleback (excludes Hoag).

Harmony

County Names	Participating Medical Groups
San Diego	Sharp Rees-Stealy, Sharp Community, Optum Care
Orange	Optum Care, Memorial Care (includes formerly Greater Newport Physicians), Heritage-Regal
Riverside	Optum Care, Heritage-Regal
San Bernardino	Optum Care, Heritage-Regal
Los Angeles	Optum Care, Torrance IPA, Memorial Care, Heritage-Regal

Performance

County Names	Participating Medical Groups
San Diego	Sharp Rees-Stealy, Sharp Community, Optum Care, Rady Children's
Orange	Not Available
Riverside	Not Available
San Bernardino	Not Available
Los Angeles	Not Available

If you are interested in receiving a quote for an alternative medical plan, or any ancillary coverages please contact your VEBA Account Manager or email us at Benefits@VEBA-Trust.com.

Important Note: Plans referenced are included for informational purposes only and are not intended to supersede, alter or expand benefits rights or liabilities as set forth in the official plan documents

CALIFORNIA SCHOOLS VEBA
YOUR HEALTH, OUR PURPOSE

2027 HEALTH PLAN ALTERNATIVE OFFERINGS

HMO PLAN OFFERINGS

Kaiser HMO

VEBA offers 4 standard Kaiser HMO copay plans and 3 standard Kaiser Journey HRA HMO plans. The Kaiser page includes summaries of the benefit packages available to your organization for selection. Changing the copays of your plan will result in a premium difference.

Plan Name	Kaiser HMO $10 /100% Rx: $10 / $20, 30-day	Kaiser HMO $15 /100% Rx: $10 / $25, 30-day	Kaiser HMO $20 / $250PA Rx: $15 / $30, 30-day	Kaiser HMO $30 / $500PA Rx: $15 / $30, 30-day
Benefit Highlights	**Member Cost**	**Member Cost**	**Member Cost**	**Member Cost**
Medical Deductible (individual / family)	None	None	None	None
Medical Out-of-Pocket Maximum (individual / family)	$1,500 / $3,000	$1,500 / $3,000	$2,500 / $5,000	$3,000 / $6,000
Health Account	None	None	None	None
PCP Office Visit	$10 copay	$15 copay	$20 copay	$30 copay
Specialist Office Visit	$10 copay	$15 copay	$20 copay	$30 copay
Preventive Care	No charge	No charge	No charge	No charge
Inpatient Hospital Care	No charge	No charge	$250 admit	$500 admit
Outpatient Diagnostic Laboratory and Radiology (standard procedures)	No charge	No charge	No charge	No charge
Complex Radiology (PET & MRI)	No charge	No charge	$100 copay	$150 copay
Outpatient Surgery	$10 copay	$15 copay	$20 copay	$250 copay
Urgent Care (Office Visit only)	$10 copay	$15 copay	$20 copay	$30 copay
Emergency Room (copay waived if admitted)	$100 copay	$100 copay	$150 copay	$150 copay
Rx Deductible (individual / family)	None	None	None	None
RX Out-of-Pocket Maximum (individual / family)	N/A	N/A	N/A	N/A
Short-Term Prescription Drugs*** (up to 30-day supply)	G: $10 copay B: $20 copay (up to a 30-day supply)	G: $10 copay B: $25 copay (up to a 30-day supply)	G: $15 copay B: $30 copay (up to a 30-day supply)	G: $15 copay B: $30 copay (up to a 30-day supply)
Long-Term Prescription Drugs*** (up to 100-day supply)	G: $20 copay B: $40 copay (up to a 100-day supply)	G: $20 copay B: $50 copay (up to a 100-day supply)	G: $30 copay B: $60 copay (up to a 100-day supply)	G: $30 copay B: $60 copay (up to a 100-day supply)

Full Benefit Details Available Upon Request

***G = Generic, P = Preferred, B = Brand, PB = Preferred Brand, NPB = Non-preferred Brand, S = Specialty

If you are interested in receiving a quote for an alternative medical plan, or any ancillary coverages please contact your VEBA Account Manager or email us at Benefits@VEBA-Trust.com.

Important Note: Plans referenced are included for informational purposes only and are not intended to supersede, alter or expand benefits rights or liabilities as set forth in the official plan documents

CALIFORNIA SCHOOLS VEBA
YOUR HEALTH, OUR PURPOSE

2027 HEALTH PLAN ALTERNATIVE OFFERINGS

HMO PLAN OFFERINGS

Kaiser HMO

The Kaiser page includes summaries of the benefit packages available to your organization for selection. Changing the copays of your plan, within the same network, will result in a premium difference

Plan Name	Kaiser Journey HMO $500, Rx: $10/$25 30-day	Kaiser Journey HMO $1,000, Rx: $10/$30 30-day	Kaiser Journey HMO $2,000, Rx: $10/$30 30-day
Benefit Highlights	**Member Cost**	**Member Cost**	**Member Cost**
Medical Deductible (individual / family)	$500 / $1,000	$1,000 / $2,000	$2,000 / $4,000
Medical Out-of-Pocket Maximum (individual / family)	$2,500 / $5,000	$3,000 / $6,000	$3,500 / $7,000
Health Account	$500 / $800 / $1,100	$750 / $1,200 / $1,650	$1,000 / $1,600 / $2,200
PCP Office Visit	$10 copay	$15 copay	$25 copay
Specialist Office Visit	$20 copay	$30 copay	$40 copay
Preventive Care	No charge	No charge	No charge
Inpatient Hospital Care	20% coinsurance (after deductible)	20% coinsurance (after deductible)	20% coinsurance (after deductible)
Outpatient Diagnostic Laboratory and Radiology (standard procedures)	No charge	No charge	No charge
Complex Radiology (PET & MRI)	$50 copay	$75 copay	$100 copay
Outpatient Surgery	20% coinsurance (after deductible)	20% coinsurance (after deductible)	20% coinsurance (after deductible)
Urgent Care (Office Visit only)	$10 copay	$15 copay	$25 copay
Emergency Room (copay waived if admitted)	20% coinsurance (after deductible)	20% coinsurance (after deductible)	20% coinsurance (after deductible)
Rx Deductible (individual / family)	None	None	None
RX Out-of-Pocket Maximum (individual / family)	N/A	N/A	N/A
Short-Term Prescription Drugs*** (up to 30-day supply)	G: $10 copay B: $25 copay S: 50% coinsurance ($175 max) (up to a 30-day supply)	G: $10 copay B: $30 copay S: 50% coinsurance ($175 max) (up to a 30-day supply)	G: $10 copay B: $30 copay S: 50% coinsurance ($175 max) (up to a 30-day supply)
Long-Term Prescription Drugs*** (up to 100-day supply)	G: $20 copay B: $50 copay (up to a 100-day supply)	G: $20 copay B: $60 copay (up to a 100-day supply)	G: $20 copay B: $60 copay (up to a 100-day supply)

Full Benefit Details Available Upon Request

***G = Generic, P = Preferred, B = Brand, PB = Preferred Brand, NPB = Non-preferred Brand, S = Specialty

If you are interested in receiving a quote for an alternative medical plan, or any ancillary coverages please contact your VEBA Account Manager or email us at Benefits@VEBA-Trust.com.

Important Note: Plans referenced are included for informational purposes only and are not intended to supersede, alter or expand benefits rights or liabilities as set forth in the official plan documents

CALIFORNIA SCHOOLS VEBA
YOUR HEALTH, OUR PURPOSE

2027 HEALTH PLAN ALTERNATIVE OFFERINGS

PPO PLAN OFFERINGS

Surest PPO

VEBA offers 3 standard Surest PPO plans.

Plan Name	Surest PPO $500, Rx: $10 / $30 / 50%		Surest PPO $1,000, Rx: $10 / $30 / 50%		Surest PPO $2,000, Rx: $10 / $30 / 50%	
Benefit Highlights	**Member Cost**		**Member Cost**		**Member Cost**	
	In-Network	**Out-of-Network**	**In-Network**	**Out-of-Network**	**In-Network**	**Out-of-Network**
Medical Deductible (individual / family)	None	None	None	None	None	None
Medical Out-of-Pocket Maximum (individual / family)	$2,000 / $4,000	$8,000 / $16,000	$3,000 / $6,000	$8,000 / $16,000	$5,000 / $10,000	$10,000 / $20,000
Health Account	None		None		None	
PCP Office Visit	$5 to $25 copay	$75 copay	$5 to $40 copay	$120 copay	$10 to $65 copay	$195 copay
Specialist Office Visit	$5 to $25 copay	$75 copay	$5 to $40 copay	$120 copay	$10 to $65 copay	$195 copay
Preventive Care	No charge	$40 copay	No charge	$60 copay	No charge	$100 copay
Inpatient Hospital Care	$500 copay	$1,500 copay	$1,000 copay	$3,000 copay	$2,000 copay	$4,800 copay
Outpatient Diagnostic Laboratory and Radiology (standard procedures)	No charge	No charge	No charge	No charge	No charge	No charge
Complex Radiology (PET & MRI)	$25 to $370 copay	Up to $1,125	$40 to $370 copay	Up to $1,650	$60 to $950 copay	Up to $2,850
Outpatient Surgery	$30 to $210 copay	$630 copay	$50 to $320 copay	$960 copay	$125 to $800 copay	$1,575 copay
Urgent Care (Office Visit only)	$10 copay	$30 copay	$20 copay	$60 copay	$35 copay	$105 copay
Emergency Room (copay waived if admitted)	$100 copay	$100 copay	$180 copay	$180 copay	$350 copay	$350 copay
Rx Deductible (individual / family)	None		None		None	
RX Out-of-Pocket Maximum (individual / family)	N/A		N/A		N/A	
Short-Term Prescription Drugs*** (up to 30-day supply)	G: $10 copay PB: $30 copay NPB: 50% ($40 min/$175 max)	Retail: with submission of a paper claim, member will be reimbursed at the rate the Plan would have paid had the member used an in-network pharmacy less the member's copay.	G: $10 copay PB: $30 copay NPB: 50% ($40 min/$175 max)	Retail: with submission of a paper claim, member will be reimbursed at the rate the Plan would have paid had the member used an in-network pharmacy less the member's copay.	G: $10 copay PB: $30 copay NPB: 50% ($40 min/$175 max)	Retail: with submission of a paper claim, member will be reimbursed at the rate the Plan would have paid had the member used an in-network pharmacy less the member's copay.
Long-Term Prescription Drugs*** (up to 90-day supply)	G: $20 copay PB: $60 copay NPB: 50% ($80 min/$350 max)	No coverage for non-network pharmacy	G: $20 copay PB: $60 copay NPB: 50% ($80 min/$350 max)	No coverage for non-network pharmacy	G: $20 copay PB: $60 copay NPB: 50% ($80 min/$350 max)	No coverage for non-network pharmacy

Full Benefit Details Available Upon Request

***G = Generic, P = Preferred, B = Brand, PB = Preferred Brand, NPB = Non-preferred Brand, S = Specialty

If you are interested in receiving a quote for an alternative medical plan, or any ancillary coverages please contact your VEBA Account Manager or email us at Benefits@VEBA-Trust.com.

Important Note: Plans referenced are included for informational purposes only and are not intended to supersede, alter or expand benefits rights or liabilities as set forth in the official plan documents

CALIFORNIA SCHOOLS VEBA
YOUR HEALTH, OUR PURPOSE

2027 DENTAL PLAN ALTERNATIVE OFFERINGS

DENTAL PPO PLAN OFFERINGS

UnitedHealthcare (UHC) Dental PPO

VEBA offers 3 standard UHC Dental PPO plans.

Plan Name	UHC Dental PPO - Basic		UHC Dental PPO - Core		UHC Dental PPO - Enhanced	
Benefit Highlights	Member Cost		Member Cost		Member Cost	
	In-Network	Out-of-Network	In-Network	Out-of-Network	In-Network	Out-of-Network
Annual Deductible (individual / family)	$25 / $75		$25 / $75		None	
Annual Maximum	$2,000		$2,500		$3,000	
Waiting periods	None		None		None	
CMM Annual Roll-Over	Yes		Yes		Yes	
Deductible waived for D&P	No	No	Yes	Yes	Yes	Yes
Diagnostic & Preventative Services						
Exam	100%		100%		100%	
Cleanings	100% (2x Annual)		100% (2x Annual)		100% (2x Annual)	
X-Rays	100%		100%		100%	
Basic Servies	80%	80%	90%	80%	100%	100%
Endodontics	80%	80%	90%	80%	100%	100%
Periodontics	80%	80%	90%	80%	100%	100%
Oral Surgery	80%	80%	90%	80%	100%	100%
Major Services	60%	60%	60%	60%	60%	60%
Prosthodontics	60%	60%	60%	60%	60%	60%
Orthodontic Services						
Child / Adult Ortho	50%		50%		50%	
Orthodontic Maximum	$2,000 lifetime maximum		$2,500 lifetime maximum		$3,000 lifetime maximum	

Full Benefit Details Available Upon Request

If you are interested in receiving a quote for an alternative medical plan, or any ancillary coverages please contact your VEBA Account Manager or email us at Benefits@VEBA-Trust.com.

Important Note: Plans referenced are included for informational purposes only and are not intended to supersede, alter or expand benefits rights or liabilities as set forth in the official plan documents

CALIFORNIA SCHOOLS VEBA
YOUR HEALTH, OUR PURPOSE

2027 DENTAL PLAN ALTERNATIVE OFFERINGS

DENTAL ENDP PLAN OFFERINGS

UnitedHealthcare (UHC) Dental ENDP

VEBA offers 3 standard UHC Dental ENDP plans.

Plan Name		UHC Dental ENDP - Basic	UHC Dental ENDP - Core	UHC Dental ENDP - Enhanced
Diagnostic Services:				
D0120	Periodic Oral Evaluation	$0	$0	$0
D0150	Comphrehensive Oral Evaluation	$0	$0	$0
D0210	Intraoral - Complete Series of Radiographic Images	$0	$0	$0
D0272	Bitewings - Two Radiographic Images	$0	$0	$0
Preventative Services				
D1110	Prophylaxis - Adult (Cleaning)	$0	$0	$0
D1120	Prophylaxis - Child	$0	$0	$0
D1206	Topical Application of Flouride Varnish	$10	$5	$0
D1351	Sealant - Per Tooth	$0	$0	$0
Restorative Services:				
D2140	Amalgam - One Surface, Primary or Permanent	$0	$0	$0
D2330	Resin-Based Composite - One Surface, Anterior	$25	$0	$0
D2391	Resin-Based Composite - One Surface, Posterior	$55	$0	$0
Endodontic Services:				
D3310	Endodontic Therapy, Anterior Tooth (Exlcuding Final Restoration)	$100	$10	$0
D4341	Periodontal Scaling and Root Planing - Four or More Teeth Per Quadrant	$45	$36	$0
Oral Surgery				
D7140	Extraction, Erupted Tooth or Exposed Root	$10	$10	$0
Orthodontic Services:				
D8080	Comphrehensive Orthodontic Treatment of Adolescent Dentition	$2,050	$1,850	$1,500
D8090	Comphrehensive Orthodontic Treatment of Adult Dentition	$2,150	$1,950	$1,500

Benefit Details Available Upon Request

If you are interested in receiving a quote for an alternative medical plan, or any ancillary coverages please contact your VEBA Account Manager or email us at Benefits@VEBA-Trust.com.

Important Note: Plans referenced are included for informational purposes only and are not intended to supersede, alter or expand benefits rights or liabilities as set forth in the official plan documents

CALIFORNIA SCHOOLS VEBA
YOUR HEALTH, OUR PURPOSE

2027 VISION PLAN ALTERNATIVE OFFERINGS

VISION PLAN OFFERINGS

UnitedHealthcare (UHC) Vision

VEBA offers 3 standard UHC Vision plans.

Plan Name	UHC Vision - Basic		UHC Vision - Core		UHC Vision - Enhancement	
Benefit Highlights	Member Cost		Member Cost		Member Cost	
	Copay	Frequency	Copay	Frequency	Copay	Frequency
Eye Exam	$25 copay	Every 12 months	$10 copay	Every 12 months	$0 copay	Every 12 months
Prescription Glasses	See frame and lenses		See frame and lenses		See frame and lenses	
Frame Allowance	$150 Allowance	Every 24 months	$200 Allowance	Every 24 months	$250 Allowance	Every 12 months
Standard Lenses - Single Vision, Bifocal, and Trifocal	$0 copay	Every 12 months	$0 copay	Every 12 months	$0 copay	Every 12 months
Contacts - Disposable Formulary	6 boxes included*	Every 12 months	8 boxes included*	Every 12 months	10 boxes included*	Every 12 months
Contacts - Non-Formulary	$150 allowance	Every 12 months	$200 Allowance	Every 12 months	$250 Allowance	Every 12 months
Retinal Screeening	No charge	Every 12 months	No charge	Every 12 months	No charge	Every 12 months
Children's and Maternity Eye Care	Members ages 0-19 and members pregnant or breastfeeding who have a prescription change of 0.5 diopter or more are eligible for a replacement frame and lenses at no cost. Additional eye exam for ages 0-19 and pregnant or breastfeeding women at no cost.					
Replacement Eyeglasses	The replacement benefits are the same as the benefits for the initial frame and lenses. Not applicable for Exam Core or Exam with Discounted Material Plans.					
Laser Vision Discount	UnitedHealthcare is proud to add value to your vision care program by offering access to discounted laser vision correction procedures through QualSight LASIK, the largest LASIK manager in the United States. Member savings represent up to 35% off the national average price of LASIK. Discounts are also provided on newer technologies such as Custom Bladeless (all laser) LASIK. Visit myuhcvision.com for more information.					
Blue Light Protection - Eyesafe Discount	UnitedHealthcare Vision has collaborated with Eyesafe® to provide members with a 20% discount off the retail price on blue-light screen filters for their devices. Members can receive the discount by visiting myuhcvision.com and clicking on the Eyesafe link.					

Full Benefit Details Available Upon Request

*Disposable Fomulary contacts are included at no cost when obtained from an in-network provider.

If you are interested in receiving a quote for an alternative medical plan, or any ancillary coverages please contact your VEBA Account Manager or email us at Benefits@VEBA-Trust.com.

Important Note: Plans referenced are included for informational purposes only and are not intended to supersede, alter or expand benefits rights or liabilities as set forth in the official plan documents

District Enrollment Profile

Report Run: 7/9/2026

Motivated Youth Academy Charter School

Enrollment Breakdown	Kaiser	UHC HMO		UMR	Grand Total
	Kaiser 20	Alliance HMO 20/30	Harmony HMO 20/30	Nexus ACO PPO Select Plus 80/50	
Actives	**12**	**7**	**4**	**2**	**25**
Employee	7	6	4	2	19
Two Party	2	1	0	0	3
Emp + Family	3	0	0	0	3
Grand Total	**12**	**7**	**4**	**2**	**25**

Prepared by RPA San Diego, on behalf of California Schools VEBA

The proposal (analyses, report, etc.) is an outline of the coverages proposed by the carrier(s) based upon the information provided by your company. It does not include all the terms, coverages, exclusions, limitations, and conditions of the actual contract language. See the policies and contracts for actual language. This proposal (analyses, report, etc.) is not a contract and offers no contractual obligation on behalf of RPA San Diego.

This analysis is for illustrative purposes only, and is not a proposal for coverage or a guarantee of future expenses, claims costs, managed care savings, etc. There are many variables that can affect future health care costs including utilization patterns, catastrophic claims, changes in plan design, health care trend increases, etc. This analysis does not amend, extend, or alter the coverage provided by the actual insurance policies and contracts. See your policy or contact us for specific information or further details in this regard.

This document is an outline of the coverage proposed by the carrier(s), based on information provided by your company. It does not include all the terms, coverages, exclusions, limitations, and conditions of the actual contract language. The policies themselves must be read for those details. The intent of this document is to provide you with general information about your employee benefit plans. It does not necessarily address all the specific issues which may be applicable to you. It should not be construed as, nor is it intended to provide, legal advice. Questions regarding specific issues should be directed to your Human Resources/Benefits Department.

docusign

Certificate Of Completion

Envelope Id: 8461F5D9-9FA1-8387-813B-8E083AE4CD47 Status: Sent

Subject: The 2027 California Schools VEBA Benefits Plan Renewal - Motivated Youth Academy Charter School

Source Envelope:

Document Pages: 41 Signatures: 0 Envelope Originator:

Certificate Pages: 1 Initials: 0 Jacob Hovan

AutoNav: Enabled 1843 Hotel Cir S

EnvelopeId Stamping: Enabled San Diego, CA 92108

Time Zone: (UTC-08:00) Pacific Time (US & Canada) GGB.San.Diego-4.Contracts@rpadmin.com

IP Address: 170.85.54.199

Record Tracking

Status: Original Holder: Jacob Hovan Location: DocuSign

8/17/2026 12:43:44 PM GGB.San.Diego-4.Contracts@rpadmin.com

Signer Events	Signature	Timestamp
Bill Dobson bdobson@myacademy.org Motivated Youth Academy Charter School Security Level: Email, Account Authentication (None) **Electronic Record and Signature Disclosure:** Not Offered via Docusign		Sent: 8/20/2026 7:00:11 AM

In Person Signer Events	Signature	Timestamp

Editor Delivery Events	Status	Timestamp

Agent Delivery Events	Status	Timestamp

Intermediary Delivery Events	Status	Timestamp

Certified Delivery Events	Status	Timestamp

Carbon Copy Events	Status	Timestamp
Melissa Lato mlato@myacademy.org Motivated Youth Academy Charter School Signing Group: Motivated Youth Academy Charter School (Copy) Security Level: Email, Account Authentication (None) **Electronic Record and Signature Disclosure:** Not Offered via Docusign	COPIED	Sent: 8/20/2026 7:00:11 AM Viewed: 8/20/2026 9:26:04 AM

Witness Events	Signature	Timestamp

Notary Events	Signature	Timestamp

Envelope Summary Events	Status	Timestamps
Envelope Sent	Hashed/Encrypted	8/20/2026 7:00:11 AM

Payment Events	Status	Timestamps

AMERICAN SOUTHERN HOME INSURANCE COMPANY

Administration Office: 555 College Road East, Princeton, NJ 08543-5241
800.305.4954
Statutory Office: 1301 Riverplace Blvd., Suite 1300 - Jacksonville, FL 32207
(a stock insurance company)

IN RETURN FOR THE PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL OF THE TERMS OF THIS POLICY, WE AGREE WITH YOU TO PROVIDE THE INSURANCE STATED IN THIS POLICY.

Commercial Excess Liability
DECLARATIONS

Policy No. 7NA6FF0000572-00

Renewal of Number: NEW

Policy Issue Date: 07/01/26

Item 1. Named Insured and Mailing Address:
(No. Street, Town or City, State, Zip Code)
Motivated Youth Academy

500 La Terraza Blvd #150
Escondido, CA 92025

Program Administrator's Name and Mailing Address:
Wright Specialty Insurance

900 Stewart Avenue, Suite 600
Garden City, NY 11530-4869

Named Insured is: ☐ Individual, ☐ Partnership, ☐ Corporation, ☐ Joint Venture, ☒ Other Education
Business of the Named Insured is: Charter School

Item 2. Policy Period:
From: 07/01/26 to 07/01/27 12:01 A.M. Standard Time at your mailing address shown above.

Item 3.

Premium:	$5,914.00
State Taxes or Surcharges:	
Terrorism Premium (Certified Acts):	$1.00
Total Premium:	$5,914.00
First Installment	
Subsequent Installment(s)	

☒ Flat ☐ Adjustable

Rate:

Per:

Deposit Premium: $5,914.00

Minimum Premium:

Item 4. Limits of Insurance:

a.	Each Occurrence Limit	$4,000,000
b.	Aggregate Limit	$4,000,000
c.	Other Limit:	

Item 5. Retroactive Date: (Claims Made Coverage) See: Underlying Claims-Made Coverage Endorsement (if applicable)

Item 6. Controlling Underlying Insurance: See: Schedule of Controlling Underlying Insurance

Item 7. Forms and Endorsements: See: Schedule of Forms and Endorsements

Authorization: In Witness Whereof, the Company issuing this policy has caused this policy to be signed by its authorized officers, but this policy shall not be valid unless also signed by a duly authorized representative of the Company.

Secretary

President

Countersigned
Date:

Authorized Representative

THESE DECLARATIONS, THE ATTACHED SCHEDULE OF UNDERLYING INSURANCE, TOGETHER WITH THE ATTACHED SCHEDULE OF FORMS AND ENDORSEMENTS, AND ANY FORMS AND ENDORSEMENTS WE MAY LATER ATTACH TO REFLECT CHANGES, MAKE UP AND COMPLETE THE ABOVE NUMBERED POLICY.

Schedule of Forms and Endorsements
COMMERCIAL EXCESS LIABILITY

Effective date of this Schedule: 07/01/2026 Issue date: 07/01/2026

Attached to and forming part of Policy No.: 7NA6FF0000572-00

Issued To: Motivated Youth Academy

The following is a schedule of Forms and Endorsements issued with the policy at inception:

Form ID Number:	Edition Date:	Form Name:
CXD 01	12-13	Commercial Excess Liability Declarations
AAIC-CAPP-1	03-03	California Insurance Privacy Notice
CXS 01	02-10	Schedule of Controlling Underlying Insurance
CX 00 01	04-13	Commercial Excess Liability Coverage Form
CX 02 26	09-12	California Changes - Cancellation And Nonrenewal
CX 21 01	09-08	Nuclear Energy Liability Exclusion Endorsement
CX 21 30	01-15	Cap On Losses From Certified Acts Of Terrorism
CX 21 36	01-15	Exclusion Of Punitive Damages Related To A Certified Act Of Terrorism
CX 21 56	09-08	Auto Coverage - Exclusion Of Terrorism
CX 27 00	12-19	Underlying Claims-Made Coverage
CXE 01 03	12-19	Total Aircraft Liability Exclusion
CXE 01 06	02-10	Asbestos Exclusion
CXE 01 49	12-19	Employee Benefits Excess Liability Coverage
CXE 02 17	02-10	Damage To Real Property - Total Exclusion
CXE 02 45	02-10	War Exclusion
CXE 02 79	12-13	Sublimited Coverages Endorsement
CXE PE 01	02-22	Public Entity Immunity and Tort Cap Preservation
IL 09 85	12-20	Disclosure Pursuant To Terrorism Risk Insurance Act
TerrNotice10	12-20	Policyholder Disclosure Notice of Terrorism Insurance Coverage
VLCA03	04-10	California Insurance Guarantee Association

American Southern Home Insurance Company

CALIFORNIA INSURANCE PRIVACY NOTICE

American Southern Home Insurance Company Privacy Policy

The nature of our insurance business at American Southern Home Insurance Company requires that we gather and maintain a variety of information about our current and potential customers and consumers, including nonpublic personal information about individuals. We are committed to keeping confidential and secure any such nonpublic personal information. We will disclose nonpublic personal information obtained in the course of our business - only as permitted by law.

Categories of Personal Information We May Obtain

We may obtain nonpublic personal information from the following sources:

- **Applications or other underwriting forms**. These forms provide us with information we need as part of the underwriting process; this can include such nonpublic personal information as individuals' names, addresses, social security numbers and any other information about individuals that we are authorized to obtain in order to underwrite and administer policies and claims.

- **Information we obtain from third parties**. The kind of information we may gather from third parties depends on the type of insurance policy or coverage, but may include such nonpublic personal information as motor vehicle reports, claims reports, credit reports, property inspection reports, and medical records or reports.

- **Information about transactions and experiences with us or with our affiliates**. We develop and maintain individuals' personal information, such as policy numbers, premium payments and claims history, obtained on the basis of American Southern Home Insurance Company or its affiliates transactions and experiences.

How We May Use and Share Personal Information

We may use and share all of the information that we obtain as described below:

- **Within American Southern Home Insurance Company**

  Within American Southern Home Insurance Company we only use nonpublic personal information received to service or maintain policies, to effect, process, administer or enforce requested or authorized transactions, or for other purposes as permitted by law. We restrict access to nonpublic personal information to those employees who have a business reason to know that information to provide products and services. We also maintain physical, electronic, and procedural safeguards in order to protect against unauthorized use or disclosure of nonpublic personal information.

American Southern Home Insurance Company

- **With Affiliates and Non-Affiliated Third Parties**

  We may disclose information about American Southern Home Insurance Company customers and consumers to our affiliates (i.e. companies that are related to us by common ownership or control), in order to offer insurance products or services that may be of value. You cannot prevent these disclosures.

  We may also disclose nonpublic personal information without prior permission to nonaffiliated third parties (i.e., persons or companies that are not related to us by common ownership or control such as service providers and consultants) as necessary to effect, process, administer or enforce a requested or authorized transaction, or for other purposes as permitted by law.

  When we provide nonpublic personal information to a nonaffiliated third party who performs services for us, we require that provider to agree to safeguard any nonpublic personal information, to use the information only for the intended purpose, and to abide by applicable law.

Confidentiality of Health and Medical Information

It is often necessary for us to obtain personal health information in order to underwrite and process claims for various types of insurance coverages. We recognize concerns about the security of that information and want to provide assurance that any personal health data provided to us or that we otherwise obtain will be held in strict confidence. We will not disclose or share personal medical information for marketing or any other unauthorized purpose. We may disclose or share personal medical information as permitted by law; for example, in order to underwrite policies or administer policies or claims.

Purpose of and Updates to This Notice

We recognize and respect the privacy concerns of our potential and current customers and consumers. We may amend our privacy policy from time to time. We send this notice of our privacy policy at this time as required for informational purposes, and we will update and distribute it as required by law.

Date: March 24, 2003

AMERICAN SOUTHERN HOME INSURANCE COMPANY

Administration Office: 555 College Road East, Princeton, NJ 08543-5241
800.305.4954
Statutory Office: 1301 Riverplace Blvd., Suite 1300 - Jacksonville, FL 32207
(a stock insurance company)

Schedule of Controlling Underlying Insurance

COMMERCIAL EXCESS LIABILITY ☐ See Supplemental Page

Effective date of this Schedule: 07/01/26 Issue date: 07/01/26

Attached to and forming part of Policy No.: 7NA6FF0000572-00

Issued To: Motivated Youth Academy

500 La Terraza Blvd #150
Escondido, CA 92025

Controlling Underlying Insurer	Type of Coverage	Limits of Insurance
(a) Name:	Employers' Liability	Bodily Injury by Accident: each Accident
Policy Number:		Bodily Injury by Disease:
Policy Period: To		each Policy
		each Employee
(b) Name:	Commercial General Liability	
American Southern Home Insurance Company		$1,000,000 each Occurrence
☒ Occurrence		$3,000,000 General Aggregate (other than Products Completed Operations)
☐ Claims Made		$3,000,000 Products Completed Operations Aggregate
Policy Number: 7NA6CP0002704-00		$1,000,000 Personal and Advertising Injury
Policy Period: 07/01/26 To 07/01/27		Excluded Fire Damage Legal Liability
Retroactive Date: (Claims Made Coverage)		Excluded Water Damage Legal Liability
(c) Name: American Family Home Insurance Company	Automobile Liability	Bodily Injury Liability each Person
Policy Number: 7NA5CA0001787-00		each Accident
Policy Period: 07/01/26 To 07/01/27		Property Damage Liability: each Accident
		or $1,000,000 Combined Single Limit

Copyright, American Alternative Insurance Corporation, 2010
Includes copyrighted material of the Insurance Services Office, Inc., with its permission.

Powered by BoardOnTrack

Schedule of Controlling Underlying Insurance (SUPPLEMENTAL PAGE)

COMMERCIAL EXCESS LIABILITY

Effective date of this Schedule: 07/01/26 Issue date: 07/01/26

Attached to and forming part of Policy No.: 7NA6FF0000572-00

Issued To: Motivated Youth Academy

500 La Terraza Blvd #150
Escondido, CA 92025

Controlling Underlying Insurer	Type of Coverage	Limits of Insurance
(d) Name: American Southern Home Insurance Company ☐ Occurrence ☒ Claims Made Policy Number: 7NA6CP0002704-00 Policy Period: 07/01/26 To 07/01/27 Retroactive Date: 06/30/2017 (Claims Made Coverage)	Educators Legal Liability	$1,000,000 Each Incident $3,000,000 Aggregate
(e) Name: American Southern Home Insurance Company ☐ Occurrence ☒ Claims Made Policy Number: 7NA6CP0002704-00 Policy Period: 07/01/26 To 07/01/27 Retroactive Date: 07/01/2026 (Claims Made Coverage)	Employee Benefits Liability	$1,000,000 Each Employee $2,000,000 Aggregate

Copyright, American Alternative Insurance Corporation, 2010
Includes copyrighted material of the Insurance Services Office, Inc., with its permission.

Schedule of Controlling Underlying Insurance (SUPPLEMENTAL PAGE)

COMMERCIAL EXCESS LIABILITY

Effective date of this Schedule: 07/01/26 Issue date: 07/01/26

Attached to and forming part of Policy No.: 7NA6FF0000572-00

Issued To: Motivated Youth Academy

500 La Terraza Blvd #150
Escondido, CA 92025

Controlling Underlying Insurer	Type of Coverage	Limits of Insurance
(f) Name: American Southern Home Insurance Company ☒ Occurrence ☐ Claims Made Policy Number: 7NA6CP0002704-00 Policy Period: 07/01/26 To 07/01/27 Retroactive Date: (Claims Made Coverage)	Abuse or Molestation Liability	$1,000,000 Each Occurrence $3,000,000 Aggregate
(g) Name: American Southern Home Insurance Company ☒ Occurrence ☐ Claims Made Policy Number: 7NA6CP0002704-00 Policy Period: 07/01/26 To 07/01/27 Retroactive Date: (Claims Made Coverage)	Counseling Professional Liability	$1,000,000 Each Occurrence $3,000,000 Aggregate

Copyright, American Alternative Insurance Corporation, 2010
Includes copyrighted material of the Insurance Services Office, Inc., with its permission.

COMMERCIAL EXCESS LIABILITY COVERAGE FORM

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

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the company providing this insurance. The word "insured" means any person or organization qualifying as such under the "controlling underlying insurance".

Other words and phrases that appear in quotation marks in this Coverage Part have special meaning. Refer to Section **IV** – Definitions. Other words and phrases that are not defined under this Coverage Part but defined in the "controlling underlying insurance" will have the meaning described in the policy of "controlling underlying insurance".

The insurance provided under this Coverage Part will follow the same provisions, exclusions and limitations that are contained in the applicable "controlling underlying insurance", unless otherwise directed by this insurance. To the extent such provisions differ or conflict, the provisions of this Coverage Part will apply. However, the coverage provided under this Coverage Part will not be broader than that provided by the applicable "controlling underlying insurance".

There may be more than one "controlling underlying insurance" listed in the Declarations and provisions in those policies conflict, and which are not superseded by the provisions of this Coverage Part. In such a case, the provisions, exclusions and limitations of the "controlling underlying insurance" applicable to the particular "event" for which a claim is made or suit is brought will apply.

SECTION I – COVERAGES

1. Insuring Agreement

a. We will pay on behalf of the insured the "ultimate net loss" in excess of the "retained limit" because of "injury or damage" to which insurance provided under this Coverage Part applies.

We will have the right and duty to defend the insured against any suit seeking damages for such "injury or damage" when the applicable limits of "controlling underlying insurance" have been exhausted in accordance with the provisions of such "controlling underlying insurance".

When we have no duty to defend, we will have the right to defend, or to participate in the defense of, the insured against any other suit seeking damages for "injury or damage".

However, we will have no duty to defend the insured against any suit seeking damages for which insurance under this policy does not apply.

At our discretion, we may investigate any "event" that may involve this insurance and settle any resultant claim or suit, for which we have the duty to defend.

But:

(1) The amount we will pay for "ultimate net loss" is limited as described in Section **II** – Limits Of Insurance; and

(2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under this Coverage Part. However, if the policy of "controlling underlying insurance" specifies that limits are reduced by defense expenses, our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of defense expenses, judgments or settlements under this Coverage Part.

b. This insurance applies to "injury or damage" that is subject to an applicable "retained limit". If any other limit, such as, a sublimit, is specified in the "controlling underlying insurance", this insurance does not apply to "injury or damage" arising out of that exposure unless that limit is specified in the Declarations under the Schedule of "controlling underlying insurance".

c. If the "controlling underlying insurance" requires, for a particular claim, that the "injury or damage" occur during its policy period in order for that coverage to apply, then this insurance will only apply to that "injury or damage" if it occurs during the policy period of this Coverage Part. If the "controlling underlying insurance" requires that the "event" causing the particular "injury or damage" takes place during its policy period in order for that coverage to apply, then this insurance will apply to the claim only if the "event" causing that "injury or damage" takes place during the policy period of this Coverage Part.

 © Insurance Services Office, Inc., 2012

Powered by BoardOnTrack

d. Any additional insured under any policy of "controlling underlying insurance" will automatically be an additional insured under this insurance. If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance required by the contract, less any amounts payable by any "controlling underlying insurance".

Additional insured coverage provided by this insurance will not be broader than coverage provided by the "controlling underlying insurance".

2. Exclusions

The following exclusions, and any other exclusions added by endorsement, apply to this Coverage Part. In addition, the exclusions applicable to any "controlling underlying insurance" apply to this insurance unless superseded by the following exclusions, or superseded by any other exclusions added by endorsement to this Coverage Part.

Insurance provided under this Coverage Part does not apply to:

a. Medical Payments

Medical payments coverage or expenses that are provided without regard to fault, whether or not provided by the applicable "controlling underlying insurance".

b. Auto

Any loss, cost or expense payable under or resulting from any of the following auto coverages:

(1) First-party physical damage coverage;

(2) No-fault coverage;

(3) Personal injury protection or auto medical payments coverage; or

(4) Uninsured or underinsured motorists coverage.

c. Pollution

(1) "Injury or damage" which would not have occurred, in whole or in part, but for the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of pollutants at any time.

(2) Any loss, cost or expense arising out of any:

(a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, pollutants; or

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

This exclusion does not apply to the extent that valid "controlling underlying insurance" for the pollution liability risks described above exists or would have existed but for the exhaustion of underlying limits for "injury or damage".

d. Workers' Compensation And Similar Laws

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

SECTION II – LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations, and the rules below fix the most we will pay regardless of the number of:

a. Insureds;

b. Claims made or suits brought, or number of vehicles involved;

c. Persons or organizations making claims or bringing suits; or

d. Limits available under any "controlling underlying insurance".

2. The Limits of Insurance of this Coverage Part will apply as follows:

a. This insurance only applies in excess of the "retained limit".

b. The Aggregate Limit is the most we will pay for the sum of all "ultimate net loss", for all "injury or damage" covered under this Coverage Part.

However, this Aggregate Limit only applies to "injury or damage" that is subject to an aggregate limit of insurance under the "controlling underlying insurance".

c. Subject to Paragraph **2.b.** above, the Each Occurrence Limit is the most we will pay for the sum of all "ultimate net loss" under this insurance because of all "injury or damage" arising out of any one "event".

d. If the Limits of Insurance of the "controlling underlying insurance" are reduced by defense expenses by the terms of that policy, any payments for defense expenses we make will reduce our applicable Limits of Insurance in the same manner.

 © Insurance Services Office, Inc., 2012

3. If any "controlling underlying insurance" has a policy period that is different from the policy period of this Coverage Part then, for the purposes of this insurance, the "retained limit" will only be reduced or exhausted by payments made for "injury or damage" covered under this insurance.

The Aggregate Limit of this Coverage Part applies separately to each consecutive annual period of this Coverage Part and to any remaining period of this Coverage Part of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

SECTION III – CONDITIONS

The following conditions apply. In addition, the conditions applicable to any "controlling underlying insurance" are also applicable to the coverage provided under this insurance unless superseded by the following conditions.

1. **Appeals**

   If the "controlling underlying insurer" or insured elects not to appeal a judgment in excess of the amount of the "retained limit", we may do so at our own expense. We will also pay for taxable court costs, pre- and postjudgment interest and disbursements associated with such appeal. In no event will this provision increase our liability beyond the applicable Limits of Insurance described in Section **II** – Limits Of Insurance.

2. **Bankruptcy**

   a. **Bankruptcy Of Insured**

      Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

   b. **Bankruptcy Of Controlling Underlying Insurer**

      Bankruptcy or insolvency of the "controlling underlying insurer" will not relieve us of our obligations under this Coverage Part.

   However, insurance provided under this Coverage Part will not replace any "controlling underlying insurance" in the event of bankruptcy or insolvency of the "controlling underlying insurer". The insurance provided under this Coverage Part will apply as if the "controlling underlying insurance" were in full effect and recoverable.

3. **Duties In The Event Of An Event, Claim Or Suit**

   a. You must see to it that we are notified as soon as practicable of an "event", regardless of the amount, which may result in a claim under this insurance. To the extent possible, notice should include:

      (1) How, when and where the "event" took place;

      (2) The names and addresses of any injured persons and witnesses; and

      (3) The nature and location of any "injury or damage" arising out of the "event".

   b. If a claim is made or suit is brought against any insured, you must:

      (1) Immediately record the specifics of the claim or suit and the date received; and

      (2) Notify us as soon as practicable.

      You must see to it that we receive written notice of the claim or suit as soon as practicable.

   c. You and any other insured involved must:

      (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or suit;

      (2) Authorize us to obtain records and other information;

      (3) Cooperate with us in the investigation or settlement of the claim or defense against the suit; and

      (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of "injury or damage" to which this insurance may also apply.

   d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

4. **First Named Insured Duties**

   The first Named Insured is the person or organization first named in the Declarations and is responsible for the payment of all premiums. The first Named Insured will act on behalf of all other Named Insureds for giving and receiving of notice of cancellation or the receipt of any return premium that may become payable.

 © Insurance Services Office, Inc., 2012

At our request, the first Named Insured will furnish us, as soon as practicable, with a complete copy of any "controlling underlying insurance" and any subsequently issued endorsements or policies which may in any way affect the insurance provided under this Coverage Part.

5. Cancellation

a. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.

b. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:

(1) 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or

(2) 30 days before the effective date of cancellation if we cancel for any other reason.

c. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.

d. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.

e. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.

f. If notice is mailed, proof of mailing will be sufficient proof of notice.

6. Changes

This Coverage Part contains all the agreements between you and us concerning the insurance afforded. The first Named Insured is authorized by all other insureds to make changes in the terms of this Coverage Part with our consent. This Coverage Part's terms can be amended or waived only by endorsement.

7. Maintenance Of/Changes To Controlling Underlying Insurance

Any "controlling underlying insurance" must be maintained in full effect without reduction of coverage or limits except for the reduction of aggregate limits in accordance with the provisions of such "controlling underlying insurance" that results from "injury or damage" to which this insurance applies.

Such exhaustion or reduction is not a failure to maintain "controlling underlying insurance". Failure to maintain "controlling underlying insurance" will not invalidate insurance provided under this Coverage Part, but insurance provided under this Coverage Part will apply as if the "controlling underlying insurance" were in full effect.

The first Named Insured must notify us in writing, as soon as practicable, if any "controlling underlying insurance" is cancelled, not renewed, replaced or otherwise terminated, or if the limits or scope of coverage of any "controlling underlying insurance" is changed.

8. Other Insurance

a. This insurance is excess over, and shall not contribute with any of the other insurance, whether primary, excess, contingent or on any other basis. This condition will not apply to insurance specifically written as excess over this Coverage Part.

When this insurance is excess, if no other insurer defends, we may undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

b. When this insurance is excess over other insurance, we will pay only our share of the "ultimate net loss" that exceeds the sum of:

(1) The total amount that all such other insurance would pay for the loss in the absence of the insurance provided under this Coverage Part; and

(2) The total of all deductible and self-insured amounts under all that other insurance.

9. Premium Audit

a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.

b. If this policy is auditable, the premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period, we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit premium is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.

c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

 © Insurance Services Office, Inc., 2012

10. Loss Payable

Liability under this Coverage Part does not apply to a given claim unless and until:

a. The insured or insured's "controlling underlying insurer" has become obligated to pay the "retained limit"; and

b. The obligation of the insured to pay the "ultimate net loss" in excess of the "retained limit" has been determined by a final settlement or judgment or written agreement among the insured, claimant, "controlling underlying insurer" (or a representative of one or more of these) and us.

11. Legal Action Against Us

No person or organization has a right under this Coverage Part:

a. To join us as a party or otherwise bring us into a suit asking for damages from an insured; or

b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured, "controlling underlying insurer" and the claimant or the claimant's legal representative.

12. Transfer Of Defense

a. Defense Transferred To Us

When the limits of "controlling underlying insurance" have been exhausted, in accordance with the provisions of "controlling underlying insurance", we may elect to have the defense transferred to us. We will cooperate in the transfer of control to us of any outstanding claims or suits seeking damages to which this insurance applies and which would have been covered by the "controlling underlying insurance" had the applicable limit not been exhausted.

b. Defense Transferred By Us

When our limits of insurance have been exhausted our duty to provide a defense will cease.

We will cooperate in the transfer of control of defense to any insurer specifically written as excess over this Coverage Part of any outstanding claims or suits seeking damages to which this insurance applies and which would have been covered by the "controlling underlying insurance" had the applicable limit not been exhausted.

In the event that there is no insurance written as excess over this Coverage Part, we will cooperate in the transfer of control to the insured and its designated representative.

13. When We Do Not Renew

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

SECTION IV – DEFINITIONS

The definitions applicable to any "controlling underlying insurance" also apply to this insurance. In addition, the following definitions apply.

1. "Controlling underlying insurance" means any policy of insurance or self-insurance listed in the Declarations under the Schedule of "controlling underlying insurance".

2. "Controlling underlying insurer" means any insurer who provides any policy of insurance listed in the Declarations under the Schedule of "controlling underlying insurance".

3. "Event" means an occurrence, offense, accident, act, or other event, to which the applicable "controlling underlying insurance" applies.

4. "Injury or damage" means any injury or damage, covered in the applicable "controlling underlying insurance" arising from an "event".

5. "Retained limit" means the available limits of "controlling underlying insurance" applicable to the claim.

6. "Ultimate net loss" means the total sum, after reduction for recoveries, or salvages collectible, that the insured becomes legally obligated to pay as damages by reason of:

a. Settlements, judgments, binding arbitration; or

b. Other binding alternate dispute resolution proceeding entered into with our consent.

"Ultimate net loss" includes defense expenses if the "controlling underlying insurance" specifies that limits are reduced by defense expenses.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CALIFORNIA CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS LIABILITY COVERAGE PART

A. Paragraphs **5.b.** and **5.c.** of the **Cancellation** provisions of **Section III – Conditions** are replaced by the following:

b. All Policies In Effect For 60 Days Or Less

If this policy has been in effect for 60 days or less, and is not a renewal of a policy we have previously issued, we may cancel this policy by mailing or delivering to the first Named Insured, at the mailing address shown in the policy, and to the producer of record, advance written notice of cancellation, stating the reason for cancellation, at least:

(1) 10 days before the effective date of cancellation if we cancel for:

(a) Nonpayment of premium; or

(b) Discovery of fraud by:

(i) Any insured or his or her representative in obtaining this insurance; or

(ii) You or your representative in pursuing a claim under this policy.

(2) 30 days before the effective date of cancellation if we cancel for any other reason.

c. All Policies In Effect For More Than 60 Days

(1) If this policy has been in effect for more than 60 days, or is a renewal of a policy we issued, we may cancel this policy only upon the occurrence, after the effective date of the policy, of one or more of the following:

(a) Nonpayment of premium, including payment due on a prior policy we issued and due during the current policy term covering the same risks.

(b) Discovery of fraud or material misrepresentation by:

(i) Any insured or his or her representative in obtaining this insurance; or

(ii) You or your representative in pursuing a claim under this policy.

(c) A judgment by a court or an administrative tribunal that you have violated a California or Federal law, having as one of its necessary elements an act which materially increases any of the risks insured against.

(d) Discovery of willful or grossly negligent acts or omissions, or of any violations of state laws or regulations establishing safety standards, by you or your representative, which materially increase any of the risks insured against.

(e) Failure by you or your representative to implement reasonable loss control requirements, agreed to by you as a condition of policy issuance, or which were conditions precedent to our use of a particular rate or rating plan, if that failure materially increases any of the risks insured against.

(f) A determination by the Commissioner of Insurance that the:

(i) Loss of, or changes in, our reinsurance covering all or part of the risk would threaten our financial integrity or solvency; or

 © Insurance Services Office, Inc., 2012

Powered by BoardOnTrack

(ii) Continuation of the policy coverage would:

i. Place us in violation of California law or the laws of the state where we are domiciled; or

ii. Threaten our solvency.

(g) A change by you or your representative in the activities or property of the commercial or industrial enterprise, which results in a materially added, increased or changed risk, unless the added, increased or changed risk is included in the policy.

(h) A material change in limits, type or scope of coverage, or exclusions in one or more of the underlying policies.

(i) Cancellation or nonrenewal of one or more of the underlying policies where such policies are not replaced without lapse.

(j) A reduction in financial rating or grade of one or more insurers, insuring one or more underlying policies based on an evaluation obtained from a recognized financial rating organization.

(2) We will mail or deliver advance written notice of cancellation, stating the reason for cancellation, to the first Named Insured, at the mailing address shown in the policy, and to the producer of record, at least:

(a) 10 days before the effective date of cancellation if we cancel for nonpayment of premium or discovery of fraud; or

(b) 30 days before the effective date of cancellation if we cancel for any other reason listed in Paragraph **c.(1).**

B. Paragraph **13. When We Do Not Renew** of **Section III – Conditions** is replaced by the following:

Nonrenewal

1. If we elect not to renew this policy, we will mail or deliver written notice, stating the reason for nonrenewal, to the first Named Insured shown in the Declarations, and to the producer of record, at least 60 days, but not more than 120 days, before the expiration or anniversary date.

We will mail or deliver our notice to the first Named Insured, and to the producer of record, at the mailing address shown in the policy.

2. We are not required to send notice of nonrenewal in the following situations:

a. If the transfer or renewal of a policy, without any changes in terms, conditions or rates, is between us and a member of our insurance group.

b. If the policy has been extended for 90 days or less, provided that notice has been given in accordance with Paragraph **B.1.**

c. If you have obtained replacement coverage, or if the first Named Insured has agreed, in writing, within 60 days of the termination of the policy, to obtain that coverage.

d. If the policy is for a period of no more than 60 days and you are notified at the time of issuance that it will not be renewed.

e. If the first Named Insured requests a change in the terms or conditions or risks covered by the policy within 60 days of the end of the policy period.

f. If we have made a written offer to the first Named Insured, in accordance with the timeframes shown in Paragraph **B.1.,** to renew the policy under changed terms or conditions or at an increased premium rate, when the increase exceeds 25%.

© Insurance Services Office, Inc., 2012

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT

(BROAD FORM)

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS LIABILITY COVERAGE PART

The following exclusion is added to Paragraph **2., Exclusions:**

2. Exclusions

NUCLEAR ENERGY LIABILITY

a. Under any Liability Coverage, to "injury or damage":

(1) With respect to which an insured under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or

(2) Resulting from the "hazardous properties" of "nuclear material" and with respect to which **(a)** any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or **(b)** the insured is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

b. Under any Liability Coverage, to "injury or damage" resulting from "hazardous properties" of "nuclear material", if:

(1) The "nuclear material" **(a)** is at any "nuclear facility" owned by, or operated by or on behalf of, an insured or **(b)** has been discharged or dispersed therefrom;

(2) The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an insured; or

(3) The "injury or damage" arises out of the furnishing by an insured of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this Exclusion **(3)** applies only to property damage to such "nuclear facility" and any property thereat.

c. As used in this endorsement:

"Hazardous properties" includes radioactive, toxic or explosive properties.

"Nuclear material" means "source material", "special nuclear material" or "by-product material".

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

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor".

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

"Nuclear facility" means:

(a) Any "nuclear reactor";

(b) Any equipment or device designed or used for **(1)** separating the isotopes of uranium or plutonium, **(2)** processing or utilizing "spent fuel", or **(3)** handling, processing or packaging "waste";

 © ISO Properties, Inc., 2007

Powered by BoardOnTrack

(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 "insured" at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;

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

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

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

"Injury or damage" includes all forms of radioactive contamination of property.

© ISO Properties, Inc., 2007

COMMERCIAL EXCESS LIABILITY
CX 21 30 01 15

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS LIABILITY COVERAGE PART

A. Any endorsement addressing acts of terrorism (however defined) in any "controlling underlying insurance" does not apply to this excess insurance. The following provisions addressing acts of terrorism apply with respect to this excess insurance:

If aggregate insured losses attributable to terrorist acts certified under the federal Terrorism Risk Insurance Act exceed $100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds $100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

1. The act resulted in insured losses in excess of $5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and

2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is 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.

B. The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for "injury or damage" that is otherwise excluded under this Coverage Part.

© Insurance Services Office, Inc., 2015

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF PUNITIVE DAMAGES RELATED TO A CERTIFIED ACT OF TERRORISM

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS LIABILITY COVERAGE PART

Any endorsement addressing acts of terrorism (however defined) in any "controlling underlying insurance" does not apply to this excess insurance. The following provisions addressing acts of terrorism apply with respect to this excess insurance:

A. The following exclusion is added:

This insurance does not apply to:

TERRORISM PUNITIVE DAMAGES

Damages arising, directly or indirectly, out of a "certified act of terrorism" that are awarded as punitive damages.

B. The following definition is added:

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

1. The act resulted in insured losses in excess of $5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and

2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is 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.

C. The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for "injury or damage" that is otherwise excluded under this Coverage Part.

 © Insurance Services Office, Inc., 2015

Powered by BoardOnTrack

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AUTO COVERAGE – EXCLUSION OF TERRORISM

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS LIABILITY COVERAGE PART

Any endorsement addressing acts of terrorism (however defined) in any "controlling underlying insurance" does not apply to this excess insurance.

A. The provisions of this endorsement:

1. Apply only to "injury or damage" arising out of the ownership, maintenance or use of any auto that is a covered auto under this Coverage Part; and

2. Supersede the provisions of any other endorsement addressing terrorism attached to this Coverage Part only with respect to "injury or damage" arising out of the ownership, maintenance or use of any auto that is a covered auto.

B. The following definition is added and applies under this endorsement wherever the term terrorism is enclosed in quotation marks:

1. "Terrorism" means activities against persons, organizations or property of any nature:

a. That involve the following or preparation for the following:

(1) Use or threat of force or violence; or

(2) Commission or threat of a dangerous act; or

(3) Commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and

b. When one or both of the following applies:

(1) The effect is to intimidate or coerce a government or the civilian population or any segment thereof, or to disrupt any segment of the economy; or

(2) It appears that the intent is to intimidate or coerce a government, or to further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology.

C. The following exclusion is added:

EXCLUSION OF TERRORISM

We will not pay for "injury or damage" caused directly or indirectly by "terrorism", including action in hindering or defending against an actual or expected incident of "terrorism". Any "injury or damage" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to such injury or damage. **But this exclusion applies only when one or more of the following are attributed to an incident of "terrorism":**

1. The "terrorism" is carried out by means of the dispersal or application of radioactive material, or through the use of a nuclear weapon or device that involves or produces a nuclear reaction, nuclear radiation or radioactive contamination; or

2. Radioactive material is released, and it appears that one purpose of the "terrorism" was to release such material; or

3. The "terrorism" is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or

4. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the "terrorism" was to release such materials; or

5. The total of insured damage to all types of property exceeds $25,000,000. In determining whether the $25,000,000 threshold is exceeded, we will include all insured damage sustained by property of all persons and entities affected by the "terrorism" and business interruption losses sustained by owners or occupants of the damaged property. For the purpose of this provision, insured damage means damage that is covered by any insurance plus damage that would be covered by any insurance but for the application of any terrorism exclusions; or

 © Insurance Services Office, Inc., 2008

Powered by BoardOnTrack

6. Fifty or more persons sustain death or serious physical injury. For the purposes of this provision, serious physical injury means:

a. Physical injury that involves a substantial risk of death; or

b. Protracted and obvious physical disfigurement; or

c. Protracted loss of or impairment of the function of a bodily member or organ.

Multiple incidents of "terrorism" which occur within a 72-hour period and appear to be carried out in concert or to have a related purpose or common leadership will be deemed to be one incident, for the purpose of determining whether the thresholds in Paragraph **C.5.** or **C.6.** are exceeded.

With respect to this Exclusion, Paragraphs **C.5.** and **C.6.** describe the threshold used to measure the magnitude of an incident of "terrorism" and the circumstances in which the threshold will apply, for the purpose of determining whether this Exclusion will apply to that incident. When the Exclusion applies to an incident of "terrorism", there is no coverage under this Coverage Part.

In the event of any incident of "terrorism" that is not subject to this Exclusion, coverage does not apply to any "injury or damage" that is otherwise excluded under this Coverage Part.

© Insurance Services Office, Inc., 2008

POLICY NUMBER: 7NA6FF0000572-00

COMMERCIAL EXCESS LIABILITY
CX 27 00 12 19

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

UNDERLYING CLAIMS-MADE COVERAGE

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS LIABILITY COVERAGE PART

SCHEDULE

Retroactive Date: (Enter Date Or "NONE" If No Retroactive Date Applies.)
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

If any "controlling underlying insurance" is written on a claims-made basis, the following applies to the insurance provided by this Coverage Part which is excess over that underlying insurance:

A. Paragraph **1.c.** under **Section I – Coverages** is replaced by the following:

c. If the "controlling underlying insurance" requires, for a particular claim, that the "injury or damage" occur on or after the Retroactive Date shown in the Declarations of that insurance in order for that coverage to apply, then this insurance will only apply to that "injury or damage" which occurs on or after the Retroactive Date shown in the Schedule of this endorsement but before the end of the policy period of this Coverage Part. If the "controlling underlying insurance" requires, for a particular claim, that the "event" causing the particular "injury or damage" takes place on or after the Retroactive Date shown in the Declarations of that insurance in order for that coverage to apply, then this insurance will apply to the claim only if the "event" causing that "injury or damage" takes place on or after the Retroactive Date shown in the Schedule of this endorsement but before the end of the policy period of this Coverage Part.

A claim for damages for such "injury or damage" must be first made against the insured during this policy period or any extended reporting period provided under this Coverage Part. A claim will be considered first made under this Coverage Part:

(1) When notice of such claim is received and recorded by any insured or by us, whichever comes first, if the "controlling underlying insurance" is written on a claims-made and recorded basis; or

(2) When notice of such claim, after being received by any insured, is reported to us in writing, if the "controlling underlying insurance" is written on any other claims-made basis.

B. The following is added to **Section II – Limits Of Insurance:**

The "retained limit" will only be reduced or exhausted by payments made for:

(1) Claims made during the policy period or any Extended Reporting Period of this Coverage Part; or

(2) Defense expenses if the limits of "controlling underlying insurance" are reduced by defense expenses for that insurance.

© Insurance Services Office, Inc., 2018

C. The following section is added:

Claims-made Extended Reporting Period

1. Any provisions under the "controlling underlying insurance" relating to an Extended Reporting Period for which a separate premium charge is made do not apply to this insurance, unless an Extended Reporting Period is purchased under this insurance.

2. An Extended Reporting Period, consistent with the terms, conditions and duration of any Extended Reporting Period available in accordance with the terms of any "controlling underlying insurance", will be available for this Coverage Part by endorsement, for an additional charge, if:

a. This Policy is cancelled or not renewed; or

b. This Policy is renewed or replaced with insurance that:

(1) Has a Retroactive Date later than the date shown in the Schedule of this endorsement; or

(2) Does not apply to "injury or damage" on a claims-made basis.

3. If this Policy and the "controlling underlying insurance" are cancelled or not renewed and an Extended Reporting Period has been provided under the "controlling underlying insurance", then an Extended Reporting Period will be available for this Coverage Part. The Extended Reporting Period available under this Coverage Part will be consistent with the terms, conditions and duration of any Extended Reporting Period provided in accordance with the terms of the "controlling underlying insurance".

4. You must give us a written request for the Extended Reporting Period endorsement under this Coverage Part no later than the time allowed to purchase such endorsement under the "controlling underlying insurance". The Extended Reporting Period will not go into effect unless you pay the additional premium promptly when due.

5. We will determine the additional premium in accordance with our rules and rates. In doing so, we may take into account the following:

a. The exposures insured;

b. Previous types and amounts of insurance;

c. Limits of Insurance available under this Policy for future payment of damages; and

d. Other related factors.

6. If the provisions of the Extended Reporting Period in any "controlling underlying insurance" provide for supplemental aggregate limits of insurance when the Extended Reporting Period is purchased, a supplementary aggregate limit of insurance, equal to the Aggregate Limit shown in the Declarations of this Coverage Part, will apply to claims first made during the Extended Reporting Period if the Extended Reporting Period is purchased for this insurance.

© Insurance Services Office, Inc., 2018

COMMERCIAL EXCESS LIABILITY
CXE 01 03 12 19

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TOTAL AIRCRAFT LIABILITY EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS LIABILITY COVERAGE PART

A. The following exclusion is added to Paragraph **2., Exclusions** of **Section I – Coverages**:

Insurance provided under this Coverage Part does not apply to:

Aircraft

Under any Liability Coverage, to "injury or damage" arising out of the ownership, operation, maintenance, use, loading or unloading, or entrustment to others of any aircraft or “unmanned aircraft”.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "event" which caused the "injury or damage" involved the ownership, operation, maintenance, use or entrustment to others of any aircraft or “unmanned aircraft” that is owned or operated by or rented or loaned to any insured.

As used in this exclusion, loading or unloading means the handling of property:

a. After it is moved from the place where it is accepted for morement into or onto an aircraft or “unmanned aircraft”;

b. While it is in or on an aircraft or “unmanned aircraft”; or

c. While it is being moved from an aircraft or “unmanned 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 or “unmanned aircraft”.

B. The following definition is added to the **Definitions** section:

“Unmanned aircraft” means an aircraft that is not:

1. Designed;
2. Manufactured; or
3. Modified after manufacture;

to be controlled directly by a person from within or on the aircraft.

Copyright, American Alternative Insurance Corporation, 2019
Includes copyrighted material of the Insurance Services Office, Inc., with its permission.

COMMERCIAL EXCESS LIABILITY
CXE 01 06 02 10

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ASBESTOS EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS LIABILITY COVERAGE PART

The following exclusion is added to Paragraph **2., Exclusions** of **Section I – Coverages**:

Insurance provided under this Coverage Part does not apply to any "injury or damage" arising out of:

(1) Inhalation, ingestion, absorption, any contact with, or exposure to asbestos or goods or products containing asbestos;

(2) The use of asbestos in constructing or manufacturing any goods, products or structures;

(3) The removal, abatement, containment or disposal of asbestos from any goods, products or structures;

(4) The manufacture, installation, transportation, storage or disposal of asbestos or goods or products containing asbestos; or

(5) Any supervision, instructions, recommendations, warnings or advice given or which should have been given in connection with paragraphs **(1)**, **(2)**, **(3)**, or **(4)** above.

The coverage afforded by the policy does not apply to payment for the investigation or defense of any loss or "injury or damage" or any cost, fine or penalty or for any expense or claim or suit related to any of the above.

Copyright, American Alternative Insurance Corporation, 2010
Includes copyrighted material of the Insurance Services Office, Inc., with its permission.

COMMERCIAL EXCESS LIABILITY
CXE 01 49 12 19

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EMPLOYEE BENEFITS EXCESS LIABILITY COVERAGE

THIS ENDORSEMENT PROVIDES CLAIMS-MADE COVERAGE.
PLEASE READ THE ENTIRE ENDORSEMENT CAREFULLY.

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS LIABILITY COVERAGE PART

SCHEDULE

Additional Covered Employee Benefits Programs	
Limit Of Insurance	**Retained Limit**
Each Employee	
Employee Benefits Aggregate	
Retroactive Date:	
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. For the purposes of the coverage provided by this endorsement, the following is added to **Section I – Coverages:**

Coverage – Employee Benefits Liability

1. Insuring Agreement

a. We will pay on behalf of the insured the "ultimate net loss" in excess of the "retained limit" because of any act, error or omission, of the insured, or of any other person for whose acts the insured is legally liable, to which this insurance applies. The insurance afforded by this endorsement only applies to employee benefits liability covered by valid and collectible "controlling underlying insurance" as described in the Schedule of "controlling underlying insurance", and then only for such hazards for which coverage is afforded under the "controlling underlying insurance". This insurance does not apply unless the employee benefits liability limit(s) of "controlling underlying insurance" are specifically listed in the Schedule of "controlling underlying insurance".

We will have the right and duty to defend the insured against any "suit" seeking damages for such an act, error or omission when the applicable limits of "controlling underlying insurance" have been exhausted. However, we will have no duty to defend the insured against any "suit" seeking damages to which this insurance does not apply. At our discretion, we may investigate any report of an act, error or omission and settle any resultant "claim" or "suit", for which we have a duty to defend. But:

(1) The amount we will pay for "ultimate net loss" is limited as described in Paragraph **B.** (Section **II** – Limits Of Insurance); and

(2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements.

Copyright, American Alternative Insurance Corporation, 2019
Includes copyrighted material of the Insurance Services Office, Inc., with its permission.

The insurance provided under this Coverage Part will follow the same provisions, exclusions and limitations that are contained in the applicable "controlling underlying insurance", unless otherwise directed by this insurance. To the extent such provisions differ or conflict, the provisions of this Coverage Part will apply. However, the coverage provided under this Coverage Part will not be broader than that provided by the applicable "controlling underlying insurance".

b. This insurance applies only if:

(1) The act, error or omission, is negligently committed in the "administration" of your "employee benefit program";

(2) The act, error or omission, did not take place before the Retroactive Date, if any, shown in the Schedule nor after the end of the policy period; and

(3) A "claim" for damages, because of an act, error or omission, is first made against any insured, in accordance with Paragraph **c.** below, during the policy period or an Extended Reporting Period we provide under Paragraph **D.** of this endorsement.

c. A "claim" seeking damages will be deemed to have been made at the earlier of the following times:

(1) When notice of such "claim" is received and recorded by any insured or us; or

(2) When we make settlement in accordance with Paragraph **1.a.** above.

A "claim" received and recorded by the insured within 60 days after the end of the policy period will be considered to have been received within the policy period, if no subsequent policy is available to cover the "claim".

d. All "claims" for damages made by an "employee" because of any act, error or omission, or a series of related acts, errors or omissions, including damages claimed by such "employee's" dependents and beneficiaries, will be deemed to have been made at the time the first of those "claims" is made against any insured.

2. Exclusions

This insurance does not apply to:

a. Dishonest, Fraudulent, Criminal Or Malicious Act

Damages arising out of any intentional, dishonest, fraudulent, criminal or malicious act, error or omission, committed by any insured, including the willful or reckless violation of any statute.

b. Bodily Injury, Property Damage, Or Personal And Advertising Injury

Bodily injury, property damage or personal and advertising injury.

c. Failure To Perform A Contract

Damages arising out of failure of performance of contract by any insurer.

d. Insufficiency Of Funds

Damages arising out of an insufficiency of funds to meet any obligations under any plan included in the "employee benefit program".

e. Inadequacy Of Performance Of Investment/Advice Given With Respect To Participation

Any "claim" based upon:

(1) Failure of any investment to perform;

(2) Errors in providing information on past performance of investment vehicles; or

(3) Advice given to any person with respect to that person's decision to participate or not to participate in any plan included in the "employee benefit program".

f. Workers' Compensation And Similar Laws

Any "claim" arising out of your failure to comply with the mandatory provisions of any workers' compensation, unemployment compensation insurance, social security or disability benefits law or any similar law.

Copyright, American Alternative Insurance Corporation, 2019
Includes copyrighted material of the Insurance Services Office, Inc., with its permission.

g. ERISA

Damages for which any insured is liable because of liability imposed on a fiduciary by the Employee Retirement Income Security Act of 1974, as now or hereafter amended, or by any similar federal, state or local laws.

h. Available Benefits

Any "claim" for benefits to the extent that such benefits are available, with reasonable effort and cooperation of the insured, from the applicable funds accrued or other collectible insurance.

i. Taxes, Fines Or Penalties

Taxes, fines or penalties, including those imposed under the Internal Revenue Code or any similar state or local law.

j. Employment-related Practices

Damages arising out of wrongful termination of employment, discrimination, or other employment-related practices.

B. For the purposes of the coverage provided by this endorsement, the following is added to **Section II – Limits Of Insurance**:

1. Our obligation to pay damages on behalf of the insured applies only to the amount of "ultimate net loss" in excess of the "retained limit" shown in the Schedule of this endorsement.

2. The Limits Of Insurance shown in the Schedule and the rules below fix the most we will pay regardless of the number of:

(a) Insureds;

(b) "Claims" made or "suits" brought;

(c) Persons or organizations making "claims" or bringing "suits";

(d) Acts, errors or omissions; or

(e) Benefits included in your "employee benefit program".

3. The Employee Benefits Aggregate Limit shown in the Schedule of this endorsement is the most we will pay for the sum of all "ultimate net loss" because of acts, errors or omissions negligently committed in the "administration" of your "employee benefit program".

The insurance provided under this Coverage Part will follow the same provisions as the applicable "controlling underlying insurance" for the reduction of applicable limits of insurance. If the general policy limit or General Aggregate Limit in the applicable “controlling underlying insurance” is reduced by payments or limits for acts, errors or omissions negligently committed in the "administration" of your "employee benefit program", then the Aggregate Limit shown in the Declarations will also be reduced by the Employee Benefits Aggregate Limit shown in the Schedule of this endorsement.

4. Subject to the Employee Benefits Aggregate Limit, the Each Employee Limit shown in the Schedule of this endorsement is the most we will pay for the sum of all "ultimate net loss" for damages sustained by any one "employee", including damages sustained by such "employee's" dependents and beneficiaries, as a result of:

(a) An act, error or omission; or

(b) A series of related acts, errors or omissions;

negligently committed in the "administration" of your "employee benefit program".

However, the amount paid under this endorsement shall not exceed, and will be subject to, the limits and restrictions that apply to the payment of benefits in any plan included in the "employee benefit program".

The Limits of Insurance of this endorsement apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations of the Policy to which this endorsement is attached, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

Copyright, American Alternative Insurance Corporation, 2019
Includes copyrighted material of the Insurance Services Office, Inc., with its permission.

C. For the purposes of the coverage provided by this endorsement, Condition **3.** of **Section III – Conditions** is replaced by the following:

3. Duties In The Event Of An Act, Error Or Omission, Or "Claim" Or "Suit"

a. You must see to it that we are notified as soon as practicable of an act, error or omission which may result in a "claim". To the extent possible, notice should include:

(1) What the act, error or omission was and when it occurred; and

(2) The names and addresses of anyone who may suffer damages as a result of the act, error or omission.

b. If a "claim" is made or "suit" is brought against any insured, you must:

(1) Immediately record the specifics of the "claim" or "suit" and the date received; and

(2) Notify us as soon as practicable.

You must see to it that we receive written notice of the "claim" or "suit" as soon as practicable.

c. You and any other involved insured must:

(1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "claim" or "suit";

(2) Authorize us to obtain records and other information;

(3) Cooperate with us in the investigation or settlement of the "claim" or defense against the "suit"; and

(4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of an act, error or omission to which this insurance may also apply.

d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation or incur any expense without our consent.

D. For the purposes of the coverage provided by this endorsement, the following Extended Reporting Period provisions are added, or, if this endorsement is attached to a claims-made Coverage Part, replace any similar section in that Coverage Part:

Extended Reporting Period

1. You will have the right to purchase an Extended Reporting Period, as described below, if:

a. This endorsement is canceled or not renewed; or

b. We renew or replace this endorsement with insurance that:

(1) Has a Retroactive Date later than the date shown in the Schedule of this endorsement; or

(2) Does not apply to an act, error or omission on a claims-made basis.

2. The Extended Reporting Period does not extend the policy period or change the scope of coverage provided. It applies only to "claims" for acts, errors or omissions that were first committed before the end of the policy period but not before the Retroactive Date, if any, shown in the Schedule. Once in effect, the Extended Reporting Period may not be canceled.

3. An Extended Reporting Period of five years is available, but only by an endorsement and for an extra charge.

You must give us a written request for the endorsement within 60 days after the end of the policy period. The Extended Reporting Period will not go into effect unless you pay the additional premium promptly when due.

We will determine the additional premium in accordance with our rules and rates. In doing so, we may take into account the following:

a. The "employee benefit programs" insured;

b. Previous types and amounts of insurance;

Copyright, American Alternative Insurance Corporation, 2019
Includes copyrighted material of the Insurance Services Office, Inc., with its permission.

c. Limits of insurance available under this endorsement for future payment of damages; and

d. Other related factors.

The additional premium will not exceed 100% of the annual premium for this endorsement.

The Extended Reporting Period endorsement applicable to this coverage shall set forth the terms, not inconsistent with this Section, applicable to the Extended Reporting Period, including a provision to the effect that the insurance afforded for "claims" first received during such period is excess over any other valid and collectible insurance available under policies in force after the Extended Reporting Period starts.

4. If the Extended Reporting Period is in effect, we will provide an extended reporting period aggregate limit of insurance described below, but only for claims first received and recorded during the Extended Reporting Period.

The extended reporting period aggregate limit of insurance will be equal to the dollar amount shown in the Schedule of this endorsement under Limits Of Insurance.

Paragraph **B.3.** of this endorsement will be amended accordingly. The Each Employee Limit shown in the Schedule will then continue to apply as set forth in Paragraph **B.4.**

E. For the purposes of the coverage provided by this endorsement, the following definitions are added to **Section IV - Definitions**:

1. "Administration" means:

a. Providing information to "employees", including their dependents and beneficiaries, with respect to eligibility for or scope of "employee benefit programs";

b. Handling records in connection with the "employee benefit program"; or

c. Effecting, continuing or terminating any "employee's" participation in any benefit included in the "employee benefit program".

However, "administration" does not include handling payroll deductions.

2. "Cafeteria plans" means plans authorized by applicable law to allow employees to elect to pay for certain benefits with pre-tax dollars.

3. "Claim" means any demand, or "suit", made by an "employee" or an "employee's" dependents and beneficiaries, for damages as the result of an act, error or omission.

4. "Employee" means a person actively employed, formerly employed, on leave of absence or disabled, or retired. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".

5. "Employee benefit program" means a program providing some or all of the following benefits to "employees", whether provided through a "cafeteria plan" or otherwise:

a. Group life insurance, group accident or health insurance, dental, vision and hearing plans, and flexible spending accounts, provided that no one other than an "employee" may subscribe to such benefits and such benefits are made generally available to those "employees" who satisfy the plan's eligibility requirements;

b. Profit sharing plans, employee savings plans, employee stock ownership plans, pension plans and stock subscription plans, provided that no one other than an "employee" may subscribe to such benefits and such benefits are made generally available to all "employees" who are eligible under the plan for such benefits;

c. Unemployment insurance, social security benefits, workers' compensation and disability benefits;

d. The following programs only when required to be included as an "employee benefit program" under federal law or the applicable state law:

(i) Vacation plans, including buy and sell programs;

(ii) Leave of absence programs, including military, maternity, family, and civil leave; or

(iii) Tuition assistance plans; transportation and health club subsidies; and

e. Any other similar benefits:

(i) Designated in the Schedule or added thereto by endorsement; or

Copyright, American Alternative Insurance Corporation, 2019
Includes copyrighted material of the Insurance Services Office, Inc., with its permission.

(ii) Specified under any policy of “controlling underlying insurance”.

6. "Suit" means a civil proceeding in which damages because of an act, error or omission to which this insurance applies are alleged. "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.

F. For the purposes of the coverage provided by this endorsement, Definition **5.** in **Section IV – Definitions** is replaced by the following:

5. “Retained limit” means the available limits of “controlling underlying insurance” shown in the Schedule of this endorsement as Retained Limit.

Copyright, American Alternative Insurance Corporation, 2019
Includes copyrighted material of the Insurance Services Office, Inc., with its permission.

COMMERCIAL EXCESS LIABILITY
CXE 02 17 02 10

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DAMAGE TO REAL PROPERTY – TOTAL EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS LIABILITY COVERAGE PART

A. The following exclusion is added to Paragraph **2., Exclusions** of **Section I – Coverages**:

This insurance does not apply to:

Damage To Property

(1) Property other than real property:

(a) You own, rent, or occupy including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property; or

(b) Owned or transported by the insured and arising out of the ownership, maintenance or use of a "covered auto".

(2) Premises you sell, give away or abandon, if the "property damage" to property other than real property arises out of any part of those premises;

(3) Property, other than real property, loaned to you;

(4) Personal property in the care, custody or control of the insured;

(5) That particular part of real and personal property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or

(6) That particular part of property other than real property that must be restored, repaired or replaced because "your work" was incorrectly performed on it;

(7) Real Property:

(a) You own, rent, or occupy including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property; or

(b) Owned or transported by the insured and arising out of the ownership, maintenance or use of a "covered auto".

(8) Premises you sell, give away or abandon, if the "property damage" to real property arises out of any part of those premises;

(9) That particular part of real property that must be restored, repaired or replaced because "your work" was incorrectly performed on it;

(10) Real property in the care, custody or control of the insured;

(11) Real property loaned to you; or

(12) Real property used by you.

Paragraph **(2)** of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you. Paragraphs **(1)(b), (3), (4)** and **(6)** of this exclusion do not apply to liability assumed under a sidetrack agreement.

Copyright, American Alternative Insurance Corporation, 2010
Includes copyrighted material of the Insurance Services Office, Inc., with its permission.

Paragraphs **(3)** and **(4)** of this exclusion do not apply to liability assumed under a written Trailer Interchange agreement.

Paragraph **(6)** of this exclusion does not apply to "property damage" included in the products-completed operations hazard.

B. For the purposes of this exclusion, the following definitions are added under **Section IV – Definitions**:

1) "Auto" means:

a. A land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment; or

b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

2) "Covered auto" means only those "autos" to which "controlling underlying insurance" applies.

3) "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;

b. Vehicles maintained for use solely on or next to premises you own or rent;

c. Vehicles that travel on crawler treads;

d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:

(1) Power cranes, shovels, loaders, diggers or drills; or

(2) Road construction or resurfacing equipment such as graders, scrapers or rollers;

e. Vehicles not described in Paragraph **a., b., c.** or **d.** above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:

(1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or

(2) Cherry pickers and similar devices used to raise or lower workers;

f. Vehicles not described in Paragraph **a., b., c.** or **d.** above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

(1) Equipment designed primarily for:

(a) Snow removal;

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

(c) Street cleaning;

(2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and

(3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

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

4) "Pollution cost or expense" means any loss, cost or expense arising out of any:

 Copyright, American Alternative Insurance Corporation, 2010
Includes copyrighted material of the Insurance Services Office, Inc., with its permission.
Powered by BoardOnTrack

a. Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, pollutants; or

b. Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, pollutants.

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

5) "Property damage" means:

a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or

b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the occurrence that caused it.

With respect to the ownership, maintenance or use of "covered autos", property damage also includes "pollution cost or expense", but only to the extent that coverage exists under the "controlling underlying insurance" or would have existed but for the exhaustion of the underlying limits.

For the purposes of this insurance, with respect to other than the ownership, maintenance or use of "covered autos", electronic data is not tangible property.

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

6) "Your work":

a. Means:

(1) Work or operations performed by you or on your behalf; and

(2) Materials, parts or equipment furnished in connection with such work or operations.

b. Includes:

(1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work", and

(2) The providing of or failure to provide warnings or instructions.

Copyright, American Alternative Insurance Corporation, 2010
Includes copyrighted material of the Insurance Services Office, Inc., with its permission.

COMMERCIAL EXCESS LIABILITY
CXE 02 45 02 10

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WAR EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS LIABILITY COVERAGE PART

The following exclusion is added to Paragraph **2. Exclusions** of **Section I - Coverages:**

This insurance does not apply to any "injury or damage", however caused, arising, directly or indirectly, out of:

(1) War, including undeclared or civil war;

(2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

(3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

Copyright, American Alternative Insurance Corporation, 2010
Includes copyrighted material of the Insurance Services Office, Inc., with its permission.

COMMERCIAL EXCESS LIABILITY
CXE 02 79 12 13

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SUBLIMITED COVERAGES ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS LIABILITY COVERAGE PART

The following is added to Paragraph **1.b.** under **Insuring Agreement** in **Section I – Coverages**:

As described in Paragraph **1.b.**, any limits or sublimits of insurance must be:

(1) Specifically listed under the Schedule of "controlling underlying insurance"; or

(2) Subject to the applicable available limits of "controlling underlying insurance" listed under the Schedule of "controlling underlying insurance";

in order for this insurance to apply.

Copyright, American Alternative Insurance Corporation, 2013
Includes copyrighted material of the Insurance Services Office, Inc., with its permission.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PUBLIC ENTITY IMMUNITY AND TORT CAP PRESERVATION

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS LIABILITY POLICY

A. The following is added to Paragraph **1.** Insuring Agreement of Section **I.** Coverages:

The procurement of this insurance does not:

1. Waive or otherwise limit any immunity, defense or limitation on liability or damages available to any insured pursuant to immunity or tort cap law; or

2. Expand or increase the liability of any insured beyond the liability that such insured would be subject to if you had not procured this insurance.

B. The following exclusion is added to Paragraph 2. Exclusions of Section **I.** Coverages:

To the fullest extent allowed by law, this insurance does not apply to any “public entity liability” for which any insured would otherwise be immune or have no liability pursuant to an immunity or tort cap law.

C. The following is added to Section **II.** Limits Of Insurance:

For any “public entity liability” for which an insured is not fully immune pursuant to immunity or tort cap law but instead is subject to limits or caps pursuant to any applicable immunity or tort cap law, this policy will pay no more than the applicable federal or state law limit or cap, subject to the applicable Limits Of Insurance shown in the Declarations.

For any “public entity liability” for which an insured is neither fully immune pursuant to immunity or tort cap law, nor subject to limits or caps pursuant to immunity or tort cap law, the Limits Of Insurance apply as shown in the Declarations.

D. For the purposes of this endorsement the following definitions are added to Section **IV.** Definitions:

“Public entity liability” means any liability, damages, loss, injury, demand, claim, or suit as may be defined or used in any applicable “underlying insurance”.

All other terms and conditions remain unchanged.

Copyright 2020 Munich Re America . All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

POLICY NUMBER: 7NA6FF0000572-00

IL 09 85 12 20

THIS ENDORSEMENT IS ATTACHED TO AND MADE PART OF YOUR POLICY IN RESPONSE TO THE DISCLOSURE REQUIREMENTS OF THE TERRORISM RISK INSURANCE ACT. THIS ENDORSEMENT DOES NOT GRANT ANY COVERAGE OR CHANGE THE TERMS AND CONDITIONS OF ANY COVERAGE UNDER THE POLICY.

DISCLOSURE PURSUANT TO TERRORISM RISK INSURANCE ACT

SCHEDULE

SCHEDULE – PART I
Terrorism Premium (Certified Acts) $ 1 **This premium is the total Certified Acts premium attributable to the following Coverage Part(s), Coverage Form(s) and/or Policy(ies):** **Additional information, if any, concerning the terrorism premium:**
SCHEDULE – PART II
Federal share of terrorism losses 80 % (Refer to Paragraph **B.** in this endorsement.)
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

© Insurance Services Office, Inc., 2020

A. Disclosure Of Premium

In accordance with the federal Terrorism Risk Insurance Act, we are required to provide you with a notice disclosing the portion of your premium, if any, attributable to coverage for terrorist acts certified under the Terrorism Risk Insurance Act. The portion of your premium attributable to such coverage is shown in the Schedule of this endorsement or in the policy Declarations.

B. Disclosure Of Federal Participation In Payment Of Terrorism Losses

The United States Government, Department of the Treasury, will pay a share of terrorism losses insured under the federal program. The federal share equals a percentage (as shown in Part **II** of the Schedule of this endorsement or in the policy Declarations) of that portion of the amount of such insured losses that exceeds the applicable insurer retention. However, if aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed $100 billion in a calendar year, the Treasury shall not make any payment for any portion of the amount of such losses that exceeds $100 billion.

C. Cap On Insurer Participation In Payment Of Terrorism Losses

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed $100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds $100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

© Insurance Services Office, Inc., 2020

U.S. TREASURY DEPARTMENT'S OFFICE OF FOREIGN ASSETS CONTROL ("OFAC") ADVISORY NOTICE TO POLICYHOLDERS

No coverage is provided by this Policyholder Notice nor can it be construed to replace any provisions of your policy. You should read your policy and review your Declarations page for complete information on the coverages you are provided.

This Notice provides information concerning possible impact on your insurance coverage due to directives issued by OFAC. **Please read this Notice carefully.**

The Office of Foreign Assets Control (OFAC) administers and enforces sanctions policy, based on Presidential declarations of "national emergency". OFAC has identified and listed numerous:

- Foreign agents;
- Front organizations;
- Terrorists;
- Terrorist organizations; and
- Narcotics traffickers;

as "Specially Designated Nationals and Blocked Persons". This list can be located on the United States Treasury's web site – http//www.treas.gov/ofac.

In accordance with OFAC regulations, if it is determined that you or any other insured, or any person or entity claiming the benefits of this insurance has violated U.S. sanctions law or is a Specially Designated National and Blocked Person, as identified by OFAC, this insurance will be considered a blocked or frozen contract and all provisions of this insurance are immediately subject to OFAC. When an insurance policy is considered to be such a blocked or frozen contract, no payments nor premium refunds may be made without authorization from OFAC. Other limitations on the premiums and payments also apply.

© ISO Properties, Inc., 2004

Powered by BoardOnTrack

Named Insured : Motivated Youth Academy

Policy No. or Type of Policy: 7NA6FF0000572-00 **Effective Date:** 07/01/2026

Insurance Company: American Southern Home Insurance Company

POLICYHOLDER DISCLOSURE
NOTICE OF TERRORISM
INSURANCE COVERAGE
(INCLUDING STANDARD FIRE POLICY (SFP) STATES)

You are hereby notified that under the Terrorism Risk Insurance Act, as amended, you now 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 or acts that are 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 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.

If some or all of the locations covered under your policy are located in California, Illinois, New York, or Washington You should know that these states are Standard Fire Policy (SFP) states. In SFP states, the state law requires that fire insurance coverage meet or exceed the provisions of the Standard Fire Policy. Those legal requirements cannot be waived and are not preempted by the Act; therefore a business cannot voluntarily waive this statutory mandated coverage. Even if you reject the coverage offered below, if a Terrorist Activity occurs in an SFP state and results in fire, we will pay for the loss or damage in such SFP state caused by that fire. This exception does not apply to time element coverages, including but not limited to business interruption or extra expense. The premium charged for this coverage is provided below.

NOTE: Massachusetts is a Standard Fire Policy state, but they also permit the exclusion of terrorism, including fire following, under certain circumstances. If your policy covers locations in Massachusetts, you will not have coverage for terrorism under SFP laws for those locations.

SELECTION OR REJECTION OF TERRORISM INSURANCE COVERAGE

_____ I hereby elect to purchase Terrorism coverage as defined in the Terrorism Risk Insurance Act, as amended, for a prospective premium of 0.

_____ I understand that I will have no coverage for losses arising from acts of terrorism as defined in the exclusion and in the Terrorism Risk Insurance Act, as amended, except as described above for locations in SFP states and described in the Note above and below.

NOTE: If you have a package policy with an Inland Marine Coverage Part, Terrorism coverage as defined in the Act is automatically provided for these coverages at no additional premium.

_____
Policyholder/Applicant's Signature

_____
Print Name

_____
Date

TERRORISM RISK INSURANCE ACT

The following is a partial summary of the Terrorism Risk Insurance Act, as amended, (hereinafter referred to as the Act). Only the provisions of the Act determine the scope of the insurance protection available for the losses covered under the Act. The Act has been extended through December 31, 2027.

The Act provides coverage for property and casualty insurance for "insured losses" as a result of an "act of terrorism." As stated in the Act:

A. "Insured loss" means any loss resulting from an "act of terrorism" (including an act of war, in the case of worker's compensation) that is covered by primary or excess property and casualty insurance issued by an insurer if such loss:
   1. Occurs within the United States; or
   2. Occurs to an air carrier (as defined in section 40102 of title 49, United States Code), to a United States flag vessel (or a vessel based principally in the United States, on which US income tax is paid and whose insurance coverage is subject to regulation in the United States), regardless of where the loss occurs, or at the premises of any United States mission.

B. "Act of terrorism" means any act or acts that are certified by the Secretary of Treasury, in consultation with the Secretary of Homeland Security and the Attorney General of the United States:
   1. To be an act of terrorism;

Powered by BoardOnTrack

2. To be a violent act or an act that is dangerous to:
   a. Human life;
   b. Property; or
   c. Infrastructure;
3. To have resulted in damage within the United States, or outside of the United States in the case of:
   a. an air carrier or vessel described in paragraph (5)(B) of Section 102 of the Act; or
   b. the premises of a United States mission; and
4. To have been committed by an individual or individuals, as part of an effort to coerce the civilian populations of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

C. Section 102 (1)(B) of the Act states “no act shall be certified by the Secretary as an act of terrorism if:
   1. The act is committed as part of the course of a war declared by the Congress, except that this clause shall not apply with respect to any coverage for workers' compensation; or
   2. Property and casualty insurance losses resulting from the acts, in the aggregate, do not exceed $5,000,000.”

D. The Act also contains a “program trigger” in Section 103(e)(1)(B), pursuant to which the federal government does not pay compensation for losses resulting from a certified act occurring after December 31, 2007, unless aggregate industry insured losses from such a certified act exceed a certain amount, or “trigger.” For insured losses occurring in 2008 and for all additional calendar years, the program trigger is $100,000,000 through 2015, $120,000,000 beginning on January 1, 2016, $140,000,000 beginning on January 1, 2017, $160,000,000 beginning on January 1, 2018, $180,000,000 beginning on January 1, 2019, $200,000,000 beginning on January 1, 2020, of aggregate industry insured losses.

E. The Act does not apply to: crop or livestock insurance; private mortgage insurance or title insurance; financial guaranty insurance issued by monoline financial guaranty insurance corporations; insurance for medical malpractice; health or life insurance; flood insurance provided under the National Flood Insurance Act of 1968; commercial automobile insurance; burglary and theft insurance; surety insurance; professional liability insurance (except Directors and Officers Liability); or farm owners multiple peril insurance.

F. Under the Act for calendar years through December 31, 2027, the federal government will reimburse the insurance company for 80% beginning on January 1, 2020 of its insured losses in excess of a deductible, until aggregate “insured losses” in any calendar year exceed $100 billion. Each insurer's deductible will be 20% of its direct earned premium for property and casualty insurance (as reported on Page 14 of the company's Annual Statement), over the immediately preceding calendar year.

   For the purposes of determining such deductibles, direct earned premium means only the premiums earned on the commercial lines property and casualty insurance covered by the Act for U.S. risks or vessels, aircraft and foreign missions outside the U.S. covered by the Act.

   Neither the insurance company (having met its statutorily mandated share as described above) nor the federal government will be liable for payment of any portion of “insured losses” under the Act that exceeds $100 billion in the aggregate during any calendar year.

IMPORTANT INFORMATION

California Insurance Guarantee Association

Companies writing property and casualty insurance business in California are required to participate in the California Insurance Guarantee Association. If a company becomes insolvent the California Insurance Guarantee Association settles unpaid claims and assesses each insurance company for its fair share. California law requires all companies to surcharge policies to recover these assessments. If your policy is surcharged, "CA Surcharge" with an amount will be displayed on your premium notice.

VLCA03 04 10

Wright Specialty Education Insurance Program

Producing Office:

Marsh & McLennan Agency LLC Company
9171 Towne Center Drive, Suite 500
San Diego, CA, 92122

For questions or service, please contact the producing office above.

Issuing Program Administrator:

Wright Specialty Insurance

Thank you for choosing the Wright Specialty Education Insurance Program!

American Southern Home Insurance Company

Administration Office: 555 College Road East
Princeton, NJ 08540
(800) 305-4954
Statutory Office: 1301 Riverplace Blvd., Suite 1300 - Jacksonville, FL 32207
(a stock insurance company)

American Southern Home Insurance Company 555 College Road East Princeton, NJ 08540	Wright Specialty Insurance 900 Stewart Avenue Suite 600 Garden City, NY 11530

COMMON POLICY DECLARATIONS

Named Insured: Motivated Youth Academy
As per Schedule of Named Insured
Mailing Address: 500 La Terraza Blvd #150
Escondido, CA 92025

Policy Number: 7NA6CP0002704-00
Renewal of: NEW

Policy Period: From 07/01/2026 to 07/01/2027
at 12:01 AM Standard Time at your mailing address shown above.

Type of Entity: Education
Business Description: Charter School

This policy consists of the following coverage parts:	Premium
Property	$500.00
Crime	$281.00
Inland Marine	$802.00
General Liability	$5,495.00
Educators Legal Liability	$9,039.00
Taxes, Fees, Surcharges:	
Estimated Total Premium:	$16,117.00

The policy premium is payable on the dates and in the amounts shown below:

Named Insured: Motivated Youth Academy

Policy Number: 7NA6CP0002704-00
Policy Period: From 07/01/2026
To 07/01/2027

COMMON FORMS

Copyright 2019 Munich Reinsurance America, Inc.. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

Powered by BoardOnTrack

See Schedule of Forms and Endorsements.

In return for payment of the premium, and subject to all the terms of this policy, we agree with you to provide the insurance as stated in the policy. The policy consists of the coverage parts where a premium is shown on page 1 of these Common Policy Declarations. In addition to any common forms, each coverage part consists of a Coverage Part Declarations and any coverage forms and endorsements listed on the Coverage Part Declarations or elsewhere in the policy.

Authorized representative (countersignature, where required)	Date
Kevin C. Beer	07/22/2026

The Company has caused this policy to be signed by its President and Secretary.

Secretary

President

Copyright 2019 Munich Reinsurance America, Inc.. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

SCHEDULE OF FORMS AND ENDORSEMENTS

POLICY NUMBER:	EFFECTIVE DATE:
7NA6CP0002704-00	07/01/2026

NUMBER	TITLE
	Common
COVER PAGE (01-20)	Policy Cover Page
PE CO 100 (01-20)	Common Policy Declarations
IL 09 52 (01-15)	Cap On Losses From Certified Acts Of Terrorism
PE CO 300 (01-20)	Common Policy Conditions
PE CO CA1 (01-21)	California Changes - Cancellation and Nonrenewal
PE CO CA2 (01-21)	California Changes
PE CO CA4 (01-20)	California Changes - Actual Cash Value
TERRNOTICE09 (12-20)	Policyholder Disclosure Notice of Terrorism Insurance Coverage
VL N 800 (03-20)	Customer Assistance Notice
	Property
PE PR 100 (01-20)	Property Coverage Part Declarations
PE PR 101 (02-22)	Property Coverage Form
PE PR 210 (07-20)	Limitation Changes - Interior Of Building
PE PR 211 (04-21)	Exclusion - Cyber Incident
PE PR 441 (01-20)	Equipment Breakdown Coverage Deductible Options
PE PR 442 (02-21)	Equipment Breakdown Coverage Limit of Insurance Real Property and Personal Property
PE PR 443 (07-20)	Equipment Breakdown Coverage Changes
PE PR 602 (02-22)	Honor Roll Elite Property Enhancement Endorsement
PE PR 603 (07-20)	Income Loss Changes - Educational Institutions
PE PR 605 (02-22)	Exclusion - Utility Services
PE PR CA1 (01-20)	California Changes - Cancellation Changes
PE PR CA2 (01-20)	California Changes - Field Act Exclusion
PE PR CA3 (01-20)	California Changes - Replacement Cost
	Crime
PE CR 100 (05-20)	Crime Coverage Part Declarations
PE CR 102 (02-22)	Government Crime Coverage Form (Loss Sustained Form)
PE CR CA1 (01-20)	California Changes - Actual Cash Value
PE CR CA2 (01-20)	California Changes - Premium
	Inland Marine
PE IM 100 (01-20)	Inland Marine Coverage Part Declarations
PE IM 101 (01-20)	Inland Marine Coverage Form
	General Liability
PE GL 100 (01-20)	General Liability Coverage Part Declarations
CG 21 70 (01-15)	Cap On Losses From Certified Acts Of Terrorism
PE GL 101 (01-20)	General Liability Coverage Form
PE GL 224 (01-20)	Exclusion - Electronic Information Security Event - With Limited Bodily Injury Exception
PE GL 416 (01-20)	Employee Benefits Liability Endorsement

SCHEDULE OF FORMS AND ENDORSEMENTS

POLICY NUMBER:	EFFECTIVE DATE:
7NA6CP0002704-00	07/01/2026

NUMBER	TITLE
	General Liability
PE GL 604 (01-20)	Abuse Or Molestation Liability Coverage (Claims-Made)
PE GL 620 (07-20)	Honor Roll Elite General Liability Enhancement
PE GL 621 (07-20)	Limited Exclusion - Liquor Liability
PE GL 623 (07-20)	Limited Exclusion - Professional Services With Exceptions For Student Interns And Certain Medical Services
PE GL 624 (07-20)	Crisis Management And Public Relations Expense Coverage
PE GL 625 (07-20)	Counseling Professional Liability Coverage
PE GL 626 (07-20)	Specific Operations Amendment
PE GL 628 (07-20)	Exclusion - Firearms Or Conducted Energy Devices
PE GL 630 (07-20)	Exclusion - Students Medical Payments
	Educators Legal Liability
PE EL 100 (07-20)	Educators Legal Liability Coverage Part Declarations
PE EL 101 (01-20)	Educators Legal Liability Coverage Form - Claims Made
PE EL 206 (07-20)	Exclusion - Tuition And Related Costs
PE EL 303 (07-20)	Consent To Settle Condition
PE EL 306 (01-23)	Amendment Of Breach Of Fiduciary Duty Exclusion With Defense Expenses
PE EL 500 (02-22)	HONOR ROLL ENHANCEMENT

IL 09 52 01 15

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

BOILER AND MACHINERY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
EQUIPMENT BREAKDOWN COVERAGE PART
FARM COVERAGE PART
STANDARD PROPERTY POLICY

A. Cap On Certified Terrorism Losses

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

1. The act resulted in insured losses in excess of $5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is 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.

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed $100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds $100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

B. Application Of Exclusions

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss which would otherwise be excluded under this Coverage Part or Policy, such as losses excluded by the Nuclear Hazard Exclusion or the War And Military Action Exclusion.

© Insurance Services Office, Inc., 2015

Powered by BoardOnTrack

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COMMON POLICY CONDITIONS

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

A. Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.

2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
   a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
   b. 30 days before the effective date of cancellation if we cancel for any other reason.

3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.

4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.

5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.

6. If notice is mailed, proof of mailing will be sufficient proof of notice.

7. If this Condition conflicts with your state’s requirements regarding cancellation or non-renewal, the provisions of any state-specific form attached to this policy will supersede this Condition to the extent of such conflict.

B. Changes

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

C. Examination of Your Books and Records

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

D. Inspections and Surveys

1. We have the right to:
   a. Make inspections and surveys at any time;
   b. Give you reports on the conditions we find; and
   c. Recommend changes.

2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:

Copyright 2019 Munich Reinsurance America, Inc.. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

a. Are safe or healthful; or
b. Comply with laws, regulations, codes or standards.

3. Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations on our behalf.

4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

E. Liberalization

If we revise any coverage included in this policy, and if such revision does not require a premium charge, your policy will automatically provide the additional coverage as of the date the revision is effective in your state.

F. Premiums

The first Named Insured shown in the Declarations:

1. Is responsible for the payment of all premiums; and

2. Will be the payee for any return premiums we pay.

G. Titles

Throughout this policy, titles are intended for ease of reference only. They do not extend or restrict any coverage beyond what is specifically stated in the policy had no titles been used.

H. Transfer of Your Rights and Duties Under This Policy

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

Copyright 2019 Munich Reinsurance America, Inc.. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CALIFORNIA CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL CRIME COVERAGE PART
EDUCATORS LEGAL LIABILITY COVERAGE PART
GOVERNMENT CRIME COVERAGE PART
INLAND MARINE COVERAGE PART
GENERAL LIABILITY COVERAGE PART
PROPERTY COVERAGE PART
PUBLIC OFFICIALS AND MANAGEMENT LIABILITY COVERAGE PART
PUBLIC OFFICIALS AND MANAGEMENT LIABILITY COVERAGE PART(CLAIMS MADE)

A. Paragraphs 2. and 3. of the **Cancellation** Common Policy Condition are replaced by the following:

2. All Policies in Effect for 60 Days or Less

If this policy has been in effect for 60 days or less, and is not a renewal of a policy we have previously issued, we may cancel this policy by mailing or delivering to the first Named Insured at the mailing address shown in the policy and to the producer of record, advance written notice of cancellation, stating the reason for cancellation, at least:

a. 10 days before the effective date of cancellation if we cancel for:
  (1) Nonpayment of premium; or
  (2) Discovery of fraud by:
    (a) Any insured or his or her representative in obtaining this insurance; or
    (b) You or your representative in pursuing a claim under this policy.

b. 30 days before the effective date of cancellation if we cancel for any other reason.

3. All Policies in Effect for More Than 60 Days

a. If this policy has been in effect for more than 60 days, or is a renewal of a policy we issued, we may cancel this policy only upon the occurrence, after the effective date of the policy, of one or more of the following:
  (1) Nonpayment of premium, including payment due on a prior policy we issued that is due during the current policy term covering the same risks.
  (2) Discovery of fraud or material misrepresentation by:
    (a) Any insured or his or her representative in obtaining this insurance; or
    (b) You or your representative in pursuing a claim under this policy.
  (3) A judgment by a court or an administrative tribunal that you have violated a California or Federal law, having as one of its necessary elements an act which materially increases any of the risks insured against.
  (4) Discovery of willful or grossly negligent acts or omissions, or of any violations of state laws or regulations establishing safety standards, by you or your representative, which materially increase any of the risks insured against.
  (5) Failure by you or your representative to implement reasonable loss control requirements, agreed to by you as a condition of policy issuance, or which were conditions precedent to our use of a particular rate or rating plan, if that failure materially increases any of the risks insured against.

Copyright 2021 Munich Reinsurance America, Inc.. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

(6) A determination by the Commissioner of Insurance that the:
(a) Loss of, or changes in, our reinsurance covering all or part of the risk would threaten our financial integrity or solvency; or
(b) Continuation of the policy coverage would:
(i) Place us in violation of California law or the laws of the state where we are domiciled; or
(ii) Threaten our solvency.
(7) A change by you or your representative in your activities or property, which results in a materially added, increased or changed risk, unless the added, increased or changed risk is included in the policy.

b. We will mail or deliver advance written notice of cancellation, stating the reason for cancellation, to the first Named Insured, at the mailing address shown in the policy, and to the producer of record, at least:
(1) 10 days before the effective date of cancellation if we cancel for nonpayment of premium or discovery of fraud; or
(2) 30 days before the effective date of cancellation if we cancel for any other reason listed in paragraph **3.a.**

B. The following provision is added to the **Cancellation** Common Policy Condition:

8. Residential Property

This provision applies to coverage on “real property” which is used predominantly for residential purposes and consisting of not more than four dwelling units, and to coverage on tenants' household property in a residential unit, if such coverage is written under a Property coverage part.

a. If such coverage has been in effect for 60 days or less, and is not a renewal of coverage we previously issued, we may cancel this coverage for any reason, except as provided in **b.** and **c.** below.
b. We may not cancel this policy solely because the first Named Insured has:
(1) Accepted an offer of earthquake coverage; or
(2) Cancelled or did not renew a policy issued by the California Earthquake Authority (CEA) that included an earthquake policy premium surcharge.
However, we shall cancel this policy if the first Named Insured has accepted a new or renewal policy issued by the CEA that includes an earthquake policy premium surcharge but fails to pay the earthquake policy premium surcharge authorized by the CEA.
c. We may not cancel such coverage solely because corrosive soil conditions exist on the premises. This restriction **c.** applies only to the extent that the coverage excludes loss or damage caused by or resulting from corrosive soil conditions.

C. The following is added and supersedes any provisions to the contrary:

Nonrenewal

1. Subject to the provisions of paragraphs **C.2.** and **C.3.** below, if we elect not to renew this policy, we will mail or deliver written notice stating the reason for nonrenewal to the first Named Insured shown in the Declarations and to the producer of record, at least 60 days, but not more than 120 days, before the expiration or anniversary date.

We will mail or deliver our notice to the first Named Insured, and to the producer of record, at the mailing address shown in the policy.

Copyright 2021 Munich Reinsurance America, Inc.. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

2. Residential Property

This provision applies to coverage on “real property” used predominantly for residential purposes and consisting of not more than four dwelling units, and to coverage on tenants' household property contained in a residential unit, if such coverage is written under a Property coverage part.

a. If this policy provides coverage as described in the preceding paragraph, and we elect not to renew this policy, we will mail or deliver written notice, stating the reason for nonrenewal, to the first Named Insured shown in the Declarations, and to the producer of record, at the mailing address shown in the policy, at least 75 days, but not more than 120 days, before the expiration or anniversary date.

If we fail to give the first Named Insured shown in the Declarations notice of nonrenewal at least 75 days prior to the policy expiration, as required in the paragraph above, this policy, with no change in its terms and conditions, shall remain in effect for 75 days from the date that the notice of nonrenewal is delivered or mailed to the Named Insured. A notice to this effect shall be provided by us to the first Named Insured with the notice of nonrenewal

b. We may elect not to renew such coverage for any reason, except as provided in Paragraphs c., d. and e. below.

c. We will not refuse to renew such coverage solely because the first Named Insured has accepted an offer of earthquake coverage.

However, the following applies only to insurers who are associate participating insurers as established by Cal. Ins. Code Section 10089.16. We may elect not to renew such coverage after the first Named Insured has accepted an offer of earthquake coverage, if one or more of the following reasons applies:

(1) The nonrenewal is based on sound underwriting principles that relate to the coverages provided by this policy and that are consistent with the approved rating plan and related documents filed with the Department of Insurance as required by existing law;

(2) The Commissioner of Insurance finds that the exposure to potential losses will threaten our solvency or place us in a hazardous condition. A hazardous condition includes, but is not limited to, a condition in which we make claims payments for losses resulting from an earthquake that occurred within the preceding two years and that required a reduction in policyholder surplus of at least 25% for payment of those claims; or

(3) We have:

(a) Lost or experienced a substantial reduction in the availability or scope of reinsurance coverage; or

(b) Experienced a substantial increase in the premium charged for reinsurance coverage of our residential property insurance policies; and

the Commissioner has approved a plan for the nonrenewals that is fair and equitable, and that is responsive to the changes in our reinsurance position.

d. We will not refuse to renew such coverage solely because the first Named Insured has cancelled or did not renew a policy issued by the California Earthquake Authority that included an earthquake policy premium surcharge.

e. We will not refuse to renew such coverage solely because corrosive soil conditions exist on the premises. This restriction **e.** applies only to the extent that the coverage excludes loss or damage caused by or resulting from corrosive soil conditions.

3. We are not required to send notice of nonrenewal in the following situations:

a. If the transfer or renewal of a policy, without any changes in terms, conditions, or rates, is between us and a member of our insurance group.

b. If the policy has been extended for 90 days or less, provided that notice has been given in accordance with paragraph **C.1.**

c. If you have obtained replacement coverage, or if the first Named Insured has agreed, in writing, within 60 days of the termination of the policy, to obtain that coverage.

d. If the policy is for a period of no more than 60 days and you are notified at the time of issuance that it will not be renewed.

Copyright 2021 Munich Reinsurance America, Inc.. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

e. If the first Named Insured requests a change in the terms or conditions or risks covered by the policy within 60 days of the end of the policy period.

f. If we have made a written offer to the first Named Insured, in accordance with the timeframes shown in paragraph **C.1.,** to renew the policy under changed terms or conditions or at an increased premium rate, when the increase exceeds 25%.

Copyright 2021 Munich Reinsurance America, Inc.. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CALIFORNIA CHANGES

This endorsement modifies insurance provided under the following:

INLAND MARINE COVERAGE PART
PROPERTY COVERAGE PART

A. Appraisal

Except as provided below, the **Appraisal** Condition is replaced by the following:

If we and you disagree on the value of the property or the actual cash value or the amount of loss, either may make written request for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser. However, in the event of a government-declared disaster, as defined in the Government Code, appraisal may be requested by either you or us but shall not be compelled. Each party shall notify the other of the appraiser selected within 20 days of the request. The two appraisers will select an umpire. If they cannot agree within 15 days, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and actual cash value and amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will set the amount of actual cash value and loss and will be binding. Each party will:

a. Pay its chosen appraiser; and

b. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

With respect to losses under **Coverage C. "Loss of Income"** and **Coverage D. "Extra Expense"**, the **Appraisal** Condition is replaced by the following:

If we and you disagree on the amount of net income and operating expense or the amount of loss, either may make written request for an appraisal of the loss. If the request is accepted, each party will select a competent and impartial appraiser. Each party shall notify the other of the appraiser selected within 20 days of the request. The two appraisers will select an umpire. If they cannot agree within 15 days, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the amount of net income and operating expense or amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

a. Pay its chosen appraiser; and

b. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

B. Concealment, Misrepresentation or Fraud

The **Concealment, Misrepresentation or Fraud** Condition is replaced by the following with respect to loss or damage caused by fire:

We do not provide coverage to the insured who, whether before or after a loss, has committed fraud or intentionally concealed or misrepresented any material fact or circumstance concerning:

a. This coverage part;

b. The covered property;

c. That insured's interest in the covered property; or

Copyright 2021 Munich Reinsurance America, Inc.. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

d. A claim under this coverage part.

The **Concealment, Misrepresentation or Fraud** Condition is replaced by the following with respect to loss or damage caused by a “covered cause of loss” other than fire:

This coverage part is void if any insured, whether before or after a loss, has committed fraud or intentionally concealed or misrepresented any material fact or circumstance concerning:

a. This coverage part;

b. The covered property;

c. An insured’s interest in the covered property; or

d. A claim under this coverage part.

Copyright 2021 Munich Reinsurance America, Inc.. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CALIFORNIA CHANGES – ACTUAL CASH VALUE

This endorsement modifies insurance provided under the following:

INLAND MARINE COVERAGE PART
PROPERTY COVERAGE PART

A. The definition of “Actual cash value” is deleted.

B. With respect to an “open policy”, the following are added to any provision which uses the term actual cash value:

1. In the event of a total loss to a building or structure, actual cash value is calculated as the lesser of the following:
   a. The Limit of Insurance applicable to that building or structure; or
   b. The fair market value of the building or structure.
2. In the event of a partial loss to a building or structure, actual cash value is calculated as the lesser of the following:
   a. The amount is would cost to repair, rebuild or replace the property less a fair and reasonable deduction for physical depreciation of the components of the building or structure that are normally subject to repair or replacement during its useful life. Physical depreciation is based upon the condition of the property at the time of the loss; or
   b. The Limit of Insurance applicable to the property.
3. In the event of a partial or total loss to Covered Property other than a building or structure, actual cash value is calculated as the lesser of the following:
   a. The amount it would cost to repair or replace the property less a fair and reasonable deduction for physical depreciation, based on the condition of the property at the time of loss; or
   b. The Limit of Insurance applicable to the property.
4. An “open policy” is a policy under which the value of Covered Property is not fixed at policy inception, but is determined at the time of loss in accordance with policy provisions on valuation. The term “open policy” does not apply to Covered Property that is subject to an Agreed Value clause or similar clause that establishes an agreed value prior to loss, unless such clause has expired.

Copyright 2019 Munich Reinsurance America, Inc.. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

Named Insured: **Motivated Youth Academy**

Policy No. or Type of Policy: **7NA6CP0002704-00** **Effective Date:** **07/01/2026**

Insurance Company: **American Southern Home Insurance Company**

POLICYHOLDER DISCLOSURE
NOTICE OF TERRORISM
INSURANCE COVERAGE

You are hereby notified that under the Terrorism Risk Insurance Act, as amended, you now 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 or acts that are 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.

Coverage for certified acts of terrorism has been included in your policy. No additional premium has been charged under this policy for such terrorism coverage.

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 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, IF ANY, 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.

HOW DOES THE ACT AFFECT YOUR INSURANCE COVERAGE?

You have a policy of insurance issued by us which has no terrorism exclusion attached to it.

- This policy will remain in effect as written for the remainder of the policy period shown in the Declarations of the policy.
- The decision not to include a terrorism exclusion to your policy when it was issued or last renewed was based on a number of reasons, and the continuation or importance of these reasons may or may not have been altered by the passage of the Act.
- In the time between now and the next renewal we will examine and refine our treatment of terrorism under your policy. This means that you may or may not have the same terms offered to you upon renewal and that the premium charged may or may not reflect alteration based upon the terrorism exposure.

WHAT IS THE TERRORISM RISK INSURANCE ACT ?

The following is a partial summary of the Terrorism Risk Insurance Act, as amended, (hereinafter referred to as the Act). Only the provisions of the Act determine the scope of the insurance protection available for the losses covered under the Act. The Act has been extended through December 31, 2027.

The Act provides coverage for property and casualty insurance for "insured losses" as a result of an "act of terrorism." As stated in the Act:

A. "Insured loss" means any loss resulting from an "act of terrorism" (including an act of war, in the case of worker's compensation) that is covered by primary or excess property and casualty insurance issued by an insurer if such loss:
   1. Occurs within the United States; or
   2. Occurs to an air carrier (as defined in section 40102 of title 49, United States Code), to a United States flag vessel (or a vessel based principally in the United States, on which US income tax is paid and whose insurance coverage is subject to regulation in the United States), regardless of where the loss occurs, or at the premises of any United States mission.

B. "Act of terrorism" means any act or acts that are certified by the Secretary of Treasury, in consultation with the Secretary of Homeland Security and the Attorney General of the United States:
   1. To be an act of terrorism;
   2. To be a violent act or an act that is dangerous to:
      a. Human life;
      b. Property; or
      c. Infrastructure;
   3. To have resulted in damage within the United States, or outside of the United States in the case of:
      a. An air carrier or vessel described in paragraph (5)(B) of Section 102 of the Act; or
      b. The premises of a United States mission; and

4. To have been committed by an individual or individuals, as part of an effort to coerce the civilian populations of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

C. Section 102 (1)(B) of the Act states “no act shall be certified by the Secretary as an act of terrorism if:
   1. The act is committed as part of the course of a war declared by the Congress, except that this clause shall not apply with respect to any coverage for workers' compensation; or
   2. Property and casualty insurance losses resulting from the acts, in the aggregate, do not exceed $5,000,000.”

D. The Act also contains a “program trigger” in Section 103(e)(1)(B), pursuant to which the federal government does not pay compensation for losses resulting from a certified act occurring after December 31, 2007, unless aggregate industry insured losses from such a certified act exceed a certain amount, or “trigger.” For insured losses occurring in 2008 and for all additional calendar years, the program trigger is $100,000,000 through 2015, $120,000,000 beginning on January 1, 2016, $140,000,000 beginning on January 1, 2017, $160,000,000 beginning on January 1, 2018, $180,000,000 beginning on January 1, 2019, $200,000,000 beginning on January 1, 2020, of aggregate industry insured losses.

E. The Act does not apply to: crop or livestock insurance; private mortgage insurance or title insurance; financial guaranty insurance issued by monoline financial guaranty insurance corporations; insurance for medical malpractice; health or life insurance; flood insurance provided under the National Flood Insurance Act of 1968; commercial automobile insurance; burglary and theft insurance; surety insurance; professional liability insurance (except Directors and Officers Liability); or farm owners multiple peril insurance.

F. Under the Act for calendar years through December 31, 2027, the federal government will reimburse the insurance company for 80% beginning on January 1, 2020 of its insured losses in excess of a deductible, until aggregate “insured losses” in any calendar year exceed $100 billion. Each insurer's deductible will be 20% of its direct earned premium for property and casualty insurance (as reported on Page 14 of the company's Annual Statement), over the immediately preceding calendar year.

   For the purposes of determining such deductibles, direct earned premium means only the premiums earned on the commercial lines property and casualty insurance covered by the Act for U.S. risks or vessels, aircraft and foreign missions outside the U.S. covered by the Act.

   Neither the insurance company (having met its statutorily mandated share as described above) nor the federal government will be liable for payment of any portion of “insured losses” under the Act that exceeds $100 billion in the aggregate during any calendar year.

NOTICE TO POLICYHOLDERS

CUSTOMER ASSISTANCE

Attach This Notice To Your Policy

This notice is for information only and does not alter the terms or conditions of the policy to which it is attached.

To obtain information:

If your coverage is through American Southern Home Insurance Company, American Family Home Insurance Company or American Alternative Insurance Corporation, you may call the toll free number below to present inquiries and obtain information:

1-800-305-4954

VL N 800 03 20 – Customer Assistance Notice

Named Insured: Motivated Youth Academy	Policy Number: 7NA6CP0002704-00 Policy Period: From 07/01/2026 To 07/01/2027

PROPERTY COVERAGE PART DECLARATIONS

PROPERTY COVERAGE SUMMARY

Coverages	Limits of Insurance
A. Real Property	See Schedule
B. Personal Property	See Schedule
C. Loss of Income	$250,000
D. Extra Expense	$250,000

		Deductible
Policy Deductible	$1,000	per occurrence
Equipment Breakdown Deductible	$1,000	per occurrence

Estimated Coverage Part Premium: $500

PROPERTY FORMS

See Schedule of Forms and Endorsements.

Named Insured: Motivated Youth Academy	Policy Number: 7NA6CP0002704-00 Policy Period: From 07/01/2026 To 07/01/2027

PROPERTY PREMISES SUMMARY

Premises Number	Address
001-001	500 La Terraza Blvd #150 San Diego Escondido, CA 92025
002-001	1530 E Grand Ave Unit E110 San Diego Escondido, CA 92027

Named Insured: Motivated Youth Academy	Policy Number: 7NA6CP0002704-00
	Policy Period: From 07/01/2026
	To 07/01/2027

SCHEDULE OF PROPERTY COVERAGE – BLANKET LIMITS

The following Blanket Limit Schedule for Coverage A – Real Property and Coverage B – Personal Property applies to all items of Real Property and Personal Property except for the property listed in the SCHEDULE OF PROPERTY COVERAGE - INDIVIDUAL LIMITS.

Premises Number	Blanket Limit of Insurance	Valuation	Coinsurance	Inflation Guard
All	$27,000 Coverage B - Personal Property	Replacement Cost	N/A	3%

PROPERTY COVERAGE FORM

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

Throughout this coverage part the words “you” and “your” refer to the Named Insured shown in the Declarations. The words “we,” “us” and “our” refer to the Company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section **VI -** Definitions**.**

SECTION I - COVERAGES

Coverage A - Real Property

We will pay for direct physical loss or damage to “real property” at a “premises” caused by or resulting from any “covered cause of loss”. The most we will pay is described under Section **IV** - What We Will Pay**.**

Coverage B - Personal Property

We will pay for direct physical loss or damage to “personal property” at a “premises” caused by or resulting from any “covered cause of loss”. The most we will pay is described under Section **IV** - What We Will Pay**.**

Coverage C - Loss of Income

We will pay for your “loss of income” that you sustain during the “period of restoration” if your “operations” are suspended as a result of direct physical loss or damage to “real property” or “personal property” at a “premises” caused by or resulting from any “covered cause of loss”. The most we will pay is described under Section **IV** - What We Will Pay.

Coverage D - Extra Expense

We will pay the necessary “extra expense” you incur during the “period of restoration” if your “operations” are suspended as a result of direct physical loss or damage to “real property” or “personal property” at a “premises” caused by or resulting from any “covered cause of loss”. The most we will pay is described under Section **IV** - What We Will Pay.

SECTION II - COVERAGE EXTENSIONS

This section adds to or extends the coverage under Section **I** - Coverages. Each separately numbered provision is referred to as an extension. Except to the extent specifically stated otherwise in an extension:

1. Each extension is limited to direct physical loss or damage caused by or resulting from any “covered cause of loss”;

2. The limits in each extension are in addition to the limits applicable to Section **I** - Coverages; and

3. All other applicable terms and conditions of this coverage form apply to each extension.

1. Accounts Receivable

a. We will pay for “accounts receivable costs” you incur as a result of direct physical loss or damage to your accounts receivable records caused by or resulting from any “covered cause of loss”, including those arising from loss or damage to software, or from mechanical breakdown of “computer equipment”, or from a “computer virus”.

b. We will not pay for:

Copyright 2022 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission

(1) Any loss or cost that results from mistakes made in bookkeeping, accounting, or billing;

(2) Any loss or cost if its existence can be shown only by an inventory count or an audit. However, if the existence of a loss can be shown by other means, you may use an inventory count or audit to support your claim for that loss;

(3) Any loss or cost resulting from any dishonest act or omission of either you or your "volunteer workers" or "employees", or anyone authorized to act for you. But we will cover loss that results if someone falsifies, alters or destroys your accounts receivable records in order to conceal any such action;

(4) Any loss arising out of bad debts; or

(5) Any loss arising out of aged accounts receivables greater than 180 days.

c. If you recover any amounts after we have paid you for a loss, you have to turn the recoveries over to us until we have been repaid. If you recover more than the amount we paid you, the excess over our payment is yours. Also, you must help us collect amounts customers owe you, if we request your help.

d. Coverage provided under this extension is not restricted to your "premises".

e. The most we will pay under this extension is $50,000 in any one occurrence.

f. The policy deductible applies to this extension unless it is greater than $500. If the policy deductible is greater than $500, a $500 deductible will apply to this extension.

g. We will determine the valuation of receivables as follows:

(1) If you cannot accurately establish the amount of accounts receivables outstanding as of the time of loss or damage, the following method will be used:

(a) Determine the total of the average monthly amounts of accounts receivable for the 12 months immediately preceding the month in which the loss or damage occurs; and

(b) Adjust that total for any normal fluctuations in the amount of accounts receivable for the month in which the loss or damage occurred or for any demonstrated variance from the average for that month.

(2) The following will be deducted from the total amount of accounts receivable, however that amount is established:

(a) The amount of the accounts for which there is no loss or damage;

(b) The amount of the accounts that you are able to re-establish or collect;

(c) An amount to allow for probable bad debts that you are normally unable to collect; and

(d) All unearned interest and service charges.

2. Commandeered Property

a. At your request, we will pay for direct physical loss or damage to commandeered property caused by or resulting from any "covered cause of loss".

Commandeered property means the following property belonging to someone else:

(1) "Real property";

(2) "Personal property";

(3) "Watercraft" or "personal watercraft";

(4) All-terrain vehicles;

(5) Snowmobiles;

(6) Aircraft or its parts, accessories and equipment;

(7) Animals; and

(8) "Tools and equipment";

that you commandeer, seize, borrow or take over for official use to manage an emergency situation.

Copyright 2022 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission

b. Coverage for direct physical loss or damage to commandeered property applies only for the time you officially use the commandeered property to manage an emergency situation plus the reasonable time necessary to return the property. This extension will not apply to direct physical loss or damage occurring after the policy period.

c. At your request, if there is direct physical loss or damage to commandeered property during the policy period that is payable under this extension, we will also pay any resulting loss of use of commandeered property arising during:

(1) The time subsequent to the direct physical loss or damage during which you officially use or retain the commandeered property to manage an emergency situation plus the reasonable time necessary to return the property; and

(2) The time after return of the commandeered property reasonably necessary to repair or replace the commandeered property, not to exceed 180 days.

These times may extend beyond the policy period stated in the Declarations so long as the direct physical loss or damage to the commandeered property occurred during the policy period stated in the Declarations.

d. The most we will pay under this extension in any one occurrence is the "replacement cost" of the commandeered property, plus loss of use covered by this extension.

Emergency situation means an unexpected situation demanding an immediate official action by your law enforcement, firefighting, ambulance or rescue services during an emergency response.

3. Debris Removal Expenses

We will pay your debris removal expenses if they are reported to us within 180 days after the date of direct physical loss or damage. Debris removal expense means expense you incur in removing debris of covered "real property" or covered "personal property" from a "premises" after direct physical loss or damage caused by or resulting from any "covered cause of loss". Debris removal expense does not include "remediation expense" or any expense related to the removal of "fungus", wet rot, dry rot, virus, bacteria or asbestos. The most we will pay for debris removal expense under this extension is 25% of the amount we pay for direct physical loss or damage of covered property. However, this debris removal expense and the amount of loss or damage will not exceed the applicable Limit of Insurance. In the event that such an amount does exceed the applicable Limit of Insurance or the debris removal expense exceeds 25% of the loss amount, we will pay up to an additional $100,000 for incurred debris removal expenses.

You may apply up to $5,000 of the limit available for debris removal expenses toward the removal of tree(s) that are damaged by a "covered cause of loss" from your "premises", provided that the tree(s) damaged your "real property" or covered "personal property" or prevent access to your "premises".

4. Equipment Breakdown

a. We will pay for direct physical damage to covered "real property" or "personal property" and "loss of income" sustained and "extra expense" incurred that is the result of an "accident" or "electronic circuitry impairment". We will consider "electronic circuitry impairment" to be physical damage to "covered equipment".

The most we will pay for loss or damage under this Coverage Extension for any "one equipment breakdown" is the limit for "real property" and "personal property" for the applicable "premises". The most we will pay for "loss of income" in any "one equipment breakdown" is the Limit of Insurance shown in the Declarations under Coverage **C** "Loss of Income". The most we will pay for "extra expense" in any "one equipment breakdown" is the Limit of Insurance shown in the Declarations under Coverage **D** "Extra Expense". The limits in this extension are part of and not in addition to the limits applicable to Section **I** - Coverages.

b. Under this extension, the following coverages also apply to loss caused by or directly resulting from an "accident" or "electronic circuitry impairment". However, with respect to coverage **b.(9)** Service Interruption below, coverage will apply only to the direct result of an "accident" and will not apply to the direct result of an "electronic circuitry impairment". The coverages described in **b.(1)** through **b.(10)** below

Copyright 2022 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission

do not provide additional amounts of insurance, they are part of and not in addition to the applicable limits of insurance.

(1) Data Restoration

(a) We will pay for your reasonable and necessary cost to research, replace and restore lost "electronic data".

(b) The most we will pay for loss, damage or expense for "electronic data" restoration including actual "loss of income" you sustain and necessary "extra expense" you incur is $500,000.

(2) Expediting Expenses

(a) With respect to your covered "real property" or "personal property" that is damaged, we will pay the reasonable extra cost to:

(i) Make temporary repairs; and

(ii) Expedite permanent repairs or permanent replacement.

(b) The most we will pay for loss or expense under this coverage is $100,000.

(3) "Extra Expense"

Coverage **D** "Extra Expense" is extended to apply to "extra expense" incurred as a result of an "accident" or "electronic circuitry impairment" covered under this extension, and subject to the policy limit.

(4) Green

(a) With respect to your covered "real property" or "personal property" that is damaged, we will pay your additional cost to:

(i) Repair damaged property using equipment, materials and service firms required or recommended by a "recognized environmental standards program", if repair is the least expensive option;

(ii) Replace damaged property using equipment, materials and service firms required or recommended by a "recognized environmental standards program", if replacement is the least expensive option;

(iii) Dispose of damaged property or equipment, if practicable, through a recycling process; and

(iv) Flush out reconstructed space with up to 100% outside air using new filtration media.

(b) With respect to any building that is covered "real property" and was, at the time of the "accident" or "electronic circuitry impairment", certified by a "recognized environmental standards program", we will pay your additional cost:

(i) To prevent a lapse of such certification;

(ii) To reinstate the certification or replace it with an equivalent certification;

(iii) For an engineer authorized by a "recognized environmental standards program" to oversee the repair or replacement of the damaged covered "real property"; and

(iv) For a Professional Engineer to commission or recommission your damaged mechanical, electrical, or electronic building systems.

(c) As used in this coverage, additional costs mean those beyond what would have been payable under this Equipment Breakdown Coverage in the absence of this Green coverage.

(d) This coverage is subject to the following provisions:

(i) This coverage applies in addition to any coverage that may apply under the Environmental, Safety and Efficiency Improvements condition of this coverage form, or any other applicable coverage.

(ii) This coverage only applies to covered "real property" or "personal property" that must be repaired or replaced as a direct result of an "accident" or "electronic circuitry impairment".

Copyright 2022 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission

(iii) This coverage does not apply to any covered “real property” or “personal property” to which Actual Cash Value applies.

(e) The most we will pay for loss, damage or expense under this coverage, including actual loss of Business Income you sustain and necessary “Extra Expense” you incur is $100,000.

(5) Hazardous Substances

(a) We will pay for the additional cost to repair or replace covered “real property” or “personal property” because of contamination by a “hazardous substance”. This includes the additional expenses to clean up or dispose of such property.

(b) This does not include contamination of “perishable goods” by refrigerant, including but not limited to ammonia, which is addressed in **(10)(a)(ii)** below. As used in this extension additional costs mean those beyond what would have been payable under this extension had no “hazardous substance” been involved.

(c) The most we will pay for loss, damage or expense under this coverage, including actual “loss of income” you sustain and necessary “extra expense” you incur, is $250,000.

(6) “Loss of Income”

Coverage **C** “Loss of Income” is extended to apply to “loss of income” sustained as a result of an “accident” or “electronic circuitry impairment” covered under this extension, and subject to the policy limit unless as shown in the Equipment Breakdown Coverage Supplemental Declarations.

(7) Off-“Premises” “Equipment Breakdown”

(a) Coverage is extended to apply to an “accident” or “electronic circuitry impairment” to the following types of equipment used in the insured’s firefighting, ambulance or rescue operations, whether mobile/portable or permanently mounted on a “vehicle”, anywhere in the “policy territory”:

(i) Mobile cascade units;

(ii) Mobile electrical generators;

(iii) Portable pumping units; and

(iv) Portable extrication devices, such as jaws-of-life, whether hydraulic or air powered.

This additional coverage is not subject to the definition of "covered equipment" as defined in this Extension **4.** Equipment Breakdown to the extent that the definition conflicts with the coverage provided for Off-"Premises" "accidents". However, in no event will we pay for an "accident" to a "vehicle's" drivetrain, driveline, or fire pump.

(b) For equipment other than equipment used in the insured’s firefighting, ambulance or rescue operations, whether mobile/portable or permanently mounted on a “vehicle”, as described above in **(7)(a),** we will pay for:

(i) Physical damage to transportable “covered equipment” that, at the time of the “accident” or “electronic circuitry impairment”, is not at a covered location. As respects this Off-“Premises” Equipment Breakdown coverage only, the “accident” or “electronic circuitry impairment” may occur in any country except one in which the United States has imposed sanctions, embargoes or similar restrictions on the provision of insurance.

(ii) Your reasonable and necessary cost to research, replace and restore lost “electronic data” contained within “covered equipment” as described under **(b)(i)** above. This amount may not exceed the limit applicable to Data Restoration coverage.

(iii) The most we will pay for loss, damage or expense under **(b)(i),** including actual “loss of income” you sustain and necessary “extra expense” you incur and Data Restoration as described in **(b)(ii)** above is $25,000.

(8) Public Relations

(a) This coverage only applies if you have sustained an actual “loss of income” covered under this extension.

Copyright 2022 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission

(b) We will pay for your reasonable costs for professional services to create and disseminate communications, when the need for such communications arises directly from the interruption of your business. This communication must be directed to one or more of the following:

(i) The media;

(ii) The public; or

(iii) Your customers, clients or members.

(c) Such costs must be incurred during the "period of restoration" or up to 30 days after the "period of restoration" has ended.

(d) The most we will pay for loss or expense under this coverage is $5,000.

(9) Service Interruption

(a) Any insurance provided for "Loss of Income", "Extra Expense", Data Restoration or Spoilage is extended to apply to your loss, damage or expense caused by a failure or disruption of service. The failure or disruption of service must be caused by an "accident" to equipment, including overhead transmission lines, that is owned by a utility, landlord, a landlord's utility or other supplier who provides you with any of the following services: electrical power, waste disposal, air conditioning, refrigeration, heating, natural gas, compressed air, water, steam, Internet access, telecommunications services, "cloud computing services", wide area networks or data transmission. The equipment must meet the definition of "covered equipment" except that it is not covered "real property" or "personal property".

(b) "Cloud computing services" must be provided by a professional with whom you have a contract.

(c) With respect to the Data Restoration portion of this Service Interruption coverage, coverage will also apply to "electronic data" stored in the equipment of a provider of "cloud computing services".

(d) Service Interruption coverage will not apply unless the failure or disruption of service exceeds 24 hours immediately following the "accident". If the failure or disruption of service exceeds 24 hours, coverage will begin at the time of the disruption and any applicable deductible will apply.

(10) Spoilage

(a) We will pay:

(i) For physical damage to "perishable goods" due to spoilage;

(ii) For physical damage to "perishable goods" due to contamination from the release of refrigerant, including but not limited to ammonia;

(iii) Any necessary expenses you incur to reduce the amount of loss under this coverage to the extent that they do not exceed the amount of loss that otherwise would have been payable under this coverage.

(b) If you are unable to replace the "perishable goods" before its anticipated sale, the amount of our payment will be determined on the basis of the sales price of the "perishable goods" at the time of the "accident", less discounts and expenses you otherwise would have had. Otherwise our payment will be determined in accordance with the Valuation condition.

(c) The most we will pay for loss, damage or expense under this coverage is $100,000.

c. We will not pay under this extension for loss, damage or expense caused directly or indirectly by any of the following, whether or not caused by or resulting from an "accident" or "electronic circuitry impairment":

(1) Fire, including smoke from a fire;

(2) Explosion of gas or unconsumed fuel within the furnace of any boiler or fired vessel or within the passages from that furnace to the atmosphere;

(3) Any other explosion, except as specifically covered under this coverage form;

(4) Any earth movement, including but not limited to earthquake, subsidence, sinkhole collapse, landslide, earth sinking, tsunami or volcanic action;

Copyright 2022 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission

(5) Flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not; mudslide or mudflow; or water that backs up or overflows from a sewer, drain or sump. However, if electrical "covered equipment" requires drying out because of the above, we will pay for the direct expenses of such drying out subject to the applicable Limit of Insurance and any applicable deductible;

(6) Vandalism; or

(7) Your failure to use all reasonable means to protect covered property from damage following an "accident" or "electronic circuitry impairment".

d. Coverage under this extension does not apply to an "accident" or "electronic circuitry impairment" caused by or resulting from:

(1) Lightning;

(2) Windstorm or hail. However this exclusion does not apply when:

(a) "Covered equipment" located within a building or structure suffers an "accident" or "electronic circuitry impairment" that results from wind-blown rain, snow, sand or dust; and

(b) The building or structure did not first sustain wind or hail damage to its roof or walls through which the rain, snow, sand or dust entered.

(3) Smoke; aircraft or vehicles; riot or civil commotion; sprinkler leakage; elevator collision;

(4) Breakage of glass, falling objects, weight of snow, ice or sleet; freezing (caused by cold weather); collapse or molten material;

(5) A hydrostatic, pneumatic or gas pressure test of any boiler or pressure vessel, or an electrical insulation breakdown test of any type of electrical equipment; or

(6) Water or other means used to extinguish a fire.

e. Except as specifically provided under Extension **8.** Limited Coverage for "Fungus", Wet Rot or Dry Rot we will not pay for loss, damage or expense caused directly or indirectly by the following, whether or not caused by or resulting from an "accident" or "electronic circuitry impairment": Any "fungus", wet rot or dry rot, including any presence, growth, proliferation, spread or any activity of "fungus", wet rot, dry rot or bacteria. This includes, but is not limited to, costs arising from clean up, removal, or abatement of such "fungus", wet rot or dry rot. However, this exclusion does not apply to spoilage of "personal property" that is "perishable goods", to the extent that spoilage is covered under Paragraph **(10)(a)** Spoilage above.

f. With respect to coverages for "Loss of Income," "Extra Expense" and Service Interruption, we will also not pay for:

(1) Loss caused by your failure to use due diligence and dispatch and all reasonable means to resume business; or

(2) Any increase in loss resulting from an agreement between you and your customer or supplier. This includes, but is not limited to, contingent bonuses or penalties, late fees, demand charges, demurrage charges and liquidated damages.

g. With respect to Data Restoration coverage, we will also not pay to reproduce software programs or operating systems that are not commercially available; or "electronic data" that is obsolete, unnecessary or useless to you.

h. Exclusions **d.(2)(a)** and **d.(2)(b)** above shall not apply if:

(1) The excluded cause of loss occurs away from any covered location and causes an electrical surge or other electrical disturbance;

(2) Such surge or disturbance is transmitted through utility service transmission lines to the covered location and results in an "accident" or "electronic circuitry impairment"; and

(3) The loss, damage or expense caused by such surge or disturbance is not covered elsewhere under the policy.

i. As respects this Equipment Breakdown extension only, we will not pay for loss or damage to animals.

Copyright 2022 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission

j. Unless an Equipment Breakdown Deductible is indicated on the Declarations, the policy deductible will apply to this extension.

k. The following additional definitions apply to this extension:

(1) "Accident" means a fortuitous event that causes direct physical damage to "covered equipment". Such event must be one of the following:

(a) Mechanical breakdown, including rupture or bursting caused by centrifugal force;

(b) Artificially generated electrical current, including electrical arcing, that damages electrical devices, appliances or wires;

(c) Explosion, other than combustion explosion, of steam boilers, steam piping, steam engines or steam turbines owned or leased by you or operated under your control;

(d) An event inside steam boilers, steam pipes, steam engines or steam turbines that damages such equipment;

(e) An event inside hot water boilers or other water heating equipment that damages such equipment; or

(f) Bursting, cracking or splitting.

None of the following is an "accident";

(a) Defect, programming error, programming limitation, computer virus, malicious code, loss of "electronic data", loss of access, loss of use, loss of functionality or other condition within or involving "electronic data" or "media" of any kind; or

(b) Misalignment, miscalibration, tripping off-line, or any condition which can be corrected by resetting, tightening, adjusting or cleaning, or by the performance of maintenance.

However, if an "accident" results, we will pay for the resulting loss, damage or expense caused by that "accident".

(2) "Buried Vessels or Piping" means any piping or vessel buried or encased in the earth, concrete or other material, whether above or below grade, or in an enclosure which does not allow access for inspection and repair.

(3) "Cloud computing services" means professional, on-demand, self-service data storage or data processing services provided through the Internet or over telecommunications lines. This includes services known as IaaS (infrastructure as a service), PaaS (platform as a service), SaaS (software as a service) and NaaS (network as a service). This includes business models known as public clouds, community clouds and hybrid clouds. "Cloud computing services" include private clouds if such services are owned and operated by a third party.

(4) "Covered equipment" means covered "real property" or "personal property" that generates, transmits or utilizes energy or which, during normal usage, operates under vacuum or pressure, other than the weight of its contents. "Covered equipment" may utilize conventional design and technology or new or newly commercialized design and technology.

None of the following is "covered equipment":

(a) Structures, foundation, cabinet or compartment;

(b) Insulating or refractory material;

(c) Sewer piping, "buried vessels or piping", or piping forming a part of a sprinkler or fire suppression system;

(d) Water piping other than boiler feedwater piping, boiler condensate return piping or water piping forming a part of a refrigerating or air conditioning system;

(e) "Vehicle" or any equipment mounted on a "vehicle";

(f) Satellite, spacecraft or any equipment mounted on a satellite or spacecraft;

(g) Dragline, excavation or construction equipment;

Copyright 2022 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission

(h) Equipment manufactured by you for sale; or

(i) "Electronic data".

(5) "Electronic circuitry" means microelectronic components, including but not limited to circuit boards, integrated circuits, computer chips and disk drives.

(6) "Electronic circuitry impairment"

(a) "Electronic circuitry impairment" means a fortuitous event involving "electronic circuitry" within "covered equipment" that causes the "covered equipment" to suddenly lose its ability to function as it had been functioning immediately before such event. This definition is subject to the conditions specified in **(b), (c)** and **(d)** below.

(b) We shall determine that the reasonable and appropriate remedy to restore such "covered equipment's" ability to function is the replacement of one or more "electronic circuitry" components of the "covered equipment".

(c) The "covered equipment" must be owned or leased by you, or operated under your control.

(d) None of the following is an "electronic circuitry impairment":

(i) Any condition that can be reasonably remedied by:

i. Normal maintenance, including but not limited to replacing expendable parts, recharging batteries or cleaning;

ii. Rebooting, reloading or updating software or firmware; or

iii. Providing necessary power or supply.

(ii) Any condition caused by or related to:

i. Incompatibility of the "covered equipment" with any software or equipment installed, introduced or networked within the prior 30 days; or

ii. Insufficient size, capability or capacity of the "covered equipment".

iii Exposure to adverse environmental conditions, including but not limited to change in temperature or humidity, unless such conditions result in an observable loss of functionality. Loss of warranty shall not be considered an observable loss of functionality.

(7) "Hazardous substance" means any substance that is hazardous to health or has been declared to be hazardous to health by a governmental agency.

(8) "Media", as respects this Equipment Breakdown coverage extension, means material on which "electronic data" is recorded, such as solid state drives, hard disks, optical disks, flash drives, magnetic tapes or floppy disks.

(9) "One equipment breakdown" means: If an initial "accident" or "electronic circuitry impairment" causes other "accidents" or "electronic circuitry impairments", all will be considered "one equipment breakdown". All "accidents" or "electronic circuity impairments" that are the result of the same "accident" or "electronic circuitry impairment" will be considered "one equipment breakdown".

(10) "Perishable Goods" means any covered "real property" or "personal property" maintained under controlled conditions for its preservation, and susceptible to loss or damage if the controlled conditions change.

(11) "Recognized environmental standards program" means one of the following:

(a) The United States Environmental Protection Agency ENERGY STAR® program;

(b) The U.S. Green Building Council LEED® program;

(c) The Green Building Initiative GREEN GLOBES® program; or

(d) Any nationally or internationally recognized environmental standards program designed to achieve energy savings and related objectives of the type included in the programs listed above.

Copyright 2022 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission

(12) "Vehicle" means, as respects this extension only, any machine or apparatus that is used for transportation or moves under its own power. "Vehicle" includes, but is not limited to, car, truck, bus, trailer, train, aircraft, "watercraft", "personal watercraft", forklift, bulldozer, tractor or harvester. However, any property that is stationary, permanently installed at a covered location and that receives electrical power from an external power source will not be considered a "vehicle".

I. The following additional conditions apply to this extension:

(1) Suspension

Whenever "covered equipment" is found to be in, or exposed to, a dangerous condition, any of our representatives may immediately suspend the insurance against loss from an "accident" to that "covered equipment". This can be done by mailing or delivering a written notice of suspension to your last known address or the address where the "covered equipment" is located.

Once suspended in this way, your insurance can be reinstated only by an endorsement for that "covered equipment". If we suspend your insurance, you will get a pro rata refund of premium for that "covered equipment" for the period of suspension. The suspension will be effective even if we have not yet made or offered a refund. We will not consider firefighting or other emergency service activities, or training related to such activities, as a dangerous condition within the context of this provision.

(2) Jurisdictional Inspections

It is your responsibility to comply with any state or municipal boiler and pressure vessel regulations. If any "covered equipment" that is covered "real property" or "personal property" requires inspection to comply with such regulations, at your option we agree to perform such inspection. We do not warrant that conditions are safe or healthful.

(3) Environmental, Safety and Efficiency Improvements

If "covered equipment" requires replacement due to an "accident" or "electronic circuitry impairment", we will pay your additional cost to replace with equipment that is better for the environment, safer for people or more energy or water efficient than the equipment being replaced. However, we will not pay to increase the size or capacity of the equipment and we will not pay more than 150% of what the cost would have been to repair or replace with like kind and quality. This condition does not apply to the replacement of component parts or to any property to which "actual cash value" applies and does not increase any of the applicable limits.

5. Fine Arts

a. We will pay for direct physical loss or damage caused by or resulting from a "covered cause of loss" to "fine arts" owned by you and for which you have secured a certified appraisal.

b. The value of "fine arts" will be the least of the following amounts:

(1) The fair market value of the object at the time of loss;

(2) The cost of reasonably restoring the object to its condition immediately before loss; or

(3) The cost of replacing the object with a substantially identical object.

c. Fair market value means the cash value that the object of "fine arts" would bring in an open and unrestricted market between a willing buyer and a willing seller who are both knowledgeable, informed and prudent, and who are acting independently of each other.

d. In the event of loss, the value of the object will be determined as of the time of loss.

e. The most we will pay for loss under this extension is $50,000 in any one occurrence.

f. We will also pay for direct physical loss or damage caused by or resulting from a "covered cause of loss" to "fine arts" for which you have not secured a certified appraisal.

(1) The value of "fine arts" will be the least of the following amounts:

(a) The fair market value of the object at the time of loss;

(b) The cost of reasonably restoring the object to its condition immediately before loss;

Copyright 2022 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission

(c) The cost of replacing the object with a substantially identical object; or

(d) $1,500 per item.

(2) In the event of loss, the value of the object will be determined as of the time of loss.

(3) The most we will pay for loss under Paragraph **5.f.** is $25,000 in any one occurrence. This Limit of Insurance is in addition to the amount provided under Paragraph **5.e.** above.

6. Fire Department Charges

a. We will pay up to $25,000 in any one occurrence for fire department service charges:

(1) Assumed by contract prior to a covered loss; or

(2) Required by local ordinance.

b. Charges are payable only when a fire department is called to save or protect "real property" or "personal property" at a "premises" described in the Declarations from direct physical loss or damage from a "covered cause of loss".

c. No deductible applies to this extension.

7. Fire Extinguishing Equipment Recharge Costs

a. We will pay the necessary and reasonable cost to recharge or refill your fire extinguishing equipment, including both hand-held extinguishers and fixed automatic extinguishing systems, as a result of:

(1) Their discharge as a result of a "covered cause of loss"; or

(2) Their accidental discharge in the absence of a "covered cause of loss".

b. This extension applies regardless of whether the fire extinguishing equipment itself is damaged.

c. The fire extinguishing equipment must be for the protection of and located at a "premises".

d. No deductible applies to this extension.

8. Limited Coverage for Fungus, Wet Rot or Dry Rot

a. The coverage described in **8.b.** and **8.e.** of this extension applies only when the "fungus", wet rot or dry rot is the result of one or more of the following causes that occurs during the policy period and only if all reasonable means were used to save and preserve the property from further damage at the time of and after that occurrence:

(1) A "specified cause of loss" other than fire or lightning; or

(2) Flood, but only if the optional Flood Coverage endorsement is attached.

b. We will pay for loss or damage by "fungus", wet rot or dry rot. As used in this extension, the term loss or damage means:

(1) Direct physical loss or damage to covered "real property" or covered "personal property" caused by "fungus", wet rot or dry rot including the cost of removal of the "fungus", wet rot or dry rot;

(2) The cost to tear out and replace any part of the building or other property as needed to gain access to the "fungus", wet rot or dry rot; and

(3) The cost of testing performed after removal, repair, replacement or restoration of the damaged property is completed, provided there is reason to believe that "fungus", wet rot or dry rot are present.

c. The coverage described under **8.b.** of this extension is limited to $25,000. Regardless of the number of claims, this limit is the most we will pay for the total of all loss or damage arising out of all occurrences of "specified causes of loss" (other than fire or lightning) and flood (if the optional Flood Coverage endorsement is attached) which take place in a 12 month period (starting with the beginning of the present annual policy period). With respect to a particular occurrence of loss which results in "fungus", wet rot or dry rot, we will not pay more than a total of $25,000 even if the "fungus", wet rot or dry rot continues to be present or active, or recurs, in a later policy period.

d. The coverage provided under this extension does not increase the applicable Limit of Insurance on any covered "real property" or covered "personal property". If a particular occurrence results in loss or

Copyright 2022 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission

damage by “fungus”, wet rot or dry rot, and other loss or damage, we will not pay more, for the total of all loss or damage, than the applicable Limit of Insurance on the affected covered “real property” or covered “personal property”.

If there is covered loss or damage to covered “real property” or covered “personal property” not caused by “fungus”, wet rot or dry rot, loss payment will not be limited by the terms of this extension, except to the extent that “fungus”, wet rot or dry rot causes an increase in the loss. Any such increase in the loss will be subject to the terms of this extension.

e. Under **C. “Loss of Income”** or **Coverage D. “Extra Expense”:**

(1) If the loss which resulted in “fungus”, wet rot or dry rot does not in itself necessitate an interruption of “operations”, but such interruption is necessary due to loss or damage to property caused by “fungus”, wet rot or dry rot, then our payment under Coverage **C** and / or Coverage **D** is limited to the amount of “loss of income” and / or “extra expense” sustained in a period of not more than 30 days. The days need not be consecutive.

(2) If a covered interruption of “operations” was caused by loss or damage other than “fungus”, wet rot or dry rot but remediation of “fungus”, wet rot or dry rot prolongs the “period of restoration”, we will pay for “loss of income” and / or “extra expense” sustained during the delay (regardless of when such a delay occurs during the “period of restoration”), but such coverage is limited to 30 days. The days need not be consecutive.

9. Newly Acquired or Under Construction Real Property and Related Personal Property

a. “Real property” you buy, lease, rent, or construct, including temporary structures such as scaffolding, construction forms, falsework, or cribbing at the job site, will be covered under Coverage **A** as provided in this extension. “Personal property” you acquire in connection with the “real property” described above will be covered under Coverage **B** as provided in this extension.

b. Coverage **A or B** applies only if your newly acquired or under construction “real property” is intended for use in your “operations” and you acquired it or began construction of it after this policy period began.

c. The most we will pay under this extension is:

(1) $1,000,000 in any one occurrence under Coverage **A**; and

(2) $ 500,000 in any one occurrence under Coverage **B.**

d. In addition to the limit available for “real property” under construction, we will also pay up to $10,000 for loss or damage to construction materials and equipment that will become a permanent part of the project, while such property is held temporarily away from the construction site, or while in transit or awaiting delivery to the construction site. This property may be your property or, at your option, the property of others for which you are responsible.

e. You agree to notify us as soon as possible of the value of:

(1) Your newly acquired or under construction “real property” and to pay additional premium from the date you acquired or began construction of it; and

(2) “Personal property” at the site of newly acquired or under construction “real property” and to pay additional premium from the date you place such “personal property” at the site of newly acquired or under construction “real property”.

Coverage provided under this extension will cease at the later of 90 days after you acquire the property or begin construction, or the end of the policy period. However, coverage will cease when this coverage part is cancelled or nonrenewed.

For the purposes of this extension, “premises”, as used in the definition of “real property”, means any location not described in the Declarations that is owned or legally occupied by you and used to conduct your “operations”.

10. Ordinance Coverage

When direct physical loss or damage caused by or resulting from a “covered cause of loss” occurs and “replacement cost” is indicated in the Declarations as applicable to Coverage **A**, we will pay:

Copyright 2022 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission

a. For loss to any undamaged portion of your "real property" caused by the enforcement of any law or ordinance that:

(1) Requires the demolition of parts of your "real property" not damaged by a "covered cause of loss";

(2) Regulates the construction or repair of buildings or establishes zoning or land use requirements at a "premises"; and

(3) Is in force at the time of loss;

b. The cost to demolish and clear the site of the undamaged part of the property caused by enforcement of a building, zoning or land use ordinance or law; and

c. The increased cost to repair, rebuild or construct the "real property" caused by the enforcement of a building, zoning or land use ordinance or law, in addition to the "replacement cost" of the "real property" suffering the loss or damage.

The total paid for any "item" under Paragraph **a.** above shall be included within the Coverage **A** Limit of Insurance applicable to that "item" and shall not increase that limit. The most we will pay, for the total of all covered losses under Paragraphs **b.** and **c.** above, shall not exceed 100% of the amount paid under this coverage part for the initial direct physical loss or damage to that "item" or $1,000,000, whichever is greater.

Under this extension, we will not pay any costs:

(1) Unless you actually repair, rebuild or reconstruct the damaged "real property";

(2) Due to an ordinance or law that was in effect before the loss or damage occurred, and with which you failed to comply even though you were required to do so;

(3) For water treatment or wastewater processing equipment;

(4) For water treatment or wastewater system infrastructure;

(5) Associated with "remediation expenses"; or

(6) Due to "fungus", wet rot, or dry rot.

11. Outdoor Property

a. We will pay up to the "replacement cost" for direct physical loss or damage to your "outdoor property" caused by or resulting from a "covered cause of loss".

b. The most we will pay under this extension is $150,000 in any one occurrence.

12. Personal Effects

a. At your request we will pay up to the "replacement cost" for direct physical loss or damage to "personal effects" owned by you, your officers, managers, elected or appointed officials, "employees", or "volunteer workers" caused by or resulting from a "covered cause of loss" at your "premises".

b. The most we will pay under this extension is $25,000 in any one occurrence, regardless of the number of "premises" described in the Declarations.

c. This coverage is excess over any other valid and collectible insurance.

13. Pollution Remediation Expenses

a. We will pay "remediation expenses" you incur as a result of the actual, alleged, or threatened presence of "pollution conditions" at a "premises" described in the policy Declarations, but only if the "pollution conditions" result from a "covered cause of loss" occurring during the policy period. However, we will not pay for any expense related to the removal of "fungus", wet rot, dry rot, virus, bacteria or asbestos.

(1) You must notify us within 180 days after the date of the "covered cause of loss".

(2) The most we will pay under Paragraph **a.** of this extension in any policy period is $25,000.

b. We will pay "remediation expenses" you incur as a result of the actual, alleged, or threatened presence of "pollution conditions" at a "premises" described in the policy Declarations, but only if the "pollution conditions" result from a "specified cause of loss" occurring during the policy period. However, we will not pay for any expense related to the removal of "fungus", wet rot, dry rot, virus, bacteria or asbestos.

Copyright 2022 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission

(1) You must notify us within 180 days after the date of the “specified cause of loss”.

(2) Subject to Paragraph **a.(2)** the most we will pay under Paragraph **a.** and Paragraph **b.** of this extension in any policy period is $100,000.

14. Preservation of Property

If it is necessary to move “real property” or “personal property” from a “premises” to preserve it from direct physical loss or damage by a “covered cause of loss”, we will pay for any direct physical loss or damage to that property:

a. While it is being moved or while temporarily stored at another location; and

b. Only if loss or damage occurs within 90 days after the property is first moved.

15. Real Property or Personal Property in Transit or Off Premises

a. If there is a direct physical loss or damage to your covered “real property” or covered “personal property” either in transit or while temporarily off “premises” caused by a “covered cause of loss”, we will pay that covered loss.

b. If there is direct physical loss or damage to your covered computer hardware while off “premises” caused by a “covered cause of loss” we will pay that covered loss.

c. The most we will pay in any one occurrence is $100,000.

16. Software

a. We will pay the following when caused by or resulting from any “covered cause of loss”, or from a “computer virus” or an act of intentional destruction by an "employee":

(1) The cost of restoring, researching, replacing, or reproducing your “electronic data” or the media upon which your “electronic data” is magnetically or optically recorded;

(2) “Loss of income” if your “operations” are interrupted because of loss or damage to your software;

(3) “Extra expense” if your “operations” are interrupted because of loss or damage to your software;

(4) The following costs incurred because of loss or damage to your software:

(a) Expenses you actually incur in recharging an automatic fire suppression system due to an accidental discharge, whether or not the discharge was caused by a “covered cause of loss”;

(b) Fees payable to professional accountants or auditors;

(c) Costs of conducting investigations by consulting engineers or programmers; and

(d) Modification of “computer equipment” or replacement of “electronic data” in order to achieve compatibility with replacement “computer equipment” or software.

b. To the extent that your “electronic data” is not replaced or restored, we will pay the cost of replacement of the media on which the “electronic data” was stored or recorded, with blank media of substantially identical type.

c. Coverage provided under this extension is not restricted to your “premises”.

d. The most we will pay under this extension is $500,000 in any one occurrence.

e. This extension does not apply to the extent coverage is provided in Extension **4.** Equipment Breakdown**.**

17. Supplementary Provisions for Coverage C. “Loss of Income” and Coverage D. “Extra Expense”

a. Coverages **C** and **D** will apply if you have direct physical loss or damage covered under Coverage **A or B** to new buildings, additions or alterations to existing buildings, or associated equipment and supplies at a “premises”. If a direct physical loss or damage delays the start of your “operations” at the new building, addition, or alteration, Coverages **C and D** will be determined from the date your “operations” would have begun if the direct physical loss or damage had not occurred.

b. Coverages **C** and **D** will apply if your fundraising activities are interrupted as a result of direct physical loss or damage to “real property” or “personal property” not owned by you from a “covered cause of loss” at any site used for your fund-raising activities.

Copyright 2022 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission

c. If property not at a "premises" is damaged by a "covered cause of loss", and as a result, a government agency prohibits you from using a "premises", Coverages **C and D** will apply for up to two weeks from the date that the loss occurred.

d. The following will be disregarded in determining the amount of "loss of income":

(1) Donations and contributions which are a direct result of the interruption of your "operations" and are received by you during the period of interruption; and

(2) Proceeds from fundraising drives or solicitations which are for your sole benefit and occur as a result of the interruption of your "operations".

e. If a regularly scheduled fund-raising drive for your sole benefit occurs during the period of interruption, the revenue produced by such drive will not be considered as income unless the results of the drive fail, because of the interruption of your "operations", to produce an amount at least equal to the same drive in prior solicitations. If the regularly scheduled fund-raising drive is canceled or postponed, such loss of revenue will not be considered as a "loss of income".

f. If Coverage **C or D** applies, we will extend Coverage **C or D** up to 30 consecutive days after the damaged property is repaired or replaced or to the date you could restore your "operations", with reasonable speed, to the condition that would have existed if no direct physical loss or damage occurred, whichever comes first.

18. Trees, Shrubs, Plants and Lawns

a. We will pay for direct physical loss or damage to trees, shrubs, plants, and lawns at a "premises" on a "replacement cost" basis, only if they are damaged or destroyed by fire, lightning, explosion, riot or civil commotion, aircraft, "vehicles", or vandalism and malicious mischief. Replacement of trees, shrubs or plants shall be with trees, shrubs or plants of comparable size and kind, but shall not exceed the cost of replacing them with the largest commonly available transplantable like species of tree, shrub or plant that is usually available or listed in catalogs by nurseries or suppliers for the region in which the covered loss occurred and which can be legally transported on public roads without special permits. The costs of removing the existing tree, shrub or plant and associated cleanup are also included. Diminution of "real property" or "personal property" values resulting from the loss of trees shall not be recoverable as part of the loss settlement.

b. The most we will pay under this extension is $25,000 in any one occurrence, subject to a $1,000 maximum payable for any single tree, plant or shrub, regardless of the number of "premises" described in the Declarations.

19. Valuable Papers and Records

a. We will pay the costs you incur in restoring, researching, replacing, or reproducing your "valuable papers and records" that suffer direct physical loss or damage caused by or resulting from any "covered cause of loss".

b. We will not pay for:

(1) Irreplaceable "valuable papers and records" unless they are specifically described in the Declarations or in an endorsement made a part of this coverage part, and a limit for them is shown there;

(2) Any cost that results directly from processing or copying the records; or

(3) Any cost that results directly from work performed on papers or records, such as filing or binding.

c. Coverage provided under this extension is not restricted to your "premises".

d. The most we will pay under this extension is $50,000 in any one occurrence.

e. The policy deductible applies to this extension unless it is greater than $500. If the policy deductible is greater than $500, a $500 deductible will apply to this extension

20. Arson, Theft or Vandalism Information Reward

We will reimburse you for the payment of rewards that you actually incur which provide information related to arson fire, theft or vandalism. For the purposes of this extension, covered property means property covered

Copyright 2022 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission

by this coverage part or any other coverage part issued to you by this company. This reimbursement is subject to compliance with all of the following conditions:

a. Conditions

(1) Your covered property at a “premises” is damaged or destroyed by a fire that is declared to be an arson fire by the appropriate civil authority, or by theft or vandalism;

(2) You pay reward(s) for information about the causes of such arson fire, theft or vandalism to persons who would not normally make reports and who did not make such report before the potential of a reward was announced;

(3) Such information is presented to the investigative authorities within 90 days after the start of the arson fire, theft or vandalism;

(4) Such reported information for which you paid a reward contributes directly and significantly to the arrest and conviction of those causing the arson fire, theft or vandalism; and

(5) Your intention to pay such reward or your payment of such reward is reported to us within 15 days of the date on which the appropriate arson fire, theft or vandalism investigative authority receives the information.

b. Regardless of the number of people who provide information about the arson fire, theft or vandalism, the most we will pay for all reward payments related to any one arson fire, theft or vandalism, or series of related arson fires, thefts or acts of vandalism committed by the same arsonist(s), thief or vandal is $25,000 per loss.

c. No deductible applies to this extension.

Our reimbursement to you for the arson fire, theft or vandalism information rewards that you pay does not limit in any way your ability to offer or not offer and pay or not pay rewards for arson, fire, theft or vandalism information related to covered property.

21. Building Glass – Tenant

a. We will pay for direct physical loss or damage to building glass caused by or resulting from a "covered cause of loss", provided that:

(1) You are a tenant of the building and the address of the building is listed in the Property Premises Summary of the Declarations; and

(2) You have a contractual responsibility to insure the building glass, or a contractual responsibility to pay for loss or damage to that property.

b. The value of the property covered under this extension will be determined in accordance with Condition **G.6.** under Section **IV** – What We Will Pay, or the amount for which you are liable under contract, whichever is less. The most we will pay in any one occurrence under this extension is the limit applicable to Coverage **B**.

22. Claim Expense

a. Coverage **B** is extended to apply to the following expenses you incur, as required by this coverage, for your "employees" to prepare a claim:

(1) The cost of taking inventories; and

(2) The cost of preparing a statement of loss and other supporting exhibits.

b. We will not pay for any expenses billed by and payable to independent or public insurance adjusters to prepare claims.

c. The most we will pay in any one occurrence under this extension is $20,000.

23. Damage to Building from Theft

a. Coverage **B** is extended to apply to loss or damage caused by theft or attempted theft that occurs to a building you occupy, but do not own, and for which you have a contractual obligation.

b. The most we will pay for loss or damage under this extension in any one occurrence is $100,000.

Copyright 2022 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission

24. Lock Replacement

a. We will pay the necessary expense you incur to replace locks, lock cylinders and keys, electronic or otherwise, necessitated by:

(1) A covered theft of your covered property; or

(2) Damage to the lock as a result of a "covered cause of loss".

For the purposes of this extension, covered property means property covered by this coverage part. Coverage applies if there is a loss of covered property by a covered theft even if the keys are not known to be missing or copied.

b. Additional Conditions

(1) You must notify us and the appropriate law enforcement authority of the theft as soon as practicable;

(2) Locks, lock cylinders and keys must be replaced within 72 hours of the discovery of the theft, or as soon as practicable; and

(3) Coverage under this extension applies to disappearance of keys only if other covered property is stolen or missing.

c. Coverage under this extension applies only to locks, lock cylinders and keys located at a "premises" described in the declarations.

d. We will pay to replace the locks, lock cylinders and keys with property of the same kind and quality without deduction for deterioration or depreciation.

e. The most we will pay in any one occurrence for coverage under this extension is $25,000.

f. No deductible applies to this extension.

25. Non-owned Detached Trailers

a. Coverage **B** Is extended to apply to loss or damage to trailers that you do not own, provided that:

(1) The trailer is used in your business;

(2) The trailer is in your care, custody or control at the "premises" described in the Declarations; and

(3) You have a contractual obligation to pay for loss or damage to the trailer.

b. We will not pay for any loss or damage that occurs:

(1) While the trailer is attached to any "vehicle" or motorized conveyance, whether or not the "vehicle" or motorized conveyance is in motion;

(2) During hitching or unhitching operations, or when a trailer becomes accidentally unhitched from a "vehicle" or motorized conveyance.

c. The most we will pay for loss or damage under this extension in any one occurrence is $50,000, unless a higher limit is shown in the Declarations.

d. This insurance is excess over the amount due (whether you can collect on it or not) from any other insurance covering such property.

26. Spoilage Due to Off Premises Electrical Service Interruption

a. We will pay:

(1) For physical damage to “perishable goods” due to spoilage;

(2) For physical damage to “perishable goods” due to contamination from the release of refrigerant, including but not limited to ammonia; and

(3) Any necessary expenses you incur to reduce the amount of loss under this coverage to the extent that they do not exceed the amount of loss that otherwise would have been payable under this coverage;

Copyright 2022 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission

if the damage and expenses are a result of an interruption of electrical power service to your "premises". The interruption must result from direct physical loss or damage by a "covered cause of loss" to the off "premises" power supply equipment described in Paragraph **c.**

b. If you are unable to replace the "perishable goods" before its anticipated sale, the amount of our payment will be determined on the basis of the sales price of the "perishable goods" at the time of the occurrence, less discounts and expenses you otherwise would have had. Otherwise our payment will be determined in accordance with the Valuation condition.

c. Power supply equipment means the following types of off "premises" property supplying electricity to your "premises":

(1) Utility generating plants;

(2) Switching stations;

(3) Substations;

(4) Transformers; and

(5) Transmission lines.

d. "Perishable goods" means any covered "real property" or "personal property" subject to deterioration or impairment as a result of a change of conditions, including but not limited to temperature, humidity or pressure.

e. The most we will pay for loss, damage or expense for coverage under this extension is $50,000 in any one occurrence.

27. Water Contamination Notification Expense Coverage

a. We will pay all necessary printing, mailing and other expenses you incur when you are required by law or regulatory authority to notify your customers of actual or possible water contamination.

We do not require that you give us advance notice or obtain our approval prior to incurring these expenses.

b. The most we will pay under this extension is $25,000 in any one policy period.

c. No deductible applies to this coverage.

SECTION III - COVERED CAUSES OF LOSS

"Covered cause of loss" means any risk of direct physical loss or damage except as excluded or limited below.

Exclusions

We will not pay for loss or damage caused by or resulting directly or indirectly from the following causes, or occurring in the following situations. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently with or before, during, or after the loss or damage. But we will cover resulting fire or explosion, meaning a fire or explosion that results from any cause of loss other than "war", whether or not that cause of loss itself is covered under this coverage part.

1. Asbestos

Asbestos, including loss, damage or "remediation expenses" resulting from asbestos or asbestos-containing materials.

2. Building Settlement

Settling, shrinking, cracking, bulging or expansion of any pavement, building or structure.

3. Delay, Loss of Use

Delay and loss of use or because you can no longer sell or use property, except as specifically provided in Coverage **C.**

4. Dishonesty

Copyright 2022 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission

Dishonest acts or omissions of you or your "volunteer workers" or "employees", or anyone authorized to act for you, or anyone to whom you entrust property, whether an individual is acting alone or in collusion with others.

5. Earthquake or Earth Movement

"Earthquake" or landslide, including any earth sinking, rising or shifting related to such events; mine subsidence; volcanic eruption, explosion or effusion (other than "volcanic action"); earth sinking (other than "sinkhole collapse"), rising or shifting including soil conditions which cause settling, cracking or other disarrangement of foundations or other parts of realty. Soil conditions include contraction, expansion, freezing, thawing, erosion, improperly compacted soil and the action of water under the ground surface.

6. Electrical Current

Artificially generated electrical current, including electric arcing, that disturbs electrical devices, appliances or wires, but this exclusion does not apply to any coverage provided in the Equipment Breakdown coverage extension.

7. Faulty Design and Workmanship

Faulty design, workmanship and material including the cost of correcting any faulty design, workmanship, material, manufacture or installation, alteration, repair or work on covered "real property" or "personal property". But we will cover loss or damage that results from any of these, if the loss or damage occurs in connection with any cause of loss not otherwise excluded by this coverage part.

8. Flood or Water

a. Flood, surface water, waves (including tidal wave and tsunami), tides, tidal water, overflow of any body of water, or spray from any of these, all whether or not driven by wind (including storm surge);

b. Mudslide or mudflow;

c. Water under the ground surface pressing on, or flowing or seeping through:

(1) Foundations, walls, floors or paved surfaces;

(2) Basements, whether paved or not; or

(3) Doors, windows or other openings; or

d. Waterborne material carried or otherwise moved by any of the water referred to in Paragraph **a.** or **c.** or material carried or otherwise moved by mudslide or mudflow.

This exclusion applies regardless of whether any of the above, in Paragraphs **a.** through **d.**, is caused by an act of nature or is otherwise caused. An example of a situation to which this exclusion applies is the situation where a dam, levee, seawall or other boundary or containment system fails in whole or in part, for any reason, to contain the water.

But if any of the above, in Paragraphs **a.** through **d.**, results in fire, explosion or sprinkler leakage, we will pay for the loss or damage caused by that fire, explosion or sprinkler leakage (if sprinkler leakage is a "covered cause of loss").

9. Fungus, Wet Rot or Dry Rot

The presence, growth, proliferation, spread or any activity of "fungus" or wet rot or dry rot including loss, damage or "remediation expenses" resulting from any of these. But if "fungus", wet rot, or dry rot results in a "specified cause of loss", we will pay for the loss or damage caused by that "specified cause of loss". This exclusion does not apply:

a. When "fungus", wet rot or dry rot results from fire or lightning; or

b. To the extent coverage is provided in the Limited Coverage for "Fungus", Wet Rot or Dry Rot coverage extension.

10. "Government Activity"

11. **Inherent Vice**

Copyright 2022 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission

Inherent vice meaning a natural condition of property that causes it to deteriorate or become damaged. Examples of inherent vice are the yellowing and cracking of old paper, patina that forms on old bronze and the swelling of wood under moist conditions.

12. Latent Defects

Latent defects meaning faults or weaknesses in property itself.

13. Loss of Contract or Strike

"Loss of income" or "extra expense" resulting from:

a. Loss of contract, meaning a loss that results from the expiration, suspension or cancellation of any contract, lease or order; or

b. Strike, meaning interference by strikers or other persons with your "operations", or with the repair, rebuilding or replacement of property at the location of the repair, rebuilding or replacement, or with the resumption of your "operations".

14. Mechanical Breakdown

Mechanical breakdown, but this exclusion does not apply to any coverage provided in the Equipment Breakdown coverage extension.

15. Mysterious Disappearance

Mysterious disappearance of property or an inventory shortage.

16. Neglect

Neglect, meaning your failure to take all reasonable steps to protect your property when it is threatened with loss or damage and to take all reasonable steps to protect your property from further loss after loss or damage occurs.

17. Nesting or Infestation

Nesting or infestation, or the discharge or release of waste products or secretions, caused by any insects, birds, rodents or other animals.

18. "Nuclear Activity"

19. "Pollution Conditions", except to the extent coverage is provided in the Pollution "Remediation Expenses" coverage extension.

20. "Remediation Expenses", except to the extent coverage is provided in the Pollution "Remediation Expenses" coverage extension.

21. Seepage or Leakage of Water

Continuous or repeated seepage or leakage of water, or the presence or condensation of humidity, moisture or vapor, that occurs over a period of 14 days or more.

22. Steam Vessels

Rupture, bursting or explosion of steam boilers, steam pipes, steam turbines or steam engines except to the extent coverage is provided in the Equipment Breakdown coverage extension.

23. Vacancy

Freezing, leakage or overflow from plumbing, heating, air conditioning or any other equipment or appliance in a "vacant" or unoccupied building unless:

a. You have taken reasonable steps to maintain heat in the building; or

b. Water was drained from the system or appliance involved, and the water supply was shut off while the building was "vacant" or unoccupied.

Also, we will not cover damage to plumbing systems located outside the perimeter of building walls or off the "premises" that results from freezing.

24. Vandalism and Malicious Mischief

Copyright 2022 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission

Vandalism and malicious mischief if the building involved has been "vacant" for more than 60 consecutive days immediately before the loss.

25. Virus or Bacteria

Virus, bacterium or other microorganism that induces or is capable of inducing physical distress, illness or disease.

However, this exclusion does not apply to loss or damage caused by or resulting from "fungus", wet rot or dry rot. Such loss or damage is addressed in a separate exclusion in this Coverage Part.

26. "War"

27. Wear and Tear

Wear and tear, deterioration, rust, corrosion, marring or scratching, erosion, decomposition, and decay. However, we will cover resulting loss or damage not otherwise excluded caused by "vehicles" or aircraft, "sprinkler leakage", water damage, freezing, collapse of a building or falling objects.

Limitations

We will not pay for loss of or damage to property, as described and limited in this section. In addition, we will not pay for any loss that is a consequence of loss or damage as described and limited in this section.

1. Steam boilers, steam pipes, steam engines or steam turbines caused by or resulting from any condition or event inside such equipment. But we will pay for loss of or damage to such equipment caused by or resulting from an explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass.

2. Hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such boilers or equipment, other than an explosion.

However, these limitations do not apply to any coverage provided in Extension **4.** Equipment Breakdown.

SECTION IV - WHAT WE WILL PAY

A. Limits of Insurance

1. The most we will pay for loss or damage in any one occurrence under Coverage **A** "Real Property" and Coverage **B** "Personal Property" is the applicable Limit of Insurance shown in the Declarations.

2. The most we will pay for "loss of income" in any one occurrence under Coverage **C** "Loss of Income" is the "Loss of Income" Limit of Insurance shown in the Declarations.

3. The most we will pay for "extra expense" in any one occurrence under Coverage **D** "Extra Expense**"** is the "Extra Expense" Limit of Insurance shown in the Declarations.

4. If we pay the limit for any one occurrence, that will not reduce the applicable limit for any future covered loss resulting from an unrelated occurrence.

B. Valuation – Coverage A Real Property and Coverage B Personal Property

1. If "replacement cost" valuation is indicated in the Declarations, we will not pay more than the limit applicable to the lost or damaged "real property" or "personal property". Subject to that limit, we will pay the "replacement cost" of any loss or damage to "real property" or "personal property", less any deductible that applies, so long as:

a. The loss or damage to "real property" or "personal property" is actually repaired or replaced;

b. The repairs to or replacement of the "real property" or "personal property" are made within one year of the loss or damage;

c. The repairs or replacements restore the "real property" or "personal property" to the same use; and

d. The repairs to or replacement of the "real property" or "personal property" are of the same kind and quality and at the same "premises" as the "real property" or "personal property" suffering the loss or damage, however:

Copyright 2022 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission

(1) You may substitute property of a different kind or quality, but we won't pay more than what it would cost to repair or replace the loss or damage to the "real property" or "personal property" with property of comparable kind and quality; and

(2) You may replace the "real property" or "personal property" suffering the loss or damage at a different location, but we won't pay more than what it would cost to replace the loss or damage to the "real property" or "personal property" at the original "premises".

2. If "replacement cost" does not apply, we will pay for loss or damage on the basis of the "actual cash value" of the "real property" or "personal property" at the time of loss. The most we will pay for loss or damage to property valued by the "actual cash value" method is the smallest of the following:

a. The coverage limit which applies to that property;

b. The "actual cash value" of the lost or damaged property; or

c. The amount which you actually spend to repair or replace the lost or damaged property with property of comparable kind or quality. You may substitute property of a different kind or quality, but we won't pay more than what it would cost to replace the lost or damaged property with property of comparable kind and quality.

3. If "replacement cost" valuation is indicated in the Declarations, you may make a claim for loss or damage covered by this insurance on an "actual cash value" basis instead of on a "replacement cost" basis. If you elect to have loss or damage settled on an "actual cash value" basis, you may still make a claim on a "replacement cost" basis at any time within one year after the loss. However, you will only have this privilege if you comply with all the requirements of the "replacement cost" provisions.

4. If "replacement cost" valuation applies for Coverage **B. Personal Property**, "personal property" of others in your custody or control under the terms of a lease or rental agreement will be valued, at the time of loss or damage, based upon the terms of the applicable lease or rental agreement.

C. Valuation – Coverage C. Loss of Income and Coverage D. Extra Expense

1. The amount of the "loss of income" you sustain due to necessary suspension of your "operations" during the "period of restoration" will be based on:

a. Your net income before the direct physical loss or damage occurred;

b. Your likely net income if no loss or damage occurred;

c. The operating expenses, including payroll expenses, necessary to resume your "operations" with the same quality of service that existed just before the direct physical loss or damage; and

d. Other relevant sources of information, including:

(1) Your financial records and accounting procedures;

(2) Bills, invoices and other vouchers; and

(3) Deeds, liens or contracts.

2. We will reduce the amount of your "loss of income" to the extent you can resume your "operations" in whole or in part by using damaged or undamaged property (including merchandise or "stock") at the "premises" or elsewhere.

3. The amount of "extra expense" will be determined based on:

a. All expenses that exceed the normal operating expenses that would have been incurred by your "operations" during the "period of restoration" if no direct physical loss or damage had occurred. We will deduct from the total of such expenses:

(1) The salvage value that remains of any property bought for temporary use during the "period of restoration", once your "operations" are resumed; and

(2) Any "extra expense" that is paid for by other insurance, except for insurance that is written subject to the same plan, terms, conditions and provisions as this insurance; and

b. All necessary expenses that reduce the "loss of income" that otherwise would have been incurred.

Copyright 2022 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission

4. We will reduce the amount of your "extra expense" loss to the extent you can return your "operations" to normal and discontinue such "extra expense".
5. If you do not resume your "operations", or do not resume your "operations" as quickly as possible, we will pay based on the length of time it would have taken to resume your "operations" as soon as possible.
6. If this policy expires before we have paid you all the "loss of income" or "extra expense" to which you are entitled for direct physical loss or damage that occurred during the policy period, we will continue to make payments after the expiration date.

D. Valuation – COVERAGE EXTENSIONS

"Replacement cost" applies to all Section **II** - Coverage Extensions unless stated otherwise in the extension, as long as the requirements in Section **IV. B. 1.** are met if "real property" or "personal property" is lost or damaged.

E. Deductible

1. We will not pay for loss or damage in any one occurrence until the amount of loss or damage exceeds the applicable deductible. We will then pay the amount of loss or damage in excess of the deductible, up to the applicable Limit of Insurance, after any applicable deduction required by a coinsurance provision.
2. The deductible shown in the Declarations applies to losses under the following coverages except as otherwise specifically indicated:
   a. "Real property";
   b. "Personal property";
   c. "Loss of income";
   d. "Extra expense"; and
   e. All coverages provided under Section **II** - Coverage Extensions.
3. If more than one coverage applies to any one occurrence, we will subtract the deductible amount only once. If more than one deductible applies, we will subtract the largest applicable deductible unless indicated otherwise in this coverage part.
4. **Deductible Waiver**. If a loss covered under this coverage part also involves a loss under Business Auto coverage or Inland Marine coverage issued to you by us, only one deductible, the largest, will be applied. The deductible under the other policies or coverage parts will be waived.

F. Automatic Inflation Adjustment

1. We will automatically increase your Coverage **A** and Coverage **B** limits to keep pace with inflation. We will increase the limits by the annual percentage shown in the Declarations.
2. The amount of increase will be:
   a. The limit that applied on the most recent of the policy inception date, the policy anniversary date, or any change amending the Limit of Insurance, multiplied by
   b. The percentage of annual increase shown in the Declarations, multiplied by
   c. The number of days since the beginning of the current policy year or the effective date of the most recent policy change amending the Limit of Insurance, divided by 365.
3. Where there is a blanket limit for Coverages **A** and **B**, the most recent values we used to calculate your premium will be used to separate "real property" and "personal property" values, the separate values will be increased as if they were separate limits, and the results will be added to determine the increase in the blanket limit.

G. Other Conditions Affecting Property Losses

This sub-section explains special rules that apply to valuing some of the property covered by this coverage part. It also gives you important information about payment for losses.

1. **Improvements by a Tenant.** If you are a tenant at a "premises" and property improvements for which you paid are lost or damaged by a "covered cause of loss" at the "premises", we will reimburse you for

Copyright 2022 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission

repairing or replacing them. We will pay their "replacement cost" if you repair or replace them within a reasonable time after the loss at the "premises". But we will not cover repairs or replacements which were made for your use at someone else's expense.

a. If you do not repair or replace the covered improvements within a reasonable time at the "premises", we will pay a portion of their original cost. This will be the ratio between:

(1) The length of time remaining on your lease at the time of the loss; and

(2) The length of time between the making of the improvements and the expiration of the lease.

b. If your lease contains a renewal option, the expiration of the renewal option period will replace the expiration of the lease.

c. If you purchased the interest in the use of improvements made by a previous tenant, we will cover them as if you had paid for them.

2. Property in Sets. The loss of an article which is part of a set will not be considered a loss of the entire set. Therefore, if there is loss or damage to property which is part of a set, we will pay a fair portion of the total value of the set.

3. Parts. If the loss or damage is to a part of property that consists of several parts, we will pay for only the lost or damaged part.

4. Exhibitions and Displays. The most we will pay for exhibitions and displays is the amount that they cost you.

5. Stock. "Stock" you have sold but not delivered will be valued at no more than the selling price less discounts and expenses you otherwise would have had.

6. Glass. Glass will be valued at the cost of replacement with safety glazing material if required by law.

SECTION V - CONDITIONS

The following apply in addition to the Common Policy Conditions.

1. Abandonment

There can be no abandonment of any property to us.

2. Appraisal

If we cannot agree with you on the amount of the loss, either of us can demand that the following procedure be used to settle the amount.

a. You or we will request in writing that the dispute be submitted to appraisal within 60 days from the time we receive your proof of loss. Each will then select an appraiser and notify the other of that choice within 20 days of the initial request.

b. The appraisers will select an impartial umpire. If they cannot agree on an umpire within 15 days, either you or we can ask that an umpire be appointed by a judge of a court having jurisdiction in the county where the property is located.

c. The appraisers will appraise each item for its value at the time of loss and the amount of loss. If they can't agree, they will submit any differences to the umpire. An agreement in writing by any two of these three will determine the amount of the loss.

d. You will pay your appraiser and we will pay ours. Each will share equally any other costs of the appraisal and the umpire.

e. We will not surrender our rights by any act we take relating to an appraisal.

3. Coinsurance

If a coinsurance percentage is shown in the Declarations, the following condition applies.

Copyright 2022 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission

a. We will not pay the full amount of any loss if the value of covered “real property” or “personal property” at the time of loss, times the coinsurance percentage shown for it in the Declarations, is greater than the Limit of Insurance for the property.

Instead, we will determine the most we will pay using the following steps:

(1) Multiply the value of the property at the time of loss by the coinsurance percentage;

(2) Divide Limit of Insurance of the property by the figure determined in step (1);

(3) Multiply the total amount of loss, before the application of any deductible, by the figure determined in step (2); and

(4) Subtract the deductible from the figure determined in step (3).

We will pay the amount determined in step (4) or the Limit of Insurance, whichever is less. For the remainder, you will either have to rely on other insurance or absorb the loss yourself.

b. Example (Underinsurance): The value of the property is $250,000. The coinsurance percentage for it is 90%. The Limit of Insurance for it is $100,000. The deductible is $500. The amount of loss is $40,000.

(1) Step (a) $250,000 x 90% = $225,000

(this is the minimum amount of insurance to meet your coinsurance requirements)

(2) Step (b): $100,000 ÷ $225,000 = .44

(3) Step (c): $40,000 x .44 = $17,600

(4) Step (d): $17,600 - $500 = $17,100

(5) We will pay no more than $17,100. The remaining $22,900 is not covered.

c. You agree to keep property insured for a minimum portion of its value. That portion is the coinsurance percentage shown in the Declarations. In computing this amount, we use the “replacement cost” of property for which you have chosen “replacement cost” coverage and the “actual cash value” of all other property.

d. We compute the minimum amount of insurance you are required to have based on the property's value at the time loss occurs. In determining the property's value for the coinsurance agreement, we do not include the following:

(1) The value of property covered under Section **II** - Coverage Extensions;

(2) The value of excavations; and

(3) The value of brick, stone or concrete foundations, including foundations of machinery or boilers, which are below the surface of the building's basement floor. If the building has no basement, we don't include the value of brick, stone, or concrete below the surface of the ground and inside the foundation walls when we compute the value of the building. Nor do we include the value of underground flues, pipes or drains.

e. If your property is insured for the minimum amount required, this coinsurance agreement won't have any effect on what we will pay for a covered loss. We will pay up to the coverage limit applicable to the specific location and property. But if your property is insured for less than the minimum amount required, we will only pay part of your loss and you must pay the rest.

f. When coinsurance applies, it will apply separately to each coverage limit for “real property” or “personal property” covered under this policy, unless specifically amended. However, coinsurance will not apply to losses which are less than $10,000.

4. Concealment, Misrepresentation or Fraud

This coverage part is void in any case of fraud by you as it relates to this coverage part at any time. It is also void if you or any other insured, at any time, intentionally conceal or misrepresent a material fact concerning:

a. This coverage part;

b. The covered property;

Copyright 2022 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission

c. Your interest in the covered property; or

d. A claim under this coverage part.

5. Control of Property

Any act or neglect of any person other than you, beyond your direction or control, will not affect this insurance.

The breach of any condition of this coverage part at any one or more locations will not affect coverage at any location where, at the time of loss or damage, the breach of condition does not exist.

6. Duties in the Event of Loss or Damage

a. You must see that the following are done in the event of loss or damage to property insured under this coverage part:

(1) Notify the police if a law may have been broken.

(2) Give us prompt notice of the loss or damage. Include a description of the property involved.

(3) As soon as possible, give us a description of how, when and where the loss or damage occurred.

(4) Take all reasonable steps to protect the property from further damage by a “covered cause of loss”. If feasible, set the damaged property aside and in the best possible order for examination. Also keep a record of your expenses for emergency and temporary repairs, for consideration in the settlement of the claim. This will not increase the Limit of Insurance.

(5) At our request, give us complete inventories of the damaged and undamaged property. Include quantities, costs, values, and amount of loss claimed. However, if the total claim for any loss is less than $10,000, you are not required to provide an inventory of the undamaged property.

(6) As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records. Also permit us to take samples of damaged and undamaged property for inspection, testing and analysis, and permit us to make copies from your books and records.

(7) Send us a signed, sworn proof of loss containing the information we request to investigate the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.

(8) Cooperate with us in the investigation or settlement of the claim.

(9) If you intend to continue your “operations”, you must resume all or part of them as quickly as possible. If you do not resume your “operations”, or do not resume your “operations” as quickly as possible, we will pay based on the length of time it would have taken to resume your “operations” as soon as possible.

b. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

7. Insurance Under Two or More Coverages

If two or more coverages of this coverage part apply to the same loss or damage, we will not pay more than the actual amount of the loss or damage.

8. Legal Action Against Us

No one may bring a legal action against us under this coverage part unless:

a. There has been full compliance with all of the terms of this coverage part; and

b. The action is brought within 2 years after the date on which the direct physical loss or damage occurred.

9. Loss Payment

a. In the event of loss or damage covered by this coverage part, at our option, we will either:

(1) Pay the value of lost or damaged property;

(2) Pay the cost of repairing or replacing the lost or damaged property;

Copyright 2022 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission

(3) Take all or any part of the property at an agreed or appraised value; or

(4) Repair, rebuild or replace the property with other property of like kind and quality.

b. We will give notice of our intentions within 30 days after we receive the sworn proof of loss.

c. We will not pay you more than your financial interest in the property.

d. We may adjust losses with the owners of lost or damaged property if other than you. If we pay the owners, such payments will satisfy your claims against us for the owners' property. We will not pay the owners more than their financial interest in the property.

e. We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.

f. We will pay for covered loss or damage within 30 days after we receive the sworn proof of loss if:

(1) You have complied with all of the terms of this coverage part; and

(2) We have reached agreement with you on the amount of loss, or an appraisal award has been made.

10. Mortgage Holders

a. The term mortgage holder includes trustee.

b. We will pay for covered loss of or damage to buildings or structures to each mortgage holder shown in the Declarations in their order of precedence, as interests may appear.

c. The mortgage holder has the right to receive loss payment even if the mortgage holder has started foreclosure or similar action on the building or structure.

d. If we deny your claim because of your acts or because you have failed to comply with the terms of this coverage part, the mortgage holder will still have the right to receive loss payment if the mortgage holder:

(1) Pays any premium due under this coverage part at our request if you have failed to do so;

(2) Submits a signed, sworn statement of loss within 60 days after receiving notice from us of your failure to do so; and

(3) Has notified us of any change in ownership, occupancy or substantial change in risk known to the mortgage holder.

All of the terms of this coverage part will then apply directly to the mortgage holder.

e. If we pay the mortgage holder for any loss or damage and deny payment to you because of your acts or because you have failed to comply with the terms of this coverage part:

(1) The mortgage holder's rights under the mortgage will be transferred to us to the extent of the amount we pay; and

(2) The mortgage holder's right to recover the full amount of the mortgage holder's claim will not be impaired.

At our option we may pay to the mortgage holder the whole principal on the mortgage plus any accrued interest. In this event, your mortgage and note will be transferred to us and you will pay your remaining mortgage debt to us.

f. If we cancel this coverage part, we will give written notice to the mortgage holder at least:

(1) 10 days before the effective date of cancellation if we cancel for your nonpayment of premium; or

(2) 30 days before the effective date of cancellation if we cancel for any other reason.

g. If we elect not to renew this coverage part, we will give written notice to the mortgage holder at least 10 days before the expiration date of this policy.

11. No Benefit to Bailee

No person or organization, other than you, having custody of covered property will benefit from this insurance.

12. Other Insurance

Copyright 2022 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission

a. You may have other insurance subject to the same plan, terms, conditions and provisions as the insurance under this coverage part. If you do, we will pay our share of the covered loss or damage. Our share is the proportion that the applicable Limit of Insurance under this coverage part bears to the Limits of Insurance of all insurance covering on the same basis.

b. If there is other insurance covering the same loss or damage, other than that described in **a.** above, we will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect it or not. But we will not pay more than the applicable Limit of Insurance.

13. Policy Period, Policy Territory

We will cover loss or damage commencing:

a. During the policy period shown in the Declarations; and

b. Within the “policy territory”.

14. Recovered Property

If either you or we recover any property after loss settlement, that party must give the other prompt notice. At your option, the property will be returned to you. You must then return to us the amount we paid to you for the property. We will pay recovery expenses and the expenses to repair the recovered property, subject to the Limit of Insurance.

15. Transfer of Rights of Recovery Against Others To Us

If any person or organization to or for whom we make payment under this coverage part has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after loss to impair them. But you may waive your rights against another party in writing:

a. Prior to a loss to your covered property or covered income; or

b. After a loss to your covered property or covered income only if, at time of loss, that party is one of the following:

(1) Someone insured by this insurance;

(2) An organization owned by or controlled by you;

(3) An organization that owns you or controls you; or

(4) Your tenant.

This will not restrict your insurance.

SECTION VI. DEFINITIONS

1. “Accounts receivable costs” mean:

a. Accounts receivable due to you but which you can't collect;

b. Extra collection costs you incur to collect accounts receivable due to you;

c. Interest charges on loans you have been required to obtain to compensate for accounts receivable you can't collect when due; and

d. Reasonable costs of replacing your accounts receivable records.

“Accounts receivable costs” also include losses or costs you incur if you have to remove accounts receivable records from a “premises” to a place of safety in order to protect them from the threat of a “covered cause of loss”. Accounts receivable are amounts owed to you by those with whom you deal.

2. “Actual cash value” is calculated as the amount it would cost to repair or replace the damaged or destroyed property at the time of loss or damage with material of like kind and quality, subject to a deduction for deterioration, depreciation and obsolescence. “Actual cash value” applies to the valuation of property regardless of whether that property has sustained partial or total loss or damage. The “actual cash value” of

Copyright 2022 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission

such property may be significantly less than its “replacement cost”.

3. “Computer equipment” means your programmable electronic equipment that is used to store, retrieve and process “electronic data”. It includes their component parts and air conditioning, fire suppression equipment and electrical equipment used exclusively in your computer operations as well as associated peripheral equipment that provides communication including input and output functions such as printing or auxiliary functions such as “electronic data” transmission.

4. “Computer virus” means a computer program or computer code which is entered into your computer system without your knowledge, and which causes a disruption of normal program or computer system operation, but it does not mean an error in design or a programming error. "Computer virus" also means the malicious observation, scanning or copying of data records, programs and applications and proprietary programs or media located on your computer system.

5. “Covered cause of loss” is defined in Section **III** - Covered Causes Of Loss.

6. “Earthquake” means all earthquake shocks that commence after the inception of this insurance. All earthquake shocks that occur within any 168 hour period will constitute a single occurrence.

7. “Electronic data” means information, facts or computer programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), on hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other repositories of computer software which are used with electronically controlled equipment. The term computer programs, referred to in the foregoing description of “electronic data”, means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve or send data.

8. “Emergency services equipment” means portable law enforcement, firefighting, ambulance, rescue, and communications equipment commonly used in law enforcement, firefighting, or rescue operations away from your “premises”. This term includes equipment specific to law enforcement, firefighting, or rescue related activities, such as firearms, radar speed timing units, training videos, manuals and mannequins, including trailers whose primary purpose is to transport covered “emergency services equipment”.

“Emergency services equipment” does not include:

a. Aircraft, its parts or accessories;

b. Animals;

c. “Computer equipment” or software or other “electronic data” processing equipment except when such equipment is intended for use off your “premises” in actual emergency operations or in training for emergency operations;

d. “Fine arts”;

e. Jewelry (except watches);

f. “Money” and “securities”;

g. “Personal effects” belonging to you or your officers, managers, elected or appointed officials, “employees”, or “volunteer workers”, other than individually owned portable law enforcement, firefighting, ambulance, or rescue related equipment;

h. “Personal property” including contents and building fixtures;

i. Televisions, video cassette recorders, and other audio-visual equipment except when such equipment is intended for use off your “premises” in actual emergency operations or in training for emergency operations;

j. “Tools and equipment” that are not commonly used in activities specified above;

k. “Valuable papers and records”;

l. “Vehicles”;

m. “Watercraft” or “personal watercraft”; or

Copyright 2022 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission

n. Property or equipment covered under another coverage form of this or any other policy in which it is more specifically described.

9. "Employees" are people who work for you in the conduct of your ordinary activities, in return for a salary, wages or commissions. In order to be considered an "employee", a person must be subject to your exclusive direction in the performance of his or her activities. Contractors and agents are not considered to be "employees".

10. "Extra expense" means expense you incur during the "period of restoration" over and above your ordinary expenses, which are necessary to avoid or minimize the suspension of your "operations" and return to your normal "operations" after direct physical loss or damage to "real property" or "personal property" at a "premises". "Extra expenses" include expenses you incur to continue your normal "operations" at a temporary location or with substitute equipment. The most we will pay is described in the policy Declarations and under Section **IV** - What We Will Pay.

11. "Fine arts" means property that is rare or that has historic or artistic value, including antiques, rare articles, etchings, pictures, awards, trophies, historic memorabilia, statuary, marbles, bronzes, porcelains and similar property.

12. "Fungus" means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by fungi.

13. "Government activity" means:

a. The seizure or destruction of property by any government body, including any customs or quarantine action; or

b. Confiscation or destruction of property by order of any government or public authority, except an order to destroy property to prevent the spread of fire or explosion.

14. "Item" means a building or structure at a "premises".

15. "Loss of income" including rental value means the net income (net profit or loss before income taxes) that would have been earned in your "operations" during the "period of restoration". "Loss of income" includes continuing normal operating expenses incurred, including payroll. The most we will pay is described in the policy Declarations and under Section **IV** - What We Will Pay.

16. "Money" means currency, coins, bank notes, bullion, travelers' checks, registered checks and money orders held for sale.

17. "Nuclear activity" means loss from nuclear reaction, nuclear radiation or radioactive contamination, whether deliberate or accidental, controlled or uncontrolled, and whether or not the loss is direct or indirect, proximate or remote, or is contributed to or aggravated by a "covered cause of loss". But it does not include explosion, fire or smoke.

18. "Operations" means:

a. Your business activities; or

b. Your activities as a local government unit including law enforcement, firefighting, ambulance or rescue services; and

c. The tenantability of a "premises", if coverage for "loss of income" applies to rental value.

19. "Outdoor property" means fixed or permanent structures including but not limited to:

a. Docks, wharves, piers, pilings or bulkheads;

b. Dumpsters, concrete trash containers, or permanent recycling bins;

c. Electric utility power transmission and distribution lines, poles and related equipment owned by the insured;

d. Exterior signs not located at a "premises";

e. Fences or retaining walls;

f. Historical markers or flagpoles;

Copyright 2022 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission

g. Hydrants, not associated with a "sprinkler system";

h. Lighting towers;

i. Playground equipment, park shelters, pedestrian-only bridges, picnic tables, water fountains or coolers, benches, dugouts, bleachers, or scoreboards;

j. Sirens, antennas, satellite dishes, towers, or similar structures and their associated equipment or structures, lighting towers, and lighting standards;

k. Storage sheds, garages, pavilions or other similar buildings or structures not located at a “premises”; or

l. Traffic lights, street lights, traffic signs, parking meters, or bus shelters.

“Outdoor Property” does not include:

a. Bridges, other than pedestrian-only bridges, roadways, walks, curbs, or other paved surfaces;

b. Canals, ditches, flumes, or aqueducts;

c. Dams, locks, levees, or reservoirs; or

d. Land, excavations, grading, or filling;

e. “Personal property”;

f. "Real property” at a “premises”;

g. Sewer or waste pipes, lift stations or treatment facilities;

h. Storm drains, storm pipes, or storm basins;

i. Swimming pools or related equipment;

j. “Tools and equipment”;

k. Trees, shrubs, plants, lawns, or crops;

l. Water;

m. Water storage tanks of any type, underground pipes, pumps or pump houses, or fountains; or

n. “Watercraft” or “personal watercraft”.

20. “Penstock” means a conduit constructed of man-made materials built for the purpose of conveying water to a hydroturbine. “Penstock” does not include tunnels, canals, aqueducts or similar excavations, or the cost of these excavations, which are excavated from or consist of natural materials.

21. “Period of restoration” means the period of time that:

a. Begins with the date of direct physical loss or damage caused by or resulting from any “covered cause of loss” at a “premises”; and

b. Ends at the earliest of:

(1) The date when the property is actually repaired or replaced using reasonable speed and similar quality, design, functionality and materials;

(2) The date when the property could have been repaired and your “operations” could have been resumed, if the damaged property had been repaired using similar quality, design, functionality and materials; or

(3) Twelve consecutive months after the direct physical loss or damage.

“Period of restoration” includes any increased period required to repair or reconstruct the property to comply with the minimum standards due to the enforcement of any ordinance or law in force at the time of loss that regulates the construction, use or repair or requires the tearing down of any property.

However, coverage is not extended to include loss caused by or resulting from the enforcement of or compliance with any ordinance or law which requires:

(1) The demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by pollutants or asbestos, or due to the presence, growth, proliferation, spread or any activity of "fungus", wet or dry rot or bacteria; or

Copyright 2022 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission

(2) Any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to or assess the effects of pollutants, "fungus", wet or dry rot, bacteria or asbestos.

The expiration of this policy will not cut short the “period of restoration”.

22. “Personal effects” means property that belongs to an individual and is devoted primarily to that individual's personal use; for example, clothing, eyeglasses, or individually owned portable law enforcement, firefighting, ambulance, or rescue related equipment. “Personal effects” does not include:

a. Aircraft or its parts, accessories and equipment;

b. Animals;

c. “Fine arts” or jewelry (except watches);

d. “Money” and “securities”;

e. “Vehicles”; or

f. “Watercraft” or “personal watercraft”.

23. “Personal property” means all property used in your “operations”, other than “real property”, including but not limited to, furnishings and office equipment, building contents, “computer equipment”, communication systems, materials, supplies (including your inventory of “vehicle” parts and supplies) while held on your “premises” awaiting installation, base stations and dispatching systems, provided the property is on your “premises” and also provided you own the property or the property is in your custody or control, and you are responsible for it, even though it belongs to someone else.

“Personal property” also includes the value of your right to use improvements made as a tenant, if you have paid for alterations or additions to any building or structure you don't own. However, the improvements must be at a “premises”.

“Personal property” does not include:

a. “Accounts receivable costs”;

b. Aircraft or its parts, accessories and equipment;

c. Animals;

d. “Electronic data” and software;

e. “Emergency services equipment”;

f. “Fine arts” or jewelry;

g. Markers, tombstones and headstones not owned by you;

h. “Money” and “securities”;

i. "Personal effects” belonging to you or your officers, managers, elected or appointed officials, “employees”, or “volunteer workers”;

j. “Real property”;

k. “Tools and equipment”;

l. “Valuable papers and records”;

m. “Vehicles”;

n. “Watercraft” or “personal watercraft”; or

o. Property or equipment covered under another coverage form of this or any other policy in which it is more specifically described.

24. “Personal watercraft” means a vessel which uses an inboard motor powering a water jet pump as its primary source of motive power, and which is designed to be operated by a person sitting, standing, or kneeling on the vessel, rather than the conventional manner of sitting or standing inside the vessel.

25. “Policy territory” means the United States, its territories and possessions, Puerto Rico and Canada.

26. “Pollution conditions” means the discharge, dispersal, release, seepage, migration, or escape of smoke,

Copyright 2022 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission

vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids or gases, hazardous materials, waste materials (including medical, infectious and pathological wastes) or electromagnetic fields into or upon land or any structures thereon, the atmosphere, or any watercourse or body of water including groundwater.

27. "Premises" means a location described in the Declarations that is owned or legally occupied by you and used to conduct your "operations".

28. "Real property" means "items" at a "premises" including:

a. Aboveground piping;

b. Aboveground and belowground "penstock";

c. Additions under construction;

d. Air cascade units that are not designed to be used off "premises";

e. All appurtenant buildings or structures other than playground equipment, park shelters, pedestrian-only bridges, picnic tables, water fountains or coolers, benches, dugouts, bleachers, or scoreboards;

f. Alterations and repairs to the buildings or structures;

g. Completed additions;

h. Exterior signs, meaning neon, automatic, mechanical, electric or other signs either attached to the outside of a building or structure, or standing free in the open;

i. Foundations;

j. Materials, equipment, supplies and temporary structures you own or for which you are responsible, on the "premises" or in the open (including property inside "vehicles") within 1,000 feet of the "premises", used for making additions, alterations or repairs to buildings or structures at the "premises";

k. Outdoor fixtures;

l. Paved surfaces such as sidewalks, bike paths, walkways, patios or parking lots;

m. Permanently installed fixtures, machinery, and equipment;

n. "Personal property" used for the maintenance and service of buildings or structures, including tools, lawn care equipment, and free standing appliances for refrigerating, ventilating, cooking, dishwashing and laundering;

o. Submersible pumps, pump motors and engines; or

p. Underground piping located on or within 100 feet of a "premises" described in the Declarations.

"Real property" does not include:

a. Canals, ditches, flumes or aqueducts;

b. Dams, locks, levees, or reservoirs;

c. Docks, wharves, piers, pilings or bulkheads;

d. Electric utility power transmission and distribution lines, poles and related equipment;

e. Excavations, grading, or filling;

f. Foundations of machinery or boilers if the foundations are below the lowest basement floor or the surface of the ground, if there is no basement;

g. Land, including land on which the property is located;

h. Pump motors and engines exceeding 1,000 horsepower capacity;

i. Roadways or bridges;

j. "Tools and equipment";

k. Trees, shrubs, plants and lawns except as described in Section **II** - Coverage Extensions;

l. Underground flues, drains or well structures;

m. Underground piping located more than 100 feet from the "premises" described in the Declarations; or

Copyright 2022 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission

n. Water.

29. "Remediation expenses" are expenses incurred for or in connection with the investigation, monitoring, removal, disposal, treatment, or neutralization of "pollution conditions" to the extent required by:

a. Federal, state or local laws, regulations or statutes, or any subsequent amendments thereof, enacted to address "pollution conditions"; or

b. A legally executed state voluntary program governing the clean up of "pollution conditions".

30. "Replacement cost" is calculated as the amount it would cost, following direct physical loss or damage, to replace property with property of the same kind and quality, determined at the time of loss, without deduction for deterioration, depreciation or obsolescence. But:

a. "Replacement cost" does not include costs arising out of the enforcement of any ordinance or law regulating the construction, use or repair of any property, or requiring the tearing down of any property, or the cost of removing its debris; and

b. "Replacement cost" does not apply to "stock".

31. "Securities" means negotiable and non-negotiable instruments or contracts that represent property or obligations to pay "money". Stamps, including revenue stamps, are "securities"; so are tokens and tickets. However, stamps are covered only for their face value. "Money" is not considered to be "securities".

32. "Sinkhole collapse" means sudden sinking or collapse of land into underground empty space created by the action of water on limestone or similar rock formations. "Sinkhole collapse" does not include the cost of filling sinkholes.

33. "Specified cause of loss" means fire, lightning, windstorm or hail, explosion, riot or civil commotion, "vehicles" or aircraft, smoke, sonic boom, vandalism and malicious mischief, "sprinkler leakage", "sinkhole collapse", "volcanic action", falling objects, weight of ice, snow or sleet, or water damage. Water damage means only accidental discharge or leakage of water or steam as the direct result of the breaking or cracking of any part of a system or appliance containing water or steam. "Specified cause of loss" does not include "remediation expenses" resulting from the spilling or dripping of gasoline, diesel fuel or other pollutants while being delivered by "vehicles" into storage tanks or other repositories, and/or when "vehicles" are being fueled.

34. "Sprinkler leakage" means leakage or discharge of any substance from an automatic "sprinkler system". It includes the collapse or fall of a tank that is part of a plumbing or an automatic "sprinkler system". It also includes damage caused by breakage or freezing to parts of an automatic "sprinkler system" installed in a building, if "sprinkler leakage" results from such damage.

35. "Sprinkler system" means an automatic fire protection system. Sprinkler heads, discharge nozzles and ducts, pipes, valves, fittings, tanks, tank parts and supports, pumps, and private fire protection systems which are connected to the "sprinkler system" are considered to be part of the system. So are non-automatic fire protection systems, hydrants, standpipes, and hose outlets supplied from the automatic fire protection "sprinkler system".

36. "Stock" means merchandise held in storage or for sale, raw materials, and in-process or finished goods, including supplies used in their packing or shipping.

37. "Tools and equipment" means all tools and equipment, together with attached devices, accessories and trailers, that are used in your "operations". "Tools and equipment" includes, but is not limited to, hand tools, mechanics tools, power tools, meter readers, generators, air compressors, welders, trash pumps, trenchers, saws, jack hammers, maintenance or diagnostic equipment including specialized audio-visual equipment and its associated laptop, as well as recreational equipment, such as outdoor portable seating, temporary stands, food service trailers not licensed for road use, or portable restrooms.

"Tools and equipment" also includes mobile equipment such as, but not limited to, bulldozers, mobile equipment that travels on crawler treads, tractors, loaders, backhoes, excavators, graders, or road surfacing equipment, and equipment whether self-propelled or not, maintained primarily to provide mobility to permanently mounted cranes, shovels, loaders, diggers, and drills.

"Tools and equipment" also includes snow plows, salt spreaders, and other similar equipment when not attached to a "vehicle".

Copyright 2022 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission

"Tools and equipment" does not include:

a. Aircraft, its parts and accessories;

b. Animals;

c. "Emergency services equipment";

d. "Fine arts";

e. Jewelry;

f. "Money" and "securities";

g. "Outdoor property";

h. "Personal effects" belonging to you or your officers, managers, elected or appointed officials, "employees", or "volunteer workers";

i. "Personal property", other than laptops as described above;

j. "Real property";

k. Televisions, video cassette recorders, and other audio-visual equipment other than the specialized audio visual equipment described above;

l. "Valuable papers and records";

m. "Vehicles";

n. "Watercraft" or "personal watercraft"; or

o. Property or equipment covered under another coverage form of this or any other policy in which it is more specifically described.

38. "Vacant", when referring to a building, means that the building doesn't contain the "personal property" used in the "operations" ordinarily conducted there.

39. "Valuable papers and records" are documents that are written, printed, or otherwise inscribed. These include:

a. Books, manuscripts, abstracts, maps and drawings;

b. Film and other photographically produced records, such as slides and microfilm; and

c. Legal and financial agreements such as deeds and mortgages.

But "valuable papers and records" do not include "electronic data", software, "money" or "securities".

40. "Vehicle" means vehicles or their parts, accessories, and equipment if the vehicles are required by law to be licensed for highway use.

41. "Volcanic action" means direct loss or damage resulting from the eruption of a volcano when the loss or damage is caused by:

a. Airborne volcanic blast or airborne shock waves;

b. Ash, dust or particulate matter; or

c. Lava flow.

All volcanic eruptions that occur within any 168-hour period will constitute a single occurrence.

But "volcanic action" does not include the cost to remove ash, dust or particulate matter that does not cause direct physical loss or damage to covered property.

42. "Volunteer worker" means a person who is not your "employee", and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

43. "War" means any of the following:

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

Copyright 2022 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission

c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

44. “Watercraft” means any watercraft, including its motor, parts, accessories and equipment, except for rowboats and canoes that are out of the water and on your “premises”.

Copyright 2022 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission

POLICY NUMBER: 7NA6CP0002704-00

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LIMITATION CHANGES - INTERIOR OF BUILDING

This endorsement modifies insurance provided under the following:

PROPERTY COVERAGE PART

A. Paragraph **3.** is added to **Section III – Covered Causes of Loss**, **Limitations**:

3. The interior of any building or structure that is covered "real property", or to "personal property" in the building or structure, caused by or resulting from rain, snow, sleet, ice, sand or dust, whether driven by wind or not, unless:

a. The building or structure that is covered "real property" first sustains damage by a "covered cause of loss" to its roof or walls through which the rain, snow, sleet, ice, sand or dust enters; or

b. The loss or damage is caused by or results from thawing of snow, sleet or ice on the building or structure.

All other terms and conditions of this Policy remain unchanged.

Copyright 2020 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

EXCLUSION — CYBER INCIDENT

This endorsement modifies insurance provided under the following:

PROPERTY COVERAGE PART

A. The following exclusion is added to **SECTION III. COVERED CAUSES OF LOSS, Exclusions**:

We will not pay for loss or damage caused by or resulting directly or indirectly from the following cause, or occurring in the following situation. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently with or before, during, or after the loss or damage.

Cyber Incident

1. Unauthorized access to or use of any computer system (including “electronic data”).

2. Malicious code, computer virus or any other harmful code that is directed at, enacted upon or introduced into any computer system (including “electronic data”) and is designed to access, alter, corrupt, damage, delete, destroy, disrupt, encrypt, exploit, use or prevent or restrict access to or the use of any part of any computer system (including “electronic data”) or otherwise disrupt its normal functioning or operation.

3. Denial of service attack which disrupts, prevents or restricts access to or use of any computer system, or otherwise disrupts its normal functioning or operation.

B. Exceptions And Limitations

1. Fire Or Explosion

If a cyber incident as described in Paragraphs **A.1.** through **A.3.** of this exclusion results in fire or explosion, we will pay for the loss or damage caused by that fire or explosion.

2. Coverage Extension

The exclusion in Paragraph **A.** does not apply to the extent that coverage is provided in the:

a. Coverage Extension – Accounts Receivable; or

b. Coverage Extension – Software.

C. Vandalism and/or Malicious Mischief

The following is added to vandalism and/or malicious mischief, if vandalism and/or malicious mischief, coverage is not otherwise excluded under **SECTION III. COVERED CAUSES OF LOSS** and if applicable to the “premises” described in the Declarations:

Vandalism and/or malicious mischief does not include a cyber incident as described in Paragraph **A.**

Copyright 2020 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EQUIPMENT BREAKDOWN COVERAGE DEDUCTIBLE OPTIONS

This endorsement modifies insurance provided under the following:

PROPERTY COVERAGE PART

EQUIPMENT BREAKDOWN DEDUCTIBLE SCHEDULE

Combined – All Coverage	$1,000		
Direct Coverage			
Indirect Coverage			
Indirect Coverage		**hours**	
Spoilage			
Spoilage		**% of loss**	**minimum**

Paragraph **j.** of **Extension 4. Equipment Breakdown** under **Section II – Coverage Extensions** is replaced by the following:

j. Unless an Equipment Breakdown Deductible is indicated in the above Schedule, the policy deductible will apply to this extension. If a separate Equipment Breakdown Deductible is shown, then following applies as respects Equipment Breakdown Coverage.

(1) Deductibles for Each Coverage

(a) Unless the above Schedule indicates that your deductible is combined for all coverages, multiple deductibles may apply to any “one equipment breakdown”.

(b) We will not pay for loss, damage or expense under any coverage until the amount of the covered loss, damage or expense exceeds the deductible amount in the above Schedule. We will then pay the amount of loss, damage or expense in excess of the applicable deductible amount, subject to the applicable limit.

(c) If deductibles vary by type of “covered equipment” and more than one type of “covered equipment” is involved in any “one equipment breakdown”, only the highest deductible for each coverage will apply.

(2) Direct and Indirect Coverages

(a) Direct Coverages Deductibles and Indirect Coverages Deductibles may be indicated in the above Schedule.

(b) Unless more specifically indicated in the above Schedule:

(i) Indirect Coverages Deductibles apply to Business Income and Extra Expense loss; and

(ii) Direct Coverages Deductibles apply to all remaining loss, damage or expense covered by this coverage form.

(3) Application of Deductibles

(a) Dollar Deductibles

We will not pay for loss, damage or expense resulting from any “one equipment breakdown” until the amount of loss, damage or expense exceeds the applicable deductible shown in the above Schedule. We will then pay the amount of loss, damage or expense in excess of the applicable deductible or deductibles, up to the applicable Limit of Insurance.

Copyright 2019 Munich Reinsurance America, Inc.. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

(**b)** Time Deductible

If a time deductible is shown in the above Schedule, we will not be liable for any loss occurring during the specified number of hours immediately following the “accident” or “electronic circuitry impairment”.

(**c)** Percentage of Loss Deductibles

If a deductible is expressed as a percentage of loss, we will not be liable for the indicated percentage of the gross amount of loss, damage or expense (prior to any applicable deductible or coinsurance) insured under the applicable coverage. If the dollar amount of such percentage is less than the indicated minimum deductible, the minimum deductible will be the applicable deductible.

Copyright 2019 Munich Reinsurance America, Inc.. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EQUIPMENT BREAKDOWN COVERAGE LIMIT OF INSURANCE REAL PROPERTY AND PERSONAL PROPERTY

This endorsement modifies insurance provided under the following:

PROPERTY COVERAGE PART

SCHEDULE

Equipment Breakdown Loss Limit of Insurance:	**$150,000,000**

Section II - Coverage Extensions, Extension **4. Equipment Breakdown, Paragraph a.** is deleted and replaced with the following:

a. We will pay for direct physical damage to covered “real property” or “personal property” and “loss of income” sustained and “extra expense” incurred that is the result of an “accident” or “electronic circuitry impairment”. We will consider “electronic circuitry impairment” to be physical damage to “covered equipment”.

The most we will pay for loss or damage under this Coverage Extension for any “one equipment breakdown” is the limit for “real property” and “personal property” for the applicable “premises”. The most we will pay for “loss of income” in any “one equipment breakdown” is the Limit of Insurance shown in the Declarations under Coverage C “Loss of Income”. The most we will pay for “extra expense” in any “one equipment breakdown” is the Limit of Insurance shown in the Declarations under Coverage D “Extra Expense”. However, in no event, will we pay more than the amount shown in the Schedule of this endorsement for all combined loss and expense for any “one equipment breakdown”. The limits in this extension are part of and not in addition to the limits applicable to Section I - Coverages.

Copyright 2021 Munich Reinsurance America, Inc.. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

EQUIPMENT BREAKDOWN COVERAGE CHANGES

This endorsement modifies insurance provided under the following:

PROPERTY COVERAGE PART

The following changes are made to **Extension 4. Equipment Breakdown Coverage** of **Section II - Coverage Extensions:**

A. Item **b.(6)** "Loss of Income" is replaced by the following, except when a "loss of income" limit is shown in PE PR 433 Equipment Breakdown Coverage Increased Limits endorsement:

(6) "Loss of Income"
Coverage **C** "Loss of Income" is extended to apply to "loss of income" sustained as a result of an "accident" or "electronic circuitry impairment" covered under this extension, and subject to the policy limit unless as shown in the Equipment Breakdown Coverage Increased Limits endorsement.

B. Item **b.(7)** Off-"premises" Equipment Breakdown**,** Paragraph **(a)** is replaced by the following:

(7) Off-"Premises" Equipment Breakdown

(a) Coverage is extended to apply to an "accident" or "electronic circuitry impairment" to the following types of equipment used in the insured's firefighting, ambulance or rescue operations, whether mobile/portable or permanently mounted on a "vehicle", anywhere in the "policy territory":

(i) Mobile cascade units;

(ii) Mobile electrical generators;

(iii) Portable pumping units; and

(iv) Portable extrication devices, such as jaws-of-life, whether hydraulic or air powered.

This additional coverage is not subject to the definition of "covered equipment" as defined in this Extension **4.** Equipment Breakdown to the extent that the definition conflicts with the coverage provided for Off-"Premises" Equipment Breakdown. However, in no event will we pay for an "accident" or "electronic circuitry impairment" to a "vehicle's" drivetrain, driveline, or fire pump.

C. Item **(e)** is added to Paragraph **b.(9)** Service Interruption, except when a Service Interruption limit is shown in PE PR 433 Equipment Breakdown Coverage Increased Limits endorsement:

(e) The most we will pay for any "one equipment breakdown" for loss, damage or expense under this coverage is the applicable limit for "loss of income", "extra expense", data restoration or spoilage, except when a Service Interruption limit is shown in the Equipment Breakdown Coverage Increased Limits endorsement.

D. Item **b.(10)** Spoilage, Paragraph **(b)** is replaced by the following:

(10) Spoilage

Copyright 2020 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

(b) If you are unable to replace the "perishable goods" before its anticipated sale, the amount of our payment will be determined on the basis of the sales price of the "perishable goods" at the time of the "accident" or "electronic circuitry impairment", less discounts and expenses you otherwise would have had. Otherwise our payment will be determined in accordance with the Valuation condition.

E. Item **h.** is replaced by the following:

h. Exclusions **d.(1)**, **d.(2)**, **d.(3) and d.(4)** above shall not apply if:

(1) The excluded cause of loss occurs away from any covered location and causes an electrical surge or other electrical disturbance;

(2) Such surge or disturbance is transmitted through utility service transmission lines to the covered location and results in an "accident" or "electronic circuitry impairment"; and

(3) The loss, damage or expense caused by such surge or disturbance is not covered elsewhere under the policy.

Copyright 2020 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

HONOR ROLL ELITE

PROPERTY ENHANCEMENT ENDORSEMENT

This endorsement modifies insurance provided under the following:

PROPERTY COVERAGE PART

The provisions of the Property Coverage Form apply except as otherwise provided in this endorsement. The coverage extensions and amendments of coverage are added to the policy if the applicable policy coverage is specifically identified in the Declarations. These extension of coverage will apply, where available:

1. Separately to each of your "premises" described in the Declarations unless otherwise stated in an extension of coverage; and

2. Only if the policy coverage(s) that correspond to each extension of coverage scheduled below are shown in the Declarations as covered by your policy.

Please read the entire endorsement for complete explanation of the coverages provided.

As respects any coverage provided by this endorsement, if higher limits are provided on any other Schedule, Declarations or endorsement attached to this policy, then the limits and coverage provided by this endorsement will not apply for that coverage.

SCHEDULE	
HONOR ROLL ELITE DEDUCTIBLE	**$** 1,000
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

We will not pay for loss or damage in any one occurrence until the amount of loss or damage exceeds the deductible. The deductible provisions do not preclude the imposition of any applicable coverage waiting period, as stated in a specific coverage section of this endorsement.

The policy deductible will apply unless:

1. A separate deductible amount is indicated within a specific coverage extension of this endorsement; or
2. Reference to the Honor Roll Elite Deductible, shown in the above Schedule, is indicated within a specific coverage extension of this endorsement.

HONOR ROLL ELITE PROPERTY ENHANCEMENT ENDORSEMENT

SCHEDULE
COVERAGE EXTENSIONS

Coverages	**Limit Of Insurance**	**Type Of Amendment**
Accounts Receivable	$250,000	Increased Limit
Automated External Defibrillators	$15,000	Additional Coverage Extension
Broadened Water Damage (Not Flood Related)	$100,000	Additional Coverage Extension

Copyright 2022 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

Claim Expense	$25,000	Increased Limit
Contractual Penalties	$25,000 Per Occurrence; $100,000 Annual Aggregate	Additional Coverage Extension
Debris Removal Expense	$250,000	Increased Limit
Emergency Vacating Expense	$15,000	Additional Coverage Extension
Fine Arts	$100,000 Per Occurrence $ 5.000 Per Item	Increased Limit
Fire Department Service Charge	Actual Loss Sustained	Change In Limit
Kidnap and Ransom Expense	$50,000 Annual Aggregate	Additional Coverage Extension
Money and Securities	$50,000	Additional Coverage Extension
Newly Acquired or Under Construction Real Property and Related Personal Property		Increased Limit and Time Period
Real Property	$1,000,000	
Personal Property	$1,000,000	
Construction Materials	$ 100,000	
Period of Coverage	180 Days	
Personal Effects and Property of Others	$50,000	Increased Limit
Pollution Remediation Expenses	$100,000	Increased Limit
Preservation of Property	180 Days	Increased Time Period
Processors' Coverage	$25,000	Additional Coverage Extension
Property of Your Students	$50,000 Per Occurrence $ 5,000 Per Student Personal Property	Additional Coverage Extension
Real Property or Personal Property in Transit or Off Premises	$100,000	Increased Limit
Salesperson's Samples	$25,000	Additional Coverage Extension
Trees, Shrubs, Plants and Lawns	$25,000 Per Occurrence $ 2,500 Per Tree, Shrub or Plant	Increased Limit
Utility Service Interruption Coverage	$100,000	Additional Coverage Extension
Valuable Papers and Records	$250,000	Increased Limit

SCHEDULE
AMENDMENTS TO CONDITIONS

Coverages	**Limit Of Insurance**	**Type Of Amendment**
Exhibitions and Displays	*	Amended Condition
Vacancy Condition	*	Additional Condition

SCHEDULE
AMENDED DEFINITIONS

Coverages	**Limit Of Insurance**	**Type Of Amendment**
Broadened Definition of Personal Property	*	Extension of Covered Personal Property
Broadened Definition of Real Property	*	Extension of Covered Real Property

Copyright 2022 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

*A sublimit does not apply to this coverage. Coverage is included within the applicable "Real Property" or "Personal Property" limit.

If 2 or more of this endorsement's coverages apply to the same loss, the most that we will pay for that loss is the actual amount of loss or damage, but no more than the highest limit of insurance for the coverages that applies.

A. The following coverage extensions are revised under **Section II - Coverage Extensions:**

1. Extension **1. Accounts Receivable** is replaced by the following:

Accounts Receivable

a. We will pay for "accounts receivable costs" you incur as a result of direct physical loss or damage to your accounts receivable records caused by or resulting from any "covered cause of loss", including those arising from loss or damage to software, or from mechanical breakdown of "computer equipment", or from a "computer virus".

b. We will not pay for:

(1) Any loss or cost that results from mistakes made in bookkeeping, accounting, or billing;

(2) Any loss or cost if its existence can be shown only by an inventory count or an audit. However, if the existence of a loss can be shown by other means, you may use an inventory count or audit to support your claim for that loss;

(3) Any loss or cost resulting from any dishonest act or omission of either you or your "volunteer workers" or "employees", or anyone authorized to act for you. But we will cover loss that results if someone falsifies, alters or destroys your accounts receivable records in order to conceal any such action;

(4) Any loss arising out of bad debts; or

(5) Any loss arising out of aged accounts receivables greater than 180 days.

c. If you recover any amounts after we have paid you for a loss, you have to turn the recoveries over to us until we have been repaid. If you recover more than the amount we paid you, the excess over our payment is yours. Also, you must help us collect amounts customers owe you, if we request your help.

d. Coverage provided under this extension is not restricted to your "premises".

e. The most we will pay under this extension in any one occurrence is the Accounts Receivable Limit Of Insurance shown in the Schedule of this endorsement.

g. We will determine the valuation of receivables as follows:

(1) If you cannot accurately establish the amount of accounts receivables outstanding as of the time of loss or damage, the following method will be used:

(a) Determine the total of the average monthly amounts of accounts receivable for the 12 months immediately preceding the month in which the loss or damage occurs; and

(b) Adjust that total for any normal fluctuations in the amount of accounts receivable for the month in which the loss or damage occurred or for any demonstrated variance from the average for that month.

(2) The following will be deducted from the total amount of accounts receivable, however that amount is established:

(a) The amount of the accounts for which there is no loss or damage;

(b) The amount of the accounts that you are able to re-establish or collect;

Copyright 2022 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

(c) An amount to allow for probable bad debts that you are normally unable to collect; and

(d) All unearned interest and service charges.

To the extent that coverage for accounts receivable is provided under this extension, "accounts receivable costs" is deleted from **Section VI. Definitions**, **23.** "Personal property" does not include.

The Honor Roll Elite Deductible shown in the Schedule of this endorsement applies to each occurrence. We will not pay for loss in any one occurrence until the amount of loss exceeds the deductible. We will then pay the amount of loss in excess of the deductible, subject to the available Limit Of Insurance shown in the Schedule of this endorsement.

2. The first paragraph of Extension **3. Debris Removal Expenses** is replaced by the following:

Debris Removal Expenses

We will pay your debris removal expenses if they are reported to us within 180 days after the date of direct physical loss or damage. Debris removal expense means expense you incur in removing debris of covered "real property" or covered "personal property" from a "premises" after direct physical loss or damage caused by or resulting from any "covered cause of loss". Debris removal expense does not include "remediation expense" or any expense related to the removal of "fungus", wet rot, dry rot, virus, bacteria or asbestos. The most we will pay for debris removal expense under this extension is 25% of the amount we pay for direct physical loss or damage of covered property. However, this debris removal expense and the amount of loss or damage will not exceed the applicable Limit of Insurance. In the event that such an amount does exceed the applicable Limit of Insurance or the debris removal expense exceeds 25% of the loss amount, we will pay up to an additional amount shown in the Schedule of this endorsement for incurred debris removal expenses.

3. Extension **5. Fine Arts** is replaced by the following:

Fine Arts

a. We will pay for loss or damage to your "fine arts" and "fine arts" owned by others that are in your care, custody or control caused by or resulting from a "covered cause of loss".

We will not pay for loss or damage caused by or resulting from any of the following:

(1) Delay, loss of use, loss of market or any other consequential loss.

(2) Dishonest or criminal acts (including theft) committed by:

(a) You, any of your partners, "employees" (including temporary "employees" and leased workers), officers, directors, trustees or authorized representatives;

(b) A manager or a member, if you are a limited liability company; or

(c) Anyone else with an interest in the property, or their "employees" (including temporary employees and leased workers) or authorized representatives;

Whether acting alone or in collusion with each other or with any other party.

This exclusion applies whether or not an act occurs during your normal hours of "operation".

This exclusion does not apply to acts of destruction by your "employees" (including temporary "employees" and leased workers) or authorized representatives; but theft by your "employees" (including temporary "employees" and leased workers) or authorized representatives is not covered.

(3) Any repairing, restoration or retouching process.

(4) Wear and tear, any quality in the property that causes it to damage or destroy itself, damage by "pollutants", gradual deterioration, or damage from insects, vermin or rodents.

Copyright 2022 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

But if loss by a “covered cause of loss” results, we will pay for the loss or damage caused by that “covered cause of loss”.

(5) Theft by any person (except "carriers" for hire) to whom you entrust the property for any purpose, whether acting alone or in collusion with any other party. This exclusion applies whether or not an act occurs during your normal hours of “operation”.

b. The value of “fine arts” will be the least of the following amounts:

(1) The fair market value of the object at the time of loss;

(2) The cost of reasonably restoring the object to its condition immediately before loss;

(3) The cost of replacing the object with a substantially identical object; or

(4) Amount of insurance stated in the Schedule of this endorsement for “fine arts”.

c. Fair market value means the cash value that the object of “fine arts” would bring in an open and unrestricted market between a willing buyer and a willing seller who are both knowledgeable, informed and prudent, and who are acting independently of each other.

d. In the event of loss, the value of the object will be determined as of the time of loss or damage.

To the extent that coverage for “fine arts” is provided under this extension, “fine arts” is deleted from **Section VI. Definitions**, **23.** “Personal property” does not include.

The most we will pay for loss or damage under this extension is the Fine Arts Limit Of Insurance shown in the Schedule of this endorsement in any one occurrence.

The Honor Roll Elite Deductible shown in the Schedule of this endorsement applies to each occurrence. We will not pay for loss in any one occurrence until the amount of loss exceeds the deductible. We will then pay the amount of loss in excess of the deductible, subject to the available Limit Of Insurance shown in the Schedule of this endorsement.

4. Extension **6. Fire Department Charges** is replaced by the following:

Fire Department Service Charge

a. We will pay the actual amount charged for fire department service in any one occurrence to save or protect your “real property” or “personal property” due to a “covered cause of loss”. We will pay the actual amount charged regardless of the number of responding fire departments or fire units and regardless of the number or type of service performed.

b. No deductible applies to this extension.

5. Extension **9. Newly Acquired or Under Construction Real Property and Related Personal Property** is replaced by the following:

Newly Acquired or Under Construction Real Property and Related Personal Property

a. “Real property” you buy, lease, rent, or construct, including temporary structures such as scaffolding, construction forms, falsework, or cribbing at the job site, will be covered under Coverage **A** as provided in this extension. “Personal property” you acquire in connection with the “real property” described above will be covered under Coverage **B** as provided in this extension.

b. Coverage **A or B** applies only if your newly acquired or under construction “real property” is intended for use in your “operations” and you acquired it or began construction of it after this policy period began.

c. The most we will pay under this extension is:

(1) The Limit Of Insurance shown in the Schedule of this endorsement in any one occurrence under Coverage **A**; and

Copyright 2022 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

(2) The Limit Of Insurance shown in the Schedule of this endorsement in any one occurrence under Coverage **B.**

d. In addition to the limit available for "real property" under construction, we will also pay up to the Limit Of Insurance shown in the Schedule of this endorsement for loss or damage to construction materials and equipment that will become a permanent part of the project, while such property is held temporarily away from the construction site, or while in transit or awaiting delivery to the construction site. This property may be your property or, at your option, the property of others for which you are responsible.

e. You agree to notify us as soon as possible of the value of:

(1) Your newly acquired or under construction "real property" and to pay additional premium from the date you acquired or began construction of it; and

(2) "Personal property" at the site of newly acquired or under construction "real property" and to pay additional premium from the date you place such "personal property" at the site of newly acquired or under construction "real property".

Coverage provided under this extension will cease at the later of the number of days shown in the Schedule of this endorsement after you acquire the property or begin construction, or the end of the policy period. However, coverage will cease when this coverage part is cancelled or nonrenewed.

For the purposes of this extension, "premises", as used in the definition of "real property", means any location not described in the Declarations that is owned or legally occupied by you and used to conduct your "operations".

6. Extension **12.** Personal Effects is replaced by the following:

Personal Effects and Property of Others

a. At your request we will pay up to the "replacement cost" for direct physical loss or damage to "personal effects" owned by you, your officers, your partners or members, or your "employees" or "managers" caused by or resulting from a "covered cause of loss".

b. "Personal property" of others in your care, custody, or control, excluding "personal property" belonging to your "students", except as provided in the coverage extension, Property Of Your Students.

Our payment for loss of or damage to "personal property" of others will only be for the account of the owner of the property. We can settle all losses with you and make all payments to you at our option.

The most we will pay for loss or damage is the Personal Effects and Property of Others Limit Of Insurance shown in the Schedule of this endorsement, at each described "premises".

This coverage is excess over any other valid and collectible insurance.

The Honor Roll Elite Deductible shown in the Schedule of this endorsement does not apply to this coverage extension. Instead, a $500 per person deductible applies to this coverage, regardless of the number of people involved in an occurrence. We will not pay for loss to each person in any one occurrence until the amount of loss exceeds the per person deductible. We will then pay the amount of loss in excess of the deductible, subject to the available Limit Of Insurance shown in the Schedule of this endorsement.

7. Extension **13. Pollution Remediation Expenses** is replaced by the following:

Pollution Remediation Expenses

We will pay "remediation expenses" you incur as a result of the actual, alleged, or threatened presence of "pollution conditions" at a "premises" described in the policy Declarations, but only if the "pollution conditions" result from a "covered cause of loss" occurring during the policy period.

Copyright 2022 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

However, we will not pay for any expense related to the removal of “fungus”, wet rot, dry rot, virus, bacteria or asbestos.

a. You must notify us within 180 days after the date of the “covered cause of loss”.

b. The most we will pay under this extension for each described “premises” is the Pollution Remediation Expenses Limit Of Insurance shown in the Schedule of this endorsement.

8. Paragraph **b.** under **Extension 14. Preservation of Property** is replaced by the following:

b. Only if loss or damage occurs within the number of days shown in the Schedule of this endorsement after the property is first moved.

9. Extension **15. Real Property or Personal Property in Transit or Off Premises** is replaced by the following:

Real Property or Personal Property in Transit or Off Premises

a. If there is a direct physical loss or damage to your covered “real property” or covered “personal property” either in transit or while temporarily off “premises” caused by a “covered cause of loss”, we will pay that covered loss.

b. If there is direct physical loss or damage to your covered “personal property” while the “personal property” is temporarily located outside the “policy territory” caused by a “covered cause of loss” we will pay that covered loss.

c. If there is direct physical loss or damage to your covered computer hardware while off “premises” caused by a “covered cause of loss” we will pay that covered loss.

d. The most we will pay under this extension in any one occurrence is the Real Property or Personal Property in Transit or Off Premises Limit Of Insurance shown in the Schedule of this endorsement.

The Honor Roll Elite Deductible shown in the Schedule of this endorsement applies to each occurrence. We will not pay for loss in any one occurrence until the amount of loss exceeds the deductible. We will then pay the amount of loss in excess of the deductible, subject to the available Limit Of Insurance shown in the Schedule of this endorsement.

10. Extension **18. Trees, Shrubs, Plants and Lawns** is replaced by the following:

Trees, Shrubs, Plants and Lawns

a. We will pay for direct physical loss or damage to trees, shrubs, plants, and lawns at a “premises” on a “replacement cost” basis only if they are damaged or destroyed by fire, lightning, explosion, riot or civil commotion, aircraft, “vehicles”, vandalism, theft or attempted theft, sonic shock waves, falling objects, windstorm or hail. Replacement of trees, shrubs or plants shall be with trees, shrubs or plants of comparable size and kind, but shall not exceed the cost of replacing them with the largest commonly available transplantable like species of tree, shrub or plant that is usually available or listed in catalogs by nurseries or suppliers for the region in which the covered loss occurred and which can be legally transported on public roads without special permits. The costs of removing the existing tree, shrub or plant and associated cleanup is also included. Diminution of “real property” or “personal property” values resulting from the loss of trees shall not be recoverable as part of the loss settlement.

b. The most we will pay under this extension is the Trees, Shrubs, Plants and Lawns Limit Of Insurance shown in the Schedule of this endorsement in any one occurrence. This is subject to a maximum payable amount shown in the schedule of this endorsement for any single tree, plant or shrub, regardless of the number of “premises” described in the Declarations.

The Honor Roll Elite Deductible shown in the Schedule of this endorsement applies to each occurrence. We will not pay for loss in any one occurrence until the amount of loss exceeds the deductible. We will then pay the amount of loss in excess of the deductible, subject to the available Limit Of Insurance shown in the Schedule of this endorsement.

Copyright 2022 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

11. Extension **19. Valuable Papers and Records** is replaced by the following:

Valuable Papers and Records

a. We will pay the costs you incur in restoring, researching, replacing, or reproducing your "valuable papers and records" that suffer direct physical loss or damage caused by or resulting from any "covered cause of loss".

b. We will not pay for:

(1) Irreplaceable "valuable papers and records" unless they are specifically described in the Declarations or in an endorsement made a part of this coverage part, and a limit for them is shown there;

(2) Any cost that results directly from processing or copying the records; or

(3) Any cost that results directly from work performed on papers or records, such as filing or binding.

c. Coverage provided under this extension is not restricted to your "premises".

d. The most we will pay under this extension is the Valuable Papers and Records Limit Of Insurance shown in the Schedule of this endorsement.

To the extent that coverage for "valuable papers and records" is provided under this extension, "valuable papers and records" is deleted from **Section VI. Definitions**, **23.** "Personal property" does not include.

The Honor Roll Elite Deductible shown in the Schedule of this endorsement applies to each occurrence. We will not pay for loss in any one occurrence until the amount of loss exceeds the deductible. We will then pay the amount of loss in excess of the deductible, subject to the available Limit Of Insurance shown in the Schedule of this endorsement.

12. Paragraph **c.** under Extension **22. Claim Expense** is replaced by the following:

c. The most we will pay in any one occurrence under this extension is the Claim Expense Limit Of Insurance shown in the Schedule of this endorsement.

B. The following coverage extensions are added under **Section II - Coverage Extensions:**

1. Automated External Defibrillators

If this policy covers your "personal property", you may extend that insurance to apply to loss or damage to your automated external defibrillators caused by or resulting from a "covered cause of loss".

The most we will pay for loss or damage in any one occurrence under this extension is the Automated External Defibrillators Limit Of Insurance shown in the Schedule of this endorsement.

2. Broadened Water Damage (Not Flood-related)

We will pay for direct physical loss or damage to covered property caused by or resulting from:

a. Discharge of water or waterborne material from a sewer, drain, or sump located on the described "premises"; or

b. Water under the ground surface pressing on, or flowing or seeping through:

(1) Foundations, wall, floors, or paved surfaces;

(2) Basements, whether paved or not; or

(3) Doors, windows, or other openings;

provided the conditions of Paragraphs **2.a.** and **2.b.** above are not induced by flood or flood-related conditions.

Copyright 2022 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

The aforementioned references to flood include surface water, waves (including tidal wave and tsunami), tides, tidal water, and overflow of any body of water, including storm surge.

For the purpose of this extension, the term drain includes a roof drain and related fixtures.

c. The following applies to “Loss of Income” and “Extra Expense”:

If “loss of income” or “extra expense” is provided by this policy we will pay for “loss of income” sustained and “extra expense” incurred in accordance with the terms of the “loss of income” or “extra expense” coverage applicable to such “premises” under the policy, when such loss or expense arises out of the direct physical loss or damage described in Paragraphs **2.a.** and **2.b.** above.

d. There is no coverage under this extension if the discharge results from an insured's failure to perform routine maintenance or repair necessary to keep a sewer, drain, sump, sump pump or related equipment free from obstruction and in proper working condition. This limitation does not apply to sudden mechanical breakdown of a sump pump or its related equipment, provided the breakdown is not the result of an insured's negligence.

e. The Flood or Water exclusion does not apply to the extent that it conflicts with the coverage provided under this extension.

f. We will not pay the cost of repairing or replacing a sewer, drain, sump, sump pump or any related parts or equipment.

g. The most we will pay for loss or damage in any one occurrence under this extension is the Broadened Water Damage (Not Flood related) Limit Of Insurance shown in the Schedule of this endorsement, regardless of the number of buildings, structures or “premises” involved.

h. All policy provisions apply to the coverage provided under this extension unless otherwise indicated, including the deductible for direct physical loss or damage and the "period of restoration" for “loss of income” and “extra expense”. If an occurrence results in loss payable only under this extension, the policy deductible will apply to this extension. But if an occurrence also causes other loss or damage that is paid under this policy, the largest applicable deductible for that “covered cause of loss” will apply.

3. Contractual Penalties

We will pay for contractual penalties imposed by written contract between you and your customer. These penalties must:

a. Result from your failure to deliver your product on time according to contract terms;

b. Result from direct physical loss or damage to covered property by a “covered cause of loss”; and

c. Have been paid by you to your customer.

The most we will pay under this extension is the Contractual Penalties Limit Of Insurance shown in the Schedule of this endorsement.

4. Emergency Vacating Expense

We will pay for reasonable expenses that you incur in the “emergency” vacating of the “premises” of your facility.

We will not pay any expenses under this extension arising out of:

a. A strike, bomb, threat or false fire alarm, unless vacating is ordered by civil authority;

b. A planned vacating drill;

c. The vacating of one or more of your customers, residents, “students”, campers or users of your facility that is due and confined to their individual medical condition; or

d. Any of the following to the extent these causes of loss are excluded in **Section III** of the Coverage Form:

Copyright 2022 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

(1) “Government activity”;

(2) “Nuclear activity”; and

(3) War.

No other exclusions in the policy apply to this Emergency Vacating Expense coverage.

The most we will pay in any one occurrence under this extension is the Emergency Vacating Expense Limit Of Insurance shown in the Schedule of this endorsement, regardless of the number of buildings, structures or “premises” involved.

The Honor Roll Elite Deductible shown in the Schedule of this endorsement applies to each occurrence. We will not pay for loss in any one occurrence until the amount of loss exceeds the deductible. We will then pay the amount of loss in excess of the deductible, subject to the available Limit Of Insurance shown in the Schedule of this endorsement.

5. Kidnap and Ransom Expense

We will pay reasonable fees and expenses incurred as a result of the kidnapping of your director or officer, or the spouse, parent, child or "student" of the director or officer, provided the kidnapping occurs during the policy period. Coverage will not apply to any kidnapping by or at the direction of any present or former family member of the victim.

Reasonable fees and expenses include:

a. Fees and expenses of independent negotiators or consultants retained with our prior approval;

b. Interest on any loan taken by you to pay a ransom demand provided; however, that we will not be liable for any interest accruing prior to 30 days preceding the date of such payment, nor subsequent to the date of reimbursement from us for any portion of loss recoverable under this extension

c. Costs of travel and accommodations incurred by you which become necessary due to the kidnapping;

d. Reward “money” paid by you, which is preapproved by us, to an informant for information not otherwise available, which leads to the arrest and conviction of persons responsible for loss covered under this extension; and

e. The current salary of the kidnapped director or officer provided; however, that the director or officer is held for more than 30 days. Salary will be paid for a period commencing upon kidnapping and ceasing upon the earliest of the following:

(1) The director’s or officer’s release;

(2) Discovery of the death of the director or officer;

(3) 120 days after we receive the last credible evidence that the director or officer is still alive;

(4) 12 months after the date of kidnapping; or

(5) The exhaustion of the Kidnap And Ransom Expense limit.

The most we will pay under this extension is the Kidnap and Ransom Expense Limit Of Insurance shown in the Schedule of this endorsement.

6. Money and Securities

a. We will pay for loss of "money" and "securities" used in your business while inside the described “premises” or "financial institution premises", within your living quarters or the living quarters of your partners or any "employee" having use and custody of the property, or in transit between any of these places:

Copyright 2022 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

(1) Resulting directly from "theft" committed by a person present inside the described “premises” or "financial institution premises"; or

(2) Resulting directly from disappearance or destruction.

b. We will not pay for:

(1) Loss resulting from "theft" or any other dishonest act committed by you or any of your partners or "members", whether acting alone or in collusion with other persons.

(2) Loss resulting from "theft" or any other dishonest act committed by any of your "employees", "managers", directors, trustees or authorized representatives:

(a) Whether acting alone or in collusion with other persons; or

(b) While performing services for you or otherwise.

(3) Loss resulting from accounting or arithmetical errors or omissions.

(4) Loss resulting from the giving or surrendering of property in any exchange or purchase.

(5) Loss of property contained in any money-operated device unless the amount of "money" deposited in it is recorded by a continuous recording instrument in the device.

(6) Loss of "money" or "securities" that is owned by your "students".

c. You must keep records of all "money" and "securities" so we can verify the amount of any loss or damage.

d. This insurance does not cover:

(1) Confidential Or Personal Information

Loss resulting from:

(a) The disclosure or use of another person’s or organization’s confidential or personal information; or

(b) The disclosure of your confidential or personal information. However, this Paragraph **d.(1)(b)** does not apply to loss otherwise covered under this insurance that results directly from use of your confidential or personal information.

For the purpose of this exclusion, confidential or personal information includes, but is not limited to, patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information.

(2) Data Security Breach

Fees, costs, fines, penalties and other expenses incurred by you which are related to the access to or disclosure of another person's or organization's confidential or personal information including, but not limited to, patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information.

(3) Virtual Currency

Loss involving virtual currency of any kind, by whatever name known, whether actual or fictitious including, but not limited to, digital currency, crypto currency or any other type of electronic currency.

e. Conditions

(1) All loss or damage caused by one or more persons or involving a single act or series of related acts is considered one occurrence.

(2) We will pay only for loss or damage you sustain through acts committed or events occurring during the policy period. Regardless of the number of years this policy remains

Copyright 2022 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

in force or the number of premiums paid, no limit of insurance cumulates from year to year or period to period.

(3) We will pay only for covered loss or damage "discovered" no later than one year from the end of the policy period.

(4) If you (or any predecessor in interest) sustained loss or damage during the period of any prior insurance that you could have recovered under that insurance except that the time within which to "discover" loss or damage had expired, we will pay for it under this coverage extension, provided:

(a) This coverage extension became effective at the time of cancellation or termination of the prior insurance; and

(b) The loss or damage would have been covered by this coverage extension had it been in effect when the acts or events causing the loss or damage were committed or occurred.

(5) Valuation Settlement

The value of any loss for the purposes of coverage under this insurance will be determined as follows:

(a) Loss of "money", but only up to and including its face value. We may, at our option, pay for loss of "money" issued by any country other than the United States of America:

(1) At face value in the "money" issued by that country; or

(2) In the United States of America's dollar equivalent, determined by the rate of exchange published by the Wall Street Journal on the day the loss was "discovered"

(b) Loss of "securities", but only up to and including their value at the close of business on the day the loss was "discovered". We may, at our option:

(1) Pay the market value of such "securities" or replace them in kind, in which event you must assign to us all your rights, title and interest in and to those "securities"; or

(2) Pay the cost of any Lost Securities Bond required in connection with issuing duplicates of the "securities". However, we will be liable only for the payment of so much of the cost of the bond as would be charged for a bond having a penalty not exceeding the lessor of the market value of the "securities" at the close of business on the day the loss was "discovered" or the limit of insurance applicable to the "securities".

To the extent that coverage for “money” and “securities” is provided under this extension, “money” and “securities” is deleted from **Section VI. Definitions**, **23.** “Personal property” does not include.

The most we will pay for loss in any one occurrence under this extension is the Money and Securities Limit Of Insurance shown in the Schedule of this endorsement.

The Honor Roll Elite Deductible shown in the Schedule of this endorsement applies to each occurrence. We will not pay for loss in any one occurrence until the amount of loss exceeds the deductible. We will then pay the amount of loss in excess of the deductible, subject to the available Limit Of Insurance shown in the Schedule of this endorsement.

7. Property of Your Students

a. Coverage **B.** is extended to apply to loss of or damage to the following property in your care, custody or control caused by a resulting from a “covered cause of loss” or theft:

Copyright 2022 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

Your "student's" "personal property" other than "money" or "securities" including, but not limited to, art supplies, athletic equipment, photographic equipment, band uniforms and musical instruments, while:

(1) At or within 1,000 feet of the building, structure or "premises" described in the Declarations, whichever distance is greater;

(2) In the due course of transit;

(3) Temporarily at a location you do not own, rent or regularly use in the "operation" of your facility; or

(4) At any location you acquire but only for 120 days after you acquire the location or until more specific insurance applies to the location, whichever occurs first.

Coverage for this property applies only while your "student" is under your supervision or the supervision of your "employees", independent contractors or "volunteer workers".

b. This extension does not apply to:

(1) A mysterious disappearance or shortage of property except as a result of theft. If loss is a result of theft, the theft must be reported to the police within 24 hours and you must reasonably cooperate with the police and other law enforcement agencies in providing information concerning the theft; or

(2) Any property described in Paragraph **a.** above while in any "student" housing facility that is owned or controlled by the institution, or is located on property that is owned or controlled by the institution, and is within the reasonably contiguous geographic area that makes up the campus.

c. Exclusion **4.** Dishonesty in **Section III – Covered Causes Of Loss** does not apply to this extension.

d. Our payment under this Extension for loss of or damage to "personal property" of your "students" will only be for the account of the owner of the "personal property".

e. All theft loss caused by one or more persons or involving a single act or series of related acts is considered a single theft loss for the purposes of this extension.

f. This Extension does not apply to any theft loss as soon as:

(1) You; or

(2) Any of your partners, officers or directors not in collusion with the "employee";

learn of any "employee's" theft committed by the "employee" before or after becoming employed by you and related to such loss.

This extension applies only to the extent no coverage is available under a policy of insurance available to your "student".

The most we will pay for loss or damage in any one occurrence to your "student's" "personal property" under this extension is the Per Occurrence limit shown in the Schedule of this endorsement, subject to the Per Student Personal Property Limit Of Insurance shown in the Schedule of this endorsement. The Per Occurrence limit is the maximum amount we will pay regardless of the number of "students" involved in the occurrence.

The Honor Roll Elite Deductible shown in the Schedule of this endorsement does not apply to this coverage extension. Instead, a $500 per "student" deductible applies to this coverage, regardless of the number of "students" involved in an occurrence. We will not pay for loss to each "student" in any one occurrence until the amount of loss exceeds the per "student" deductible. We will then pay the amount of loss in excess of the deductible, subject to the available Limit Of Insurance shown in the Schedule of this endorsement.

8. Processors' Coverage

Copyright 2022 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

a. We will pay for direct physical loss of or damage to covered property caused by or resulting from a “covered cause of loss”.

For the purposes of this extension, covered property means property that is owned by you or the property of others for which you are legally liable; but only while such property is:

(1) In the care, custody or control of a processor; or

(2) In due course of transit to or from a processor;

for the purpose of performing work upon the property.

b. For the purposes of this extension, **Section VI Definitions**, **23.** “Personal property” does not include means:

(1) Accounts, bills, currency, deeds, evidences of debt, "money", notes or "securities";

(2) Property at, or in transit to or from, a processor that you own, lease or operate;

(3) Property while in the mail; or

(4) Contraband, or property in the course of illegal transportation or trade.

c. Valuation will be determined as follows:

The value will be the least of:

(1) The “actual cash value” of the property;

(2) The cost of reasonably restoring that property to its condition immediately before loss or damage;

(3) The cost of replacing that property with substantially identical property;

(4) The value of property that is unfinished at the time of loss which may include the value of labor, materials or services furnished by the processor, if you have paid the processor for such labor, materials or services. However, the value of the property will not exceed the cost to replace such property; or

(5) The amount of insurance stated in this coverage extension.

In the event of loss or damage, the value of the property will be determined as of the time of loss or damage.

The most we will pay under this extension is the Processors’ Coverage Limit Of Insurance shown in the Schedule of this endorsement.

9. Salespersons’ Samples Coverage

a. We will pay for direct physical loss of or damage to covered property caused by or resulting from a “covered cause of loss”.

For the purposes of this extension, covered property means samples that are owned by you or are the property of others, for which you are legally liable; but only while such property is:

(1) In the custody of your salespersons or authorized sales representatives;

(2) In your custody while acting as a salesperson, if you are an individual; or

(3) In the due course of transit to or from your “premises” and the location of your salespersons or authorized sales representatives.

b. For the purposes of this extension, **Section VI Definitions**, **23.** “Personal property” does not include means:

(1) Property that you loan, lease or rent to others;

(2) Property held for sale;

(3) Property while at a “premises” that is owned, leased or operated by you or your salespersons or authorized sales representatives;

Copyright 2022 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

(4) Accounts, bills, currency, deeds, "money", notes, "securities" or evidences of debt;

(5) Jewelry, costume jewelry, precious or semiprecious stones, gold, silver, platinum or other precious metals or alloys;

(6) Furs or garments trimmed with fur;

(7) Property while waterborne. However, we will cover property while aboard vessels on inland waterways when the waterborne transportation is incidental to the land portion of the journey; or

(8) Contraband, or property in the course of illegal transportation or trade.

c. Valuation will be determined as follows:

The value will be the least of the following:

(1) The “actual cash value” of the property;

(2) The cost of reasonably restoring that property to its condition immediately before loss or damage;

(3) The cost of replacing that property with substantially identical property; or

(4) The amount of insurance stated in this coverage extension.

In the event of loss or damage, the value of the property will be determined as of the time of loss or damage.

The most we will pay under this extension is the Salespersons’ Samples Coverage Limit Of Insurance shown in the Schedule of this endorsement.

Salespersons’ Samples Coverage And Processors’ Coverage – Exclusions

The following exclusions apply to Salespersons’ Samples Coverage and Processors’ Coverage.

We will not pay for loss or damage caused directly or indirectly by any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage.

1. Theft from any unattended “vehicle” unless, at the time of theft, its windows, doors and compartments were closed and locked and there are visible signs of forced entry. But this exclusion does not apply to property in the custody of a "carrier" for hire.

2. Delay, loss of use, loss of market or any other consequential loss.

3. Unexplained disappearance.

4. Shortage found upon taking inventory.

5. Dishonest or criminal act (including theft) committed by:

(a) You, any of your partners, “employees” (including temporary “employees” and leased workers), officers, directors, trustees or authorized representatives;

(b) A manager or a member, if you are a limited liability company; or

(c) Anyone else with an interest in the property, or their “employees” (including temporary “employees” and leased workers) or authorized representatives;

whether acting alone or in collusion with each other or with any other party.

This exclusion applies whether or not an act occurs during your normal hours of “operation”.

This exclusion does not apply to acts of destruction by your “employees” (including temporary “employees” and leased workers) or authorized representatives; but theft by your “employees” (including temporary “employees” and leased workers) or authorized representatives is not covered.

Copyright 2022 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

6. Artificially generated electrical, magnetic or electromagnetic energy that damages, disrupts or otherwise interferes with any:

(a) Electrical, or electronic wire, device, appliance, system or network; or

(b) Device, appliance, system or network utilizing cellular or satellite technology;

creating a short circuit or other electric disturbance within an article covered under this Coverage Form.

For the purpose of this exclusion, electrical, magnetic or electromagnetic energy includes, but is not limited to, electrical current including arcing, electrical charge produced or conducted by a magnetic or electromagnetic field, pulse of electromagnetic energy, or electromagnetic waves or microwaves.

But if artificially generated electrical, magnetic or electromagnetic energy, as described above, results in fire or explosion, we will pay for the direct loss or damage caused by that fire or explosion if the fire or explosion would be covered under this Coverage Form.

This exclusion only applies to loss or damage to that article in which the disturbance occurs.

7. Voluntary parting with any property by you or anyone entrusted with the property if induced to do so by any fraudulent scheme, trick, device or false pretense.

8. Unauthorized instructions to transfer property to any person or to any place.

9. Neglect of an insured to use all reasonable means to save and preserve property from further damage at and after the time of loss or damage.

10. Wear and tear, depreciation, any quality in the property that causes it to damage or destroy itself, latent or hidden defect, gradual deterioration, damage from "pollutants", breakdown of covered property, malfunction or failure of covered property to operate, insects, vermin, rodents, corrosion, dust, dampness, or extremes of temperature.

But if loss or damage by a “covered cause of loss” results, we will pay for the loss or damage caused by that “covered cause of loss”.

11. Processing or work upon the property. But if processing or work upon the property results in fire or explosion, we will pay for direct loss or damage caused by that fire or explosion if the fire or explosion would be covered under this Coverage Form.

12. Improper packing or stowage, or rough handling.

13. Theft by any person (except "carriers" for hire) to whom you entrust the property for any purpose, whether acting alone or in collusion with any other party.

This exclusion applies whether or not an act occurs during your normal hours of “operation”.

The following Utility Service Interruption Coverage is added if “Loss of Income” or “Extra Expense” coverage is provided by this policy.

10 Utility Service Interruption Coverage

a. Coverage

Your “loss of income and “extra expense” as provided and limited in the policy is extended to apply to a suspension of "operations" at the described “premises” caused by an interruption in utility service to that “premises”. The interruption in utility service must result from direct physical loss or damage by a “covered cause of loss” to the types of property described in Paragraph **c.** Utility Services below:

b. Exception

Copyright 2022 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

Coverage under this section does not apply to “loss of income or “extra expense” related to interruption in utility service which causes loss or damage to “electronic data”, including destruction or corruption of “electronic data”.

c. Utility Service

(1) Water Supply Property, meaning the following types of property supplying water to the described “premises”:

(a) Pumping stations; and

(b) Water mains.

(2) Wastewater Removal Property, meaning a utility system for removing wastewater and sewage from the described “premises”, other than a system designed primarily for draining storm water. The utility property includes sewer mains, pumping stations and similar equipment for moving the effluent to a holding, treatment or disposal facility, and includes such facilities.

Coverage under this endorsement does not apply to interruption in service caused by or resulting from a discharge of water or sewage due to heavy rainfall or flooding.

(3) Communication Supply Property, meaning property supplying communication services, including telephone, radio, microwave or television services, to the described “premises”, such as:

(a) Communication transmission lines;

(b) Coaxial cables;

(c) Microwave radio related, except satellites;

(d) Internet access;

(e) Wide area networks; and

(f) Data transmission.

Communication Supply Property includes overhead transmission lines.

(4) Power Supply Property, meaning the following types of property supplying electricity, steam or gas to the described “premises”:

(a) Utility generating plants;

(b) Switching stations;

(c) Substations;

(d) Transformers; and

(e) Transmission lines.

Power Supply Property includes overhead transmission lines.

(5) Compressed Air Supply Property, meaning a property supplying compressed air to the described “premises”.

d. As used in this coverage extension Utility Services Interruption Coverage, the term transmission lines includes all lines which serve to transmit communication service or power, including lines which may be identified as distribution lines.

e. We will only pay for loss you sustain after the first 12 hours following the direct physical loss or damage to the utility service property to which the endorsement applies.

The most we will pay under this extension is the Utility Service Interruption Coverage Limit Of Insurance shown in the Schedule of this endorsement regardless of the number of buildings, structures or “premises” involved. This limit is the only limit which applies to the coverage provided under this section.

Copyright 2022 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

No deductible applies to this coverage extension.

C. Paragraph **4.** of **G. Other Conditions Affecting Property Losses** under **Section IV – What We Will Pay** is replaced by the following:

4. Exhibitions and Displays: The most we will pay for exhibitions and displays will be the least of:

a. The "actual cash value" of the property;

b. The cost of reasonably restoring that property to its condition immediately before loss or damage;

c. The cost of replacing that property with substantially identical property; or

d. If there is an agreed consigned value for property of others in your care, custody or control, the value of such property will be the lowest agreed consigned value.

The value will be determined as of the time of loss or damage.

D. The following is added to **Section V – Conditions:**

1. Vacancy

As used in this Vacancy Condition:

a. For occupancies that are not seasonal, the term building and the term vacant have the following meanings:

(1) When this policy is issued to a tenant, and with respect to that tenant's interest in covered property, building means the unit or suite rented or leased to the tenant. Such building is vacant when it does not contain enough "personal property" to conduct customary "operations".

(2) When this policy is issued to the owner or general lessee of a building, building means the entire building. Such building is vacant unless at least 31% of its total square footage is:

(a) Rented to a lessee or sub-lessee and used by the lessee or sub-lessee to conduct its customary "operations"; and/or

(b) Used by the building owner to conduct customary "operations".

b. For seasonal "operations", a building will not be considered vacant if the contents have been removed to another building, provided that the contents removed were of a seasonal nature, or if the building vacated is part of an ongoing seasonal "operation".

c. Buildings under construction or renovation are not considered vacant.

2. Exclusion **23.** Vacancy in **Section III – Covered Causes Of Loss** is deleted and replaced by the following:

Vacancy

Freezing, leakage or overflow from plumbing, heating, air conditioning or any other equipment or appliance in a vacant or unoccupied building unless:

a. You have taken reasonable steps to maintain heat in the building; or

b. Water was drained from the system or appliance involved, and the water supply was shut off while the building was vacant or unoccupied.

Also, we will not cover damage to plumbing systems located outside the perimeter of building walls or off the "premises" that results from freezing.

Copyright 2022 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

3. With respect to this Vacancy Condition, Definition **38.** "Vacant" in **Section VI – Definitions** is deleted.

E. For the purposes of the coverage provided by this endorsement, the following definitions are revised in **Section VI – Definitions**:

1. The first paragraph of Definition **23.** "personal property" is replaced by the following:

"Personal property" means all property used in your "operations", other than "real property", including but not limited to, furnishings and office equipment, building contents, "computer equipment", communication systems, materials, supplies, (including your inventory of "vehicle" parts and supplies) while held on your "premises" awaiting installation) base stations and dispatching systems, provided the property is on or within 1,000 feet of your "premises" and also provided you own the property or the property is in your custody or control, and you are responsible for it, even though it belongs to someone else.

2. Notwithstanding any other provision in this policy, the following are added to Definition **23.** "personal property":

a. Equipment And Personal Property (Including Athletic Equipment And Uniforms And Musical Instruments And Band Uniforms)

Special types of "personal property", including:

(1) Athletic and sports equipment, waterfront and pool equipment and supplies, and arts and crafts supplies;

(2) Maintenance equipment and tools, office equipment and supplies, first aid and infirmary supplies, dry groceries, kitchen supplies and utensils and inventory from the insured's supply store;

(3) Canoes, kayaks, windsurfers and boats under 21 feet in length, whether in or out of the water, and related equipment and outboard motors 30 horsepower and under;

(4) Tents, beds and bedding and camping equipment;

(5) Personal property that is owned by you in dwellings or living quarters furnished by you to staff members;

(6) Your musical instruments, band uniforms and athletic uniforms; and

(7) Other similar "personal property" that is owned by you and used in your business.

With respect to the types of "personal property" or property of others described in Paragraph **E.2.a.** above, the distance from "premises" limitation does not apply.

b. Animals Used For School Teaching Activities

Owned and non-owned animals in your care, custody or control which are used as part of your school teaching activities on the described "premises".

The following exclusions apply in addition to those exclusions contained in this policy:

(1) Sickness or disease;

(2) Theft; or

(3) Death arising out of, resulting from, or in any way related to testing or experiments.

3. Notwithstanding any other provision in this policy, the following is added to Definition **28.** "real property":

Miscellaneous structures and outdoor fixtures, including:

a. Tent platforms;

b. Pavilions and shelters;

Copyright 2022 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

c. Docks, piers, floats, beach and diving platforms and appurtenances;

d. Boats and canoe racks;

e. Athletic backstops, artificial surfaces and enclosures;

f. Climbing walls, climbing structures and climbing towers; however, the following is not covered: adventure courses, which are defined as rope courses, including the ropes, polies supporting structures, cables and pulleys;

g. Swimming pools;

h. Pumps, filters and metal smoke stacks;

i. Above ground transmission lines;

j. Roadways;

k. Awnings and canopies, whether or not attached to a building; and

l. Antennas, including satellite dishes.

F. For the purposes of the coverage provided by this endorsement, the following definitions are added to **Section VI – Definitions**:

1. "Carrier" means a person or organization that provides motor, rail or air transportation for compensation.

2. "Emergency" means imminent danger arising from an external event or a condition in the facility which would cause loss of life or harm to your customers, residents, "students", campers or users of your facility.

3. "Student" means a person who is enrolled in your school and is a direct recipient of the services provided by your school.

G. With respect to the Money And Securities Coverage Extension provided in this endorsement, Definition **9.** “employees” in **Section VI – Definitions** is replaced by the following:

9. "Employees":

a. Means:

(1) Any natural person:

(a) While in your service and for the first 30 days immediately after termination of service, unless such termination is due to "theft" or any dishonest act committed by the "employee";

(b) Whom you compensate directly by salary, wages or commissions; and

(c) Whom you have the right to direct and control while performing services for you;

(2) Any natural person who is furnished temporarily to you to:

(a) Substitute for a permanent "employee" as defined in Paragraph **a.(1)**, who is on leave; or

(b) Meet seasonal or short-term workload conditions;

while that person is subject to your direction and control and performing services for you;

(3) Any natural person who is leased to you under a written agreement between you and a labor leasing firm, to perform duties related to the conduct of your business, but does not mean a temporary "employee" as defined in Paragraph **a.(2)**;

(4) Any natural person who is:

Copyright 2022 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

(a) A trustee, officer, "employee", administrator or manager, except an administrator or manager who is an independent contractor, of any "employee benefit plan"; or

(b) Your director or trustee while that person is engaged in handling "money", "securities" or "other property" of any "employee benefit plan";

(5) Any natural person who is a former "employee", partner, "member", "manager", director or trustee retained by you as a consultant while performing services for you;

(6) Any natural person who is a guest “student” or intern pursuing studies or duties;

(7) Any natural person employed by an entity merged or consolidated with you prior to the effective date of this policy;

(8) Any natural person who is your "manager", director or trustee while:

(a) Performing acts within the scope of the usual duties of an "employee"; or

(b) Acting as a member of any committee duly elected or appointed by resolution of your board of directors or board of trustees to perform specific, as distinguished from general, directorial acts on your behalf; and

(9) Any non-compensated natural person:

(a) Other than one who is a fund solicitor, performing acts within the scope of the usual duties of an "employee"; or

(b) Acting as fund solicitor during fundraising campaigns;

b. Does not mean:

Any agent, broker, factor, commission merchant, consignee, independent contractor or representative of the same general character not specified in Paragraph **a.** of this definition.

H. With respect to the Money And Securities Coverage Extension provided in this endorsement, the following definitions are added to **Section VI – Definitions**:

1. "Discover" or "discovered" means the time when you first become aware of facts which would cause a reasonable person to assume that a loss of a type covered by this insurance has been or will be incurred, regardless of when the act or acts causing or contributing to such loss occurred, even though the exact amount or details of loss may not then be known.

"Discover" or "discovered" also means the time when you first receive notice of an actual or potential claim in which it is alleged that you are liable to a third party under circumstances which, if true, would constitute a loss under this insurance.

2. "Employee benefit plan" means any welfare or pension benefit plan that you sponsor and that is subject to the Employee Retirement Income Security Act of 1974 (ERISA) and any amendments thereto.

3. "Financial institution" means:

a. A bank, savings bank, savings and loan association, trust company, credit union or similar depository institution; or

b. An insurance company.

4. "Financial institution premises" means the interior of that portion of any building occupied by a "financial institution".

5. "Manager" means a natural person serving in a directorial capacity for a limited liability company.

6. "Member" means an owner of a limited liability company represented by its membership interest who, if a natural person, may also serve as a "manager".

Copyright 2022 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

7. "Other property" means any tangible property other than "money" and "securities" that has intrinsic value. "Other property" does not include computer programs, “electronic data” or any property specifically excluded under this insurance.
8. "Theft" means the unlawful taking of property to the deprivation of the insured.

Copyright 2022 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

POLICY NUMBER: 7NA6CP0002704-00

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

INCOME LOSS CHANGES – EDUCATIONAL INSTITUTIONS

This endorsement modifies insurance provided under the following:

PROPERTY COVERAGE PART

SCHEDULE

Premises Number: 001 001 **Description Of Each School Term In An Annual Period:** Per Insured's School Term **Limited Coverage** ☐ **Extension Of Recovery Period Option**
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. The **Definition** of "period of restoration" is replaced by the following:

21. "Period of restoration" means the period of time that:

a. Begins with the date of direct physical loss or damage caused by or resulting from any “covered cause of loss” at a “premises”; and:

a. Ends on the earlier of:

(1) The day before the opening of the next school term following the date when, with reasonable speed and similar quality, the property at the “premises” should be repaired, rebuilt or replaced; or

(2) The date when the school term is resumed at a new permanent location.

“Period of restoration” includes any increased period required to repair or reconstruct the property to comply with the minimum standards due to the enforcement of any ordinance or law in force at the time of loss that regulates the construction, use or repair or requires the tearing down of any property.

However, coverage is not extended to include loss caused by or resulting from the enforcement of or compliance with any ordinance or law which requires:

(1) The demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by pollutants or asbestos, or due to the presence, growth, proliferation, spread or any activity of "fungus", wet or dry rot or bacteria; or

(2) Any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to or assess the effects of pollutants, "fungus", wet or dry rot, bacteria or asbestos. The expiration of this policy will not cut short the “period of restoration”.

Copyright 2020 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

B. The **Supplemental Provisions for Coverage C. "Loss of Income" and Coverage D. "Extra Expense"**, Paragraph **f.** is replaced by the following. However, if the Extension Of Recovery Period Option applies, in accordance with Section **C.** of this endorsement, then the following Extended Loss of Income Supplemental Provision does not apply.

f. Extended Loss of Income

If the necessary "suspension" of your "operations" produces a "loss of income" payable under this policy, we will pay for the actual "loss of income" you sustain during the school term following the date the property is actually repaired, rebuilt or replaced, if that date is 30 days or less before the scheduled opening of the next school term.

However, Extended Loss of Income does not apply to "loss of income" incurred as a result of unfavorable business conditions caused by the impact of the "covered cause of loss" in the area where the "premises" are located.

"Loss of income" must be caused by direct physical loss or damage at the "premises" caused by or resulting from any "covered cause of loss".

C. If the Extension Of Recovery Period Option is indicated as applicable in the Schedule, then the following applies (instead of the Extended Loss of Income Supplemental Provision in Section **B.** of this endorsement):

Extension Of Recovery Period

If the necessary "suspension" of your "operations" produces a "loss of income" payable under this policy, we will pay for the actual "loss of income" you sustain during the number of months (as indicated in the Schedule) following the end of the "period of restoration".

However, the Extension Of Recovery Period does not apply to "loss of income" incurred as a result of unfavorable business conditions caused by the impact of the "covered cause of loss" in the area where the "premises" are located.

"Loss of income" must be caused by direct physical loss or damage at the "premises" caused by or resulting from any "covered causes of loss".

D. If Limited Coverage is indicated by an "X" or other notation in the Schedule, the definition of "operations" is replaced by the following: "Operations" means:

a. Your business activities, occurring at the "premises", which generate tuition and related fees from students, including fees from room, board, laboratories and other similar sources. "Operations" does not include:

(1) Bookstores;

(2) Athletic events;

(3) Activity related to research grants; or

(4) Business activities other than those which generate tuition and related fees from students.

b. The tenantability of the "premises", if coverage for "loss of income" applies to rental value.

Copyright 2020 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION — UTILITY SERVICES

This endorsement modifies insurance provided under the following:

PROPERTY COVERAGE PART

The following exclusion is added to **SECTION III. COVERED CAUSES OF LOSS**, **Exclusions**:

Utility Services

The failure of power, communication, water or other utility service supplied to the “premises”, however caused, if the failure originates away from the “premises”; or originates at the “premises”, but only if such failure involves equipment used to supply the utility service to the “premises” from a source away from the “premises”.

Failure of any utility service includes lack of sufficient capacity and reduction in supply.

Loss or damage caused by a surge of power is also excluded, if the surge would not have occurred but for an event causing a failure of power.

But if the failure or surge of power, or the failure of communication, water or other utility service, results in a “covered cause of loss”, we will pay for the loss or damage caused by that “covered cause of loss”.

Communication services include but are not limited to service relating to Internet access or access to any electronic, cellular or satellite network.

Copyright 2022 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CALIFORNIA CHANGES - CANCELLATION CHANGES

This endorsement modifies insurance provided under the following:

PROPERTY COVERAGE PART

The following is added to the CANCELLATION Common Policy Condition:

If any one of the following conditions exists at any building that is Covered Property in this policy, we may cancel this Coverage Part by mailing or delivering to the first Named Insured written notice of cancellation at least 5 days before the effective date of cancellation.

A. The building has been vacant or unoccupied 60 or more consecutive days. This does not apply to:

1. Seasonal unoccupancy;

2. Buildings in the course of construction, renovation or addition; or

3. Buildings to which the Vacancy Permit endorsement applies.

Buildings with 65% or more of the rental units or floor area vacant or unoccupied are considered unoccupied under this provision.

B. After damage by a covered cause of loss, permanent repairs to the building:

1. Have not started, and

2. Have not been contracted for,

within 30 days of initial payment of loss.

C. The building has:

1. An outstanding order to vacate;

2. An outstanding demolition order;

3. Been declared unsafe by governmental authority.

D. Fixed and salvageable items have been or are being removed from the building and are not being replaced. This does not apply to such removal that is necessary or incidental to any renovation or remodeling.

E. Failure to:

1. Furnish necessary heat, water, sewer service or electricity for 30 consecutive days or more, except during a period of seasonal unoccupancy; or

2. Pay property taxes that are owing and have been outstanding for more than one year following the date due, except that this provision will not apply where you are in a bona fide dispute with the taxing authority regarding payment of such taxes.

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CALIFORNIA CHANGES – FIELD ACT EXCLUSION

This endorsement modifies insurance provided under the following:

PROPERTY COVERAGE PART

Field Act Exclusion

The following is added to the **Exclusions** of **SECTION III. COVERED CAUSES OF LOSS**:

We will not pay for loss or damage caused by enforcement of the Field Act. The Field Act, which deals with earthquake safety standards, means:

a. The provisions of Article 4, Chapter 2, Division 11, Part 3 of the Educational Code of the State of California, including amendments.

b. All rules and regulations for the administration or enforcement of the Act, including but not limited to Sections 101 to 1206 inclusive of Title 21 of the California Administrative Code as it is now or as it may be reorganized.

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CALIFORNIA CHANGES – REPLACEMENT COST

This endorsement modifies insurance provided under the following:

PROPERTY COVERAGE PART

A. An "open policy" is a policy under which the value of Covered Property is not fixed at policy inception, but is determined at the time of loss in accordance with policy provisions on valuation. The term "open policy" does not apply to Covered Property that is subject to an Agreed Value clause or similar clause that establishes an agreed value prior to loss, unless such clause has expired.

B. The following is added to **Extension 10. Ordinance Coverage:**

   d. For demolition cost, we will not pay more than the amount you actually spend to demolish and clear the site of the described "premises".

   e. We will not pay for the increased cost to repair, rebuild or construct:

      (1) Until the property is actually repaired or replaced, at the same or another "premises"; and

      (2) Unless such repair or replacement is made within two years after our payment of the actual cash value of the property subject to the "replacement cost" coverage, if any, unless we extend the time period for good cause.

   f. If the building is repaired or replaced at the same "premises", or if you elect to rebuild at another "premises", the most we will pay for the increased cost to repair, rebuild or replace is the increased cost to repair, rebuild or replace at the same "premises".

   g. If the ordinance or law requires relocation to another "premises", the most we will pay for the increased cost of construction is the increased cost of construction at the new "premises".

C. Paragraph 1. of **B. Valuation – Coverage A. "Real Property" and Coverage B. "Personal Property"** under **SECTION IV. WHAT WE WILL PAY** is replaced by the following:

   1. Under an "open policy", if "replacement cost" valuation is indicated in the Declarations, we will not pay more than the "premises" limit applicable to the lost or damaged "real property" or "personal property". Subject to that limit, we will pay the "replacement cost" of any loss or damage to "real property" or "personal property", less any deductible that applies. We will not pay on a replacement cost basis for any loss or damage until:

      a. The lost or damaged "real property" or "personal property" is actually repaired or replaced. Prior to such repair or replacement, and in accordance with the terms of the applicable Loss Payment conditions in this Coverage Part, we will pay the "actual cash value" of the lost or damaged "real property" or "personal property". If the "actual cash value" does not exhaust the applicable Limit of Insurance, we will then pay the difference between the "actual cash value" and the replacement cost, provided that the repair or replacement is completed:

         (1) Within 12 months after our payment of the "actual cash value"; or

         (2) Within 24 months after our payment of the "actual cash value" if the loss or damage relates to a state of emergency as described in Section 8558 of the Government Code;

         unless we extend the time period for good cause.

         The foregoing provisions do not constitute a waiver of our right to deny the claim for any valid reason or to restrict payment in cases of suspected fraud.

      b. The repairs or replacements restore the "real property" or "personal property" to the same use; and

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

c. The repairs to or replacement of the "real property" or "personal property" are of the same kind and quality and at the same "premises" as the "real property" or "personal property" suffering the loss or damage, however:

(1) You may substitute property of a different kind or quality, but we won't pay more than what it would cost to repair or replace the loss or damage to the "real property" or "personal property" with property of comparable kind and quality; and

(2) You may replace the "real property" or "personal property" suffering the loss or damage at a different location, but we won't pay more than what it would cost to replace the loss or damage to the "real property" or "personal property" at the original "premises".

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

Named Insured: Motivated Youth Academy	Policy Number: 7NA6CP0002704-00 Policy Period: From 07/01/2026 To 07/01/2027

CRIME COVERAGE PART DECLARATIONS

Coverage Is Written:

[X] **Primary**

[ ] **Excess**

SCHEDULE OF CRIME COVERAGE

Insuring Agreement	Limit of Insurance	Deductible Amount
Employee Theft	$250,000 Per Loss	$5,000 Per Loss
☐ Includes Faithful Performance		
Forgery or Alteration	$250,000 per Occurrence	$5,000 per Occurrence
Inside the Premises – Theft of Money & Securities	$250,000 per Occurrence	$5,000 per Occurrence
Inside the Premises – Robbery/Safe Burglary	$100,000 per Occurrence	$5,000 per Occurrence
Outside the Premises	$250,000 per Occurrence	$5,000 per Occurrence
Computer Fraud	$250,000 per Occurrence	$5,000 per Occurrence
Funds Transfer Fraud	Included in Computer Fraud	
Money Orders or Fraudulent Impersonation	$250,000 per Occurrence	$5,000 per Occurrence

Estimated Coverage Part Premium: $281.00

CRIME FORMS

See Schedule of Forms and Endorsements.

Employee Benefit Plan(s) included as Insureds:

GOVERNMENT CRIME COVERAGE FORM (LOSS SUSTAINED FORM)

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

Throughout this policy the words “you” and “your” refer to the Named Insured shown in the Declarations. The words “we”, “us” and “our” refer to the Company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section **F. Definitions**.

A. Insuring Agreements

Coverage is provided under the following Insuring Agreements for which a Limit of Insurance is shown in the Declarations and applies to loss that you sustain resulting directly from an “occurrence” taking place during the Policy Period shown in the Declarations, except as provided in Condition **E.1.j.** or **E.1.k.,** which is “discovered” by you during the Policy Period shown in the Declarations or during the period of time provided in the Extended Period To Discover Loss Condition **E.1.f.:**

1. Employee Theft – Per Loss Coverage

We will pay for loss of or damage to “money”, “securities” and “other property” resulting directly from “theft” committed by an “employee”, whether identified or not, acting alone or in collusion with other persons.

For the purposes of this Insuring Agreement, “theft” shall also include “forgery”.

2. Employee Theft – Per Employee Coverage

We will pay for loss of or damage to “money”, “securities” and “other property” resulting directly from “theft” committed by each “employee”, whether identified or not, acting alone or in collusion with other persons.

For the purposes of this Insuring Agreement, “theft” shall also include “forgery”.

3. Forgery Or Alteration

a. We will pay for loss resulting directly from “forgery” or alteration of checks, drafts, promissory notes, or similar written promises, orders or directions to pay a sum certain in “money” that are:

(1) Made or drawn by or drawn upon you; or

(2) Made or drawn by one acting as your agent;

or that are purported to have been so made or drawn.

For the purposes of this Insuring Agreement, a substitute check as defined in the Check Clearing for the 21st Century Act shall be treated the same as the original it replaced.

b. If you are sued for refusing to pay any instrument covered in Paragraph **3.a.,** on the basis that it has been forged or altered, and you have our written consent to defend against the suit, we will pay for any reasonable legal expenses that you incur and pay in that defense. The amount that we will pay for such legal expenses is in addition to the Limit of Insurance applicable to this Insuring Agreement.

4. Inside The Premises – Theft Of Money And Securities

We will pay for:

a. Loss of “money” and “securities” inside the “premises” or “financial institution premises”:

(1) Resulting directly from “theft” committed by a person present inside such “premises” or “financial institution premises”; or

Copyright 2022 Munich Re America . All rights reserved.
Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

(2) Resulting directly from disappearance or destruction.

b. Loss from damage to the “premises” or its exterior resulting directly from an actual or attempted “theft” of “money” and “securities” if you are the owner of the “premises” or are liable for damage to it.

c. Loss of or damage to a locked safe, vault, cash register, cash box or cash drawer located inside the “premises” resulting directly from an actual or attempted “theft” of or unlawful entry into those containers.

5. Inside The Premises – Robbery Or Safe Burglary Of Other Property

We will pay for:

a. Loss of or damage to “other property”:

(1) Inside the “premises” resulting directly from an actual or attempted “robbery” of a “custodian”; or

(2) Inside the “premises” in a safe or vault resulting directly from an actual or attempted “safe burglary”.

b. Loss from damage to the “premises” or its exterior resulting directly from an actual or attempted “robbery” or “safe burglary” of “other property” if you are the owner of the “premises” or are liable for damage to it.

c. Loss of or damage to a locked safe or vault located inside the “premises” resulting directly from an actual or attempted “robbery” or “safe burglary”.

6. Outside The Premises

We will pay for:

a. Loss of “money” and “securities” outside the “premises” in the care and custody of a “messenger” or an armored motor vehicle company resulting directly from “theft”, disappearance or destruction.

b. Loss of or damage to “other property” outside the “premises” in the care and custody of a “messenger” or an armored motor vehicle company resulting directly from an actual or attempted “robbery”.

7. Computer And Funds Transfer Fraud

a. We will pay for:

(1) Loss resulting directly from a fraudulent:

(a) Entry of "electronic data" or "computer program" into; or

(b) Change of "electronic data" or "computer program" within;

any "computer system" owned, leased or operated by you, provided the fraudulent entry or fraudulent change causes, with regard to Paragraphs **7.a.(1)(a)** and **7.a.(1)(b):**

(i) "Money", "securities" or "other property" to be transferred, paid or delivered; or

(ii) Your account at a "financial institution" to be debited or deleted.

(2) Loss resulting directly from a "fraudulent instruction" directing a "financial institution" to debit your "transfer account" and to transfer, pay or deliver "money" or "securities" from that account.

b. As used in Paragraph **7.a.(1),** fraudulent entry or fraudulent change of "electronic data" or "computer program" shall include such entry or change made by an "employee" acting, in good faith, upon a "fraudulent instruction" received from a computer software contractor who has a written agreement with you to design, implement or service "computer programs" for a "computer system" covered under this Insuring Agreement.

8. Money Orders And Counterfeit Money

We will pay for loss resulting directly from your having, in good faith, accepted in exchange for merchandise, “money” or services:

Copyright 2022 Munich Re America . All rights reserved.
Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

a. Money orders issued by any post office, express company or "financial institution" that are not paid upon presentation; or

b. “Counterfeit money” that is acquired during the regular course of business.

9. Fraudulent Impersonation

a. "Employees"

We will pay for loss resulting directly from your having, in good faith, transferred "money", "securities" or "other property" in reliance upon a "transfer instruction" purportedly issued by an "employee", but which "transfer instruction" proves to have been fraudulently issued by an imposter without the knowledge or consent of such person.

b. "Customers" And "Vendors"

We will pay for loss resulting directly from your having, in good faith, transferred "money", "securities" or "other property" in reliance upon a "transfer instruction" purportedly issued by your "customer" or "vendor", but which "transfer instruction" proves to have been fraudulently issued by an imposter without the knowledge or consent of the "customer" or "vendor".

c. Verification

If the Limit of Insurance shown in the Declarations is $100,000 or greater, the following is a precondition to coverage under this Agreement:

You shall verify all "transfer instructions" for amounts greater than or equal to $25,000. This verification will be in accordance with a pre-arranged callback or other established verification procedure before acting upon any such "transfer instruction".

B. Limit Of Insurance

The most we will pay for all loss resulting directly from an “occurrence” is the applicable Limit of Insurance shown in the Declarations.

If any loss is covered under more than one Insuring Agreement or Coverage, the most we will pay for such loss shall not exceed the largest Limit of Insurance available under any one of those Insuring Agreements or Coverages.

C. Deductible

We will not pay for loss resulting directly from an “occurrence” unless the amount of loss exceeds the Deductible Amount shown in the Declarations. We will then pay the amount of loss in excess of the Deductible Amount, up to the Limit of Insurance.

D. Exclusions

1. This insurance does not cover:

a. Acts Committed By You

Loss resulting from “theft” or any other dishonest act committed by you, whether acting alone or in collusion with other persons.

b. Acts Committed By Your Employees Learned Of By You Prior To The Policy Period

Loss caused by an “employee” if the “employee” had also committed “theft” or any other dishonest act prior to the effective date of this insurance and you or any of your officials, not in collusion with the “employee”, learned of such “theft” or dishonest act prior to the Policy Period shown in the Declarations.

c. Acts Committed By Your Officials, Employees Or Representatives

Loss resulting from “theft” or any other dishonest act committed by any of your officials, “employees” or authorized representatives:

(1) Whether acting alone or in collusion with other persons; or

(2) While performing services for you or otherwise;

except when covered under Insuring Agreement **A.1.** or **A.2.**

Copyright 2022 Munich Re America . All rights reserved.
Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

d. Confidential Or Personal Information

Loss resulting from:

(1) The disclosure or use of another person's or organization's confidential or personal information; or

(2) The disclosure of your confidential or personal information. However, this Paragraph **1.d.(2)** does not apply to loss otherwise covered under this insurance that results directly from the use of your confidential or personal information.

For the purposes of this exclusion, confidential or personal information includes, but is not limited to, patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information.

e. Data Security Breach

Fees, costs, fines, penalties and other expenses incurred by you which are related to the access to or disclosure of another person's or organization's confidential or personal information including, but not limited to, patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information.

f. Governmental Action

Loss resulting from seizure or destruction of property by order of governmental authority.

g. Indirect Loss

Loss that is an indirect result of an “occurrence” covered by this insurance including, but not limited to, loss resulting from:

(1) Your inability to realize income that you would have realized had there been no loss of or damage to “money”, “securities” or “other property”;

(2) Payment of damages of any type for which you are legally liable. But, we will pay compensatory damages arising directly from a loss covered under this insurance; or

(3) Payment of costs, fees or other expenses you incur in establishing either the existence or the amount of loss under this insurance.

h. Legal Fees, Costs And Expenses

Fees, costs and expenses incurred by you which are related to any legal action, except when covered under Insuring Agreement **A.3.**

i. Nuclear Hazard

Loss or damage resulting from nuclear reaction or radiation, or radioactive contamination, however caused.

j. Pollution

Loss or damage caused by or resulting from pollution. Pollution means the discharge, dispersal, seepage, migration, release or escape of any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

k. Virtual Currency

Loss involving virtual currency of any kind, by whatever name known, whether actual or fictitious including, but not limited to, digital currency, cryptocurrency or any other type of electronic currency.

l. War And Military Action

Loss or damage resulting from:

(1) War, including undeclared or civil war;

(2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

Copyright 2022 Munich Re America . All rights reserved.
Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

(3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

2. Insuring Agreements **A.1.** and **A.2.** do not cover:

a. Bonded Employees

Loss caused by any “employee” required by law to be individually bonded.

b. Inventory Shortages

Loss, or that part of any loss, the proof of which as to its existence or amount is dependent upon:

(1) An inventory computation; or

(2) A profit and loss computation.

However, where you establish wholly apart from such computations that you have sustained a loss, then you may offer your inventory records and actual physical count of inventory in support of the amount of loss claimed.

c. Trading

Loss resulting from trading, whether in your name or in a genuine or fictitious account.

d. Treasurers Or Tax Collectors

Loss caused by any treasurer or tax collector by whatever name known, other than a student enrolled in a school under your jurisdiction while the student is handling or has possession of property or funds in connection with sanctioned student activities.

3. Insuring Agreements **A.4., A.5.** and **A.6.** do not cover:

a. Accounting Or Arithmetical Errors Or Omissions

Loss resulting from accounting or arithmetical errors or omissions.

b. Exchanges Or Purchases

Loss resulting from the giving or surrendering of property in any exchange or purchase.

c. Fire

Loss or damage resulting from fire, however caused, except:

(1) Loss of or damage to “money” and “securities”; and

(2) Loss from damage to a safe or vault.

d. Money Operated Devices

Loss of property contained in any money operated device unless the amount of “money” deposited in it is recorded by a continuous recording instrument in the device.

e. Motor Vehicles Or Equipment And Accessories

Loss of or damage to motor vehicles, trailers or semitrailers or equipment and accessories attached to them.

f. Transfer Or Surrender Of Property

(1) Loss of or damage to property after it has been transferred or surrendered to a person or place outside the “premises” or “financial institution premises”:

(a) On the basis of unauthorized instructions; or

(b) As a result of a threat including, but not limited to:

(i) A threat to do bodily harm to any person;

(ii) A threat to do damage to any property;

(iii) A threat to introduce a denial of service attack into any "computer system";

(iv) A threat to introduce a virus or other malicious instruction into any "computer system" which is designed to damage, destroy or corrupt "electronic data" or "computer programs" stored within the "computer system"; or

(v) A threat to disseminate, divulge or utilize:

Copyright 2022 Munich Re America . All rights reserved.
Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

i. Your confidential information;

ii. Confidential or personal information of another person or organization; or

iii. Weaknesses in the source code within any "computer system".

(2) However, this Exclusion does not apply under Insuring Agreement **A.6.** to loss of "money", "securities" or "other property" while outside the "premises" in the care and custody of a "messenger" if you:

(a) Had no knowledge of any threat at the time the conveyance began; or

(b) Had knowledge of a threat at the time the conveyance began, but the loss was not related to the threat.

g. Vandalism

Loss from damage to the "premises" or its exterior, or to any safe, vault, cash register, cash box, cash drawer or "other property" by vandalism or malicious mischief.

h. Voluntary Parting Of Title To Or Possession Of Property

Loss resulting from your, or anyone else acting on your express or implied authority, being induced by any dishonest act to voluntarily part with title to or possession of any property.

4. Insuring Agreement **A.7.** does not cover:

a. Authorized Access

Loss resulting from a fraudulent:

(1) Entry of "electronic data" or "computer program" into; or

(2) Change of "electronic data" or "computer program" within;

any "computer system" owned, leased or operated by you by a person or organization with authorized access to that "computer system", except when covered under Insuring Agreement **A.7.b.**

b. Credit Card Transactions

Loss resulting from the use or purported use of credit, debit, charge, access, convenience, identification, stored-value or other cards or the information contained on such cards.

c. Exchanges Or Purchases

Loss resulting from the giving or surrendering of property in any exchange or purchase.

d. Fraudulent Instructions

Loss resulting from an "employee" or "financial institution" acting upon any instruction to:

(1) Transfer, pay or deliver "money", "securities" or "other property"; or

(2) Debit or delete your account;

which instruction proves to be fraudulent, except when covered under Insuring Agreement **A.7.a.(2)** or **A.7.b.**

e. Inventory Shortages

Loss, or that part of any loss, the proof of which as to its existence or amount is dependent upon:

(1) An inventory computation; or

(2) A profit and loss computation.

E. Conditions

The following Conditions apply in addition to the Common Policy Conditions:

Copyright 2022 Munich Re America . All rights reserved.
Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

1. Conditions Applicable To All Insuring Agreements

a. Additional Premises Or Employees

If, while this insurance is in force, you establish any additional “premises” or hire additional “employees”, such “premises” and “employees” shall automatically be covered under this insurance. Notice to us of an increase in the number of “premises” or “employees” is not required and no additional premium will be charged for the remainder of the Policy Period shown in the Declarations.

b. Concealment, Misrepresentation Or Fraud

This insurance is void in any case of fraud by you as it relates to this insurance at any time. It is also void if you or any other Insured, at any time, intentionally conceals or misrepresents a material fact concerning:

(1) This insurance;

(2) The property covered under this insurance;

(3) Your interest in the property covered under this insurance; or

(4) A claim under this insurance.

c. Cooperation

You must cooperate with us in all matters pertaining to this insurance as stated in its terms and conditions.

d. Duties In The Event Of Loss

After you “discover” a loss or a situation that may result in loss of or damage to “money”, “securities” or “other property” you must:

(1) Notify us as soon as possible. If you have reason to believe that any loss (except for loss covered under Insuring Agreement **A.1., A.2.** or **A.3.**) involves a violation of law, you must also notify the local law enforcement authorities;

(2) Give us a detailed, sworn proof of loss within 120 days;

(3) Cooperate with us in the investigation and settlement of any claim;

(4) Produce for our examination all pertinent records;

(5) Submit to examination under oath at our request and give us a signed statement of your answers; and

(6) Secure all of your rights of recovery against any person or organization responsible for the loss and do nothing to impair those rights.

e. Employee Benefit Plans

The employee benefit plans shown in the Declarations (hereafter referred to as Plan) are included as Insureds under Insuring Agreement **A.1.** or **A.2.,** subject to the following:

(1) Any payment we make for loss sustained by any Plan will be made to the Plan sustaining the loss.

(2) The Deductible Amount applicable to Insuring Agreement **A.1.** or **A.2.** does not apply to loss sustained by any Plan.

f. Extended Period To Discover Loss

We will pay for loss that you sustained prior to the effective date of cancellation of this insurance, which is “discovered” by you no later than one year from the date of that cancellation.

However, this extended period to “discover” loss terminates immediately upon the effective date of any other insurance obtained by you, whether from us or another insurer, replacing in whole or in part the coverage afforded under this insurance, whether or not such other insurance provides coverage for loss sustained prior to its effective date.

Copyright 2022 Munich Re America . All rights reserved.
Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

g. Joint Insured

(1) If more than one Insured is named in the Declarations, the first Named Insured will act for itself and for every other Insured for all purposes of this insurance. If the first Named Insured ceases to be covered, then the next Named Insured will become the first Named Insured.

(2) If any Insured or official of that Insured has knowledge of any information relevant to this insurance, that knowledge is considered knowledge of every Insured.

(3) An “employee” of any Insured is considered to be an “employee” of every Insured.

(4) If this insurance or any of its coverages are cancelled as to any Insured, loss sustained by that Insured is covered only if it is “discovered” by you no later than one year from the date of that cancellation.

However, this extended period to “discover” loss terminates immediately upon the effective date of any other insurance obtained by that Insured, whether from us or another insurer, replacing in whole or in part the coverage afforded under this insurance, whether or not such other insurance provides coverage for loss sustained prior to its effective date.

(5) We will not pay more for loss sustained by more than one Insured than the amount we would pay if all such loss had been sustained by one Insured.

(6) Payment by us to the first Named Insured for loss sustained by any Insured, or payment by us to any employee benefit plan for loss sustained by that Plan, shall fully release us on account of such loss.

h. Legal Action Against Us

You may not bring any legal action against us involving loss:

(1) Unless you have complied with all the terms of this insurance;

(2) Until 90 days after you have filed proof of loss with us; and

(3) Unless brought within two years from the date you “discovered” the loss.

If any limitation in this Condition is prohibited by law, such limitation is amended so as to equal the minimum period of limitation provided by such law.

i. Liberalization

If we adopt any revision that would broaden the coverage under this insurance without additional premium within 45 days prior to or during the Policy Period shown in the Declarations, the broadened coverage will immediately apply to this insurance.

j. Loss Sustained During Prior Insurance Issued By Us Or Any Affiliate

(1) Loss Sustained Partly During This Insurance And Partly During Prior Insurance

If you “discover” loss during the Policy Period shown in the Declarations, resulting directly from an “occurrence” taking place:

(a) Partly during the Policy Period shown in the Declarations; and

(b) Partly during the Policy Period(s) of any prior cancelled insurance that we or any affiliate issued to you or any predecessor in interest;

and this insurance became effective at the time of cancellation of the prior insurance, we will first settle the amount of loss that you sustained during this Policy Period. We will then settle the remaining amount of loss that you sustained during the Policy Period(s) of the prior insurance.

(2) Loss Sustained Entirely During Prior Insurance

If you “discover” loss during the Policy Period shown in the Declarations, resulting directly from an “occurrence” taking place entirely during the Policy Period(s) of any prior cancelled insurance that we or any affiliate issued to you or any predecessor in interest, we will pay for the loss, provided:

Copyright 2022 Munich Re America . All rights reserved.
Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

(a) This insurance became effective at the time of cancellation of the prior insurance; and

(b) The loss would have been covered under this insurance had it been in effect at the time of the "occurrence".

We will first settle the amount of loss that you sustained during the most recent prior insurance. We will then settle any remaining amount of loss that you sustained during the Policy Period(s) of any other prior insurance.

(3) In settling loss under Paragraphs **j.(1)** and **j.(2):**

(a) The most we will pay for the entire loss is the highest single Limit of Insurance applicable during the period of loss, whether such limit was written under this insurance or was written under the prior insurance issued by us.

(b) We will apply the applicable Deductible Amount shown in the Declarations to the amount of loss sustained under this insurance. If no loss was sustained under this insurance, we will apply the Deductible Amount shown in the Declarations to the amount of loss sustained under the most recent prior insurance.

If the Deductible Amount is larger than the amount of loss sustained under this insurance, or the most recent prior insurance, we will apply the remaining Deductible Amount to the remaining amount of loss sustained during the prior insurance.

We will not apply any other Deductible Amount that may have been applicable to the loss.

(4) The following examples demonstrate how we will settle losses subject to this Condition:

Example Number 1:

The insured sustained a covered loss of $10,000 resulting directly from an "occurrence" taking place during the terms of Policy **A** and Policy **B.**

Policy A

The current policy. Written at a Limit of Insurance of $50,000 and a Deductible Amount of $5,000.

Policy B

Issued prior to Policy **A.** Written at a Limit of Insurance of $50,000 and a Deductible Amount of $5,000.

Settlement of Loss

The amount of loss sustained under Policy **A** is $2,500 and under Policy **B,** $7,500.

The highest single Limit of Insurance applicable to this entire loss is $50,000 written under Policy **A.** The Policy **A** Deductible Amount of $5,000 applies. The loss is settled as follows:

(a) The amount of loss sustained under Policy **A** ($2,500) is settled first. The amount we will pay is nil ($0.00) because the amount of loss is less than the Deductible Amount (i.e., $2,500 loss - $5,000 deductible = $0.00).

(b) The remaining amount of loss sustained under Policy **B** ($7,500) is settled next. The amount recoverable is $5,000 after the remaining Deductible Amount from Policy **A** of $2,500 is applied to the loss (i.e., $7,500 loss - $2,500 deductible = $5,000).

The most we will pay for this loss is $5,000.

Example Number 2:

The insured sustained a covered loss of $250,000 resulting directly from an "occurrence" taking place during the terms of Policy **A** and Policy **B.**

Copyright 2022 Munich Re America . All rights reserved.
Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

Policy A

The current policy. Written at a Limit of Insurance of $125,000 and a Deductible Amount of $10,000.

Policy B

Issued prior to Policy **A.** Written at a Limit of Insurance of $150,000 and a Deductible Amount of $25,000.

Settlement of Loss

The amount of loss sustained under Policy **A** is $175,000 and under Policy **B,** $75,000.

The highest single Limit of Insurance applicable to this entire loss is $150,000 written under Policy **B.** The Policy **A** Deductible Amount of $10,000 applies. The loss is settled as follows:

(a) The amount of loss sustained under Policy **A** ($175,000) is settled first. The amount we will pay is the Policy **A** Limit of $125,000 because $175,000 loss - $10,000 deductible = $165,000 which is greater than the $125,000 policy limit.

(b) The remaining amount of loss sustained under Policy **B** ($75,000) is settled next. The amount we will pay is $25,000 (i.e., $150,000 Policy **B** limit - $125,000 paid under Policy **A** = $25,000).

The most we will pay for this loss is $150,000.

Example Number 3:

The insured sustained a covered loss of $2,000,000 resulting directly from an "occurrence" taking place during the terms of Policies **A, B, C** and **D.**

Policy A

The current policy. Written at a Limit of Insurance of $1,000,000 and a Deductible Amount of $100,000.

Policy B

Issued prior to Policy **A.** Written at a Limit of Insurance of $750,000 and a Deductible Amount of $75,000.

Policy C

Issued prior to Policy **B.** Written at a Limit of Insurance of $500,000 and a Deductible Amount of $50,000.

Policy D

Issued prior to Policy **C.** Written at a Limit of Insurance of $500,000 and a Deductible Amount of $50,000.

Settlement of Loss

The amount of loss sustained under Policy **A** is $350,000, under Policy **B,** $250,000, under Policy **C,** $600,000 and under Policy **D,** $800,000.

The highest single Limit of Insurance applicable to this entire loss is $1,000,000 written under Policy **A.** The Policy **A** Deductible Amount of $100,000 applies. The loss is settled as follows:

(a) The amount of loss sustained under Policy **A** ($350,000) is settled first. The amount we will pay is $250,000 (i.e., $350,000 loss - $100,000 deductible = $250,000).

(b) The amount of loss sustained under Policy **B** ($250,000) is settled next. The amount we will pay is $250,000 (no deductible is applied).

(c) The amount of loss sustained under Policy **C** ($600,000) is settled next. The amount we will pay is $500,000, the policy limit (no deductible is applied).

Copyright 2022 Munich Re America . All rights reserved.
Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

(d) We will not make any further payment under Policy **D** as the maximum amount payable under the highest single Limit of Insurance applying to the loss of $1,000,000 under Policy **A** has been satisfied.

The most we will pay for this loss is $1,000,000.

k. Loss Sustained During Prior Insurance Not Issued By Us Or Any Affiliate

(1) If you "discover" loss during the Policy Period shown in the Declarations, resulting directly from an "occurrence" taking place during the policy period of any prior cancelled insurance that was issued to you or a predecessor in interest by another company, and the period of time to discover loss under that insurance had expired, we will pay for the loss under this insurance, provided:

(a) This insurance became effective at the time of cancellation of the prior insurance; and

(b) The loss would have been covered under this insurance had it been in effect at the time of the "occurrence".

(2) In settling loss subject to this Condition:

(a) The most we will pay for the entire loss is the lesser of the Limits of Insurance applicable during the period of loss, whether such limit was written under this insurance or was written under the prior cancelled insurance.

(b) We will apply the applicable Deductible Amount shown in the Declarations to the amount of loss sustained under the cancelled insurance.

(3) The insurance provided under this Condition is subject to the following:

(a) If loss covered under this Condition is also partially covered under Condition **E.1.j.,** the amount recoverable under this Condition is part of, not in addition to, the amount recoverable under Condition **E.1.j.**

(b) For loss covered under this Condition that is not subject to Paragraph **k.(3)(a),** the amount recoverable under this Condition is part of, not in addition to, the Limit of Insurance applicable to the loss covered under this insurance and is limited to the lesser of the amount recoverable under:

(i) This insurance as of its effective date; or

(ii) The prior cancelled insurance had it remained in effect.

l. Other Insurance

If other valid and collectible insurance is available to you for loss covered under this insurance, our obligations are limited as follows:

(1) Primary Insurance

When this insurance is written as primary insurance, and:

(a) You have other insurance subject to the same terms and conditions as this insurance, we will pay our share of the covered loss. Our share is the proportion that the applicable Limit of Insurance shown in the Declarations bears to the total limit of all insurance covering the same loss.

(b) You have other insurance covering the same loss other than that described in Paragraph **l.(1)(a),** we will only pay for the amount of loss that exceeds:

(i) The Limit of Insurance and Deductible Amount of that other insurance, whether you can collect on it or not; or

(ii) The Deductible Amount shown in the Declarations;

whichever is greater. Our payment for loss is subject to the terms and conditions of this insurance.

Copyright 2022 Munich Re America . All rights reserved.
Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

(2) Excess Insurance

(a) When this insurance is written excess over other insurance, we will only pay for the amount of loss that exceeds the Limit of Insurance and Deductible Amount of that other insurance, whether you can collect on it or not. Our payment for loss is subject to the terms and conditions of this insurance.

(b) However, if loss covered under this insurance is subject to a Deductible, we will reduce the Deductible Amount shown in the Declarations by the sum total of all such other insurance plus any Deductible Amount applicable to that other insurance.

m. Ownership Of Property; Interests Covered

The property covered under this insurance is limited to property:

(1) That you own or lease;

(2) That is held by you in any capacity; or

(3) For which you are legally liable, provided you were liable for the property prior to the time the loss was sustained.

However, this insurance is for your benefit only. It provides no rights or benefits to any other person or organization. Any claim for loss that is covered under this insurance must be presented by you.

n. Records

You must keep records of all property covered under this insurance so we can verify the amount of any loss.

o. Recoveries

(1) Any recoveries, whether effected before or after any payment under this insurance, whether made by us or by you, shall be applied net of the expense of such recovery:

(a) First, to you in satisfaction of your covered loss in excess of the amount paid under this insurance;

(b) Second, to us in satisfaction of amounts paid in settlement of your claim;

(c) Third, to you in satisfaction of any Deductible Amount; and

(d) Fourth, to you in satisfaction of any loss not covered under this insurance.

(2) Recoveries do not include any recovery:

(a) From insurance, suretyship, reinsurance, security or indemnity taken for our benefit; or

(b) Of original “securities” after duplicates of them have been issued.

p. Territory

This insurance covers loss that you sustain resulting directly from an “occurrence” taking place within the United States of America (including its territories and possessions) and Puerto Rico.

q. Transfer Of Your Rights Of Recovery Against Others To Us

You must transfer to us all your rights of recovery against any person or organization for any loss you sustained and for which we have paid or settled. You must also do everything necessary to secure those rights and do nothing after loss to impair them.

r. Valuation – Settlement

The value of any loss for purposes of coverage under this policy shall be determined as follows:

(1) Money

Loss of “money” but only up to and including its face value.

(2) Securities

Copyright 2022 Munich Re America . All rights reserved.
Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

Loss of “securities” but only up to and including their value at the close of business on the day the loss was “discovered”. We may, at our option:

(a) Pay the market value of such “securities” or replace them in kind, in which event you must assign to us all your rights, title and interest in and to those “securities”; or

(b) Pay the cost of any Lost Securities Bond required in connection with issuing duplicates of the “securities”. However, we will be liable only for the payment of so much of the cost of the bond as would be charged for a bond having a penalty not exceeding the lesser of the:

(i) Market value of the “securities” at the close of business on the day the loss was “discovered”; or

(ii) Limit of Insurance applicable to the “securities”.

(3) Property Other Than Money And Securities

(a) Loss of or damage to “other property” or loss from damage to the “premises” or its exterior for the replacement cost of the property without deduction for depreciation. However, we will not pay more than the least of the following:

(i) The Limit of Insurance applicable to the lost or damaged property**;**

(ii) The cost to replace the lost or damaged property with property of comparable material and quality and used for the same purpose; or

(iii) The amount you actually spend that is necessary to repair or replace the lost or damaged property;

(b) We will not pay on a replacement cost basis for any loss or damage to property covered under Paragraph **r.(3)(a):**

(i) Until the lost or damaged property is actually repaired or replaced; and

(ii) Unless the repair or replacement is made as soon as reasonably possible after the loss or damage.

If the lost or damaged property is not repaired or replaced, we will pay on an actual cash value basis.

(c) Any property that we pay for or replace becomes our property.

2. Conditions Applicable To Insuring Agreements A.1. And A.2.

a. Indemnification

We will indemnify any of your officials who are required by law to give individual bonds for the faithful performance of their duties against loss through “theft” committed by “employees” who serve under them, subject to the applicable Limit of Insurance.

b. Termination As To Any Employee

These Insuring Agreements terminate as to any “employee”:

(1) As soon as:

(a) You; or

(b) Any of your officials or employees authorized to manage, govern or control your “employees” not in collusion with the “employee”;

learn of “theft” or any other dishonest act committed by the “employee” whether before or after becoming employed by you; or

(2) On the date specified in a notice mailed to the first Named Insured. That date will be at least 30 days after the date of mailing.

We will mail or deliver our notice to the first Named Insured's last mailing address known to us. If notice is mailed, proof of mailing will be sufficient proof of notice.

Copyright 2022 Munich Re America . All rights reserved.
Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

c. Territory

We will pay for loss caused by any "employee" while temporarily outside the territory specified in Territory Condition **E.1.p.** for a period of not more than 90 consecutive days.

3. Conditions Applicable To Insuring Agreement A.3.

a. Deductible Amount

The Deductible Amount does not apply to legal expenses paid under Insuring Agreement **A.3.**

b. Electronic And Mechanical Signatures

We will treat signatures that are produced or reproduced electronically, mechanically or by other means the same as handwritten signatures.

c. Proof Of Loss

You must include with your proof of loss any instrument involved in that loss, or, if that is not possible, an affidavit setting forth the amount and cause of loss.

d. Territory

We will cover loss that you sustain resulting directly from an "occurrence" taking place anywhere in the world. Territory Condition **E.1.p.** does not apply to Insuring Agreement **A.3.**

4. Conditions Applicable To Insuring Agreements A.5. And A.6.

a. Armored Motor Vehicle Companies

Under Insuring Agreement **A.6.,** we will only pay for the amount of loss you cannot recover:

(1) Under your contract with the armored motor vehicle company; and

(2) From any insurance or indemnity carried by, or for the benefit of customers of, the armored motor vehicle company.

b. Special Limit Of Insurance For Specified Property

We will only pay up to $5,000 for any one "occurrence" of loss of or damage to manuscripts, drawings, or records of any kind, or the cost of reconstructing them or reproducing any information contained in them.

5. Conditions Applicable To Insuring Agreement A.7.

a. Special Limit Of Insurance For Specified Property

We will only pay up to $5,000 for any one "occurrence" of loss of or damage to manuscripts, drawings, or records of any kind, or the cost of reconstructing them or reproducing any information contained in them.

b. Territory

We will cover loss that you sustain resulting directly from an "occurrence" taking place anywhere in the world. Territory Condition **E.1.p.** does not apply to Insuring Agreement **A.7.**

6. Condition Applicable To Insuring Agreement A.9.

Territory

We will cover loss that you sustain resulting directly from an "occurrence" taking place anywhere in the world.

F. Definitions

1. "Computer program" means a set of related electronic instructions, which direct the operation and function of a computer or devices connected to it, which enable the computer or devices to receive, process, store or send "electronic data".

2. "Computer system" means:

Copyright 2022 Munich Re America . All rights reserved.
Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

a. Computers, including Personal Digital Assistants (PDAs) and other transportable or handheld devices, electronic storage devices and related peripheral components;

b. Systems and applications software; and

c. Related communications networks;

by which "electronic data" is collected, transmitted, processed, stored or retrieved.

3. “Counterfeit money” means an imitation of “money” which is intended to deceive and to be taken as genuine.

4. “Custodian” means you, or any “employee” while having care and custody of property inside the “premises”, excluding any person while acting as a “watchperson” or janitor.

5. "Customer" means an entity or individual to whom you sell goods or provide services under a written contract.

6. “Discover” or “discovered” means the time when you first become aware of facts which would cause a reasonable person to assume that a loss of a type covered by this insurance has been or will be incurred, regardless of when the act or acts causing or contributing to such loss occurred, even though the exact amount or details of loss may not then be known.

“Discover” or “discovered” also means the time when you first receive notice of an actual or potential claim in which it is alleged that you are liable to a third party under circumstances which, if true, would constitute a loss under this insurance.

7. "Electronic data" means information, facts, images or sounds stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software) on data storage devices, including hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

8. “Employee”:

a. Means:

(1) Any natural person:

(a) While in your service and for the first 30 days immediately after termination of service, unless such termination is due to “theft” or any other dishonest act committed by the “employee”;

(b) Whom you compensate directly by salary, wages or commissions; and

(c) Whom you have the right to direct and control while performing services for you;

(2) Any natural person who is furnished temporarily to you:

(a) To substitute for a permanent “employee” as defined in Paragraph 8.**a.(1),** who is on leave; or

(b) To meet seasonal or short-term workload conditions;

while that person is subject to your direction and control and performing services for you;

(3) Any natural person who is leased to you under a written agreement between you and a labor leasing firm, to perform duties related to the conduct of your business, but does not mean a temporary “employee” as defined in Paragraph **8.a.(2);**

(4) Any natural person who is:

(a) A trustee, officer, “employee”, administrator or manager, except an administrator or manager who is an independent contractor, of any employee benefit plan(s); or

(b) Your official while that person is engaged in handling “money", "securities” or “other property” of any employee benefit plan;

(5) Any natural person who is a former official, “employee” or trustee retained by you as a consultant while performing services for you;

(6) Any natural person who is a guest student or intern pursuing studies or duties; and

Copyright 2022 Munich Re America . All rights reserved.
Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

(7) Any non-compensated natural person:

(a) Other than one who is a fund solicitor, while performing services for you that are usual to the duties of an “employee”; or

(b) While acting as a fund solicitor during fund-raising campaigns.

(8) Any student enrolled in a school under your jurisdiction while the student is handling or has possession of property or funds in connection with sanctioned student activities.

b. Does not mean any agent, independent contractor or representative of the same general character not specified in Paragraph **8.a.**

9. "Financial institution" means:

a. With regard to Insuring Agreement **A.4.:**

(1) A bank, savings bank, savings and loan association, trust company, credit union or similar depository institution; or

(2) An insurance company.

b. With regard to Insuring Agreement **A.7.:**

(1) A bank, savings bank, savings and loan association, trust company, credit union or similar depository institution;

(2) An insurance company; or

(3) A stock brokerage firm or investment company.

c. Other than Insuring Agreements **A.4.** and **A.7.,** any financial institution.

10. "Financial institution premises" means the interior of that portion of any building occupied by a "financial institution" as defined in Paragraph **F.9.a.**

11. “Forgery” means the signing of the name of another person or organization with intent to deceive; it does not mean a signature which consists in whole or in part of one's own name signed with or without authority, in any capacity, for any purpose.

12. "Fraudulent instruction" means:

a. With regard to Insuring Agreement **A.7.a.(2):**

(1) A computer, telefacsimile, telephone or other electronic instruction directing a "financial institution" to debit your "transfer account" and to transfer, pay or deliver "money" or "securities" from that "transfer account", which instruction purports to have been issued by you, but which in fact was fraudulently issued by someone else without your knowledge or consent; or

(2) A written instruction (other than those covered under Insuring Agreement **A.3.**) issued to a "financial institution" directing the "financial institution" to debit your "transfer account" and to transfer, pay or deliver "money" or "securities" from that "transfer account", through an electronic funds transfer system at specified times or under specified conditions, which instruction purports to have been issued by you, but which in fact was issued, forged or altered by someone else without your knowledge or consent.

b. With regard to Insuring Agreement **A.7.b.:**

A computer, telefacsimile, telephone or other electronic, written or voice instruction directing an "employee" to enter or change "electronic data" or "computer programs" within a "computer system" covered under the Insuring Agreement, which instruction in fact was fraudulently issued by your computer software contractor.

13. “Messenger” means you or any “employee” while having care and custody of property outside the “premises”.

14. “Money” means:

a. Currency, coins and bank notes in current use and having a face value;

b. Traveler's checks, and money orders held for sale to the public; and

Copyright 2022 Munich Re America . All rights reserved.
Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

c. In addition, includes:

(1) Under Insuring Agreements **A.1., A.2.** and **A.3.,** deposits in your account at any financial institution; and

(2) Under Insuring Agreement **A.7.,** deposits in your account at a "financial institution" as defined in Paragraph **F.9.b.**

15. “Occurrence” means:

a. Under Insuring Agreement **A.1.:**

(1) An individual act;

(2) The combined total of all separate acts whether or not related; or

(3) A series of acts whether or not related;

committed by an “employee” acting alone or in collusion with other persons, during the Policy Period shown in the Declarations, except as provided under Condition **E.1.j.** or **E.1.k.**

b. Under Insuring Agreement **A.2.:**

(1) An individual act;

(2) The combined total of all separate acts whether or not related; or

(3) A series of acts whether or not related;

committed by each “employee” acting alone or in collusion with other persons, during the Policy Period shown in the Declarations, except as provided under Condition **E.1.j.** or **E.1.k.**

c. Under Insuring Agreement **A.3.:**

(1) An individual act;

(2) The combined total of all separate acts whether or not related; or

(3) A series of acts whether or not related;

committed by a person acting alone or in collusion with other persons, involving one or more instruments, during the Policy Period shown in the Declarations, except as provided under Condition **E.1.j.** or **E.1.k.**

d. Under all other Insuring Agreements:

(1) An individual act or event;

(2) The combined total of all separate acts or events whether or not related; or

(3) A series of acts or events whether or not related;

committed by a person acting alone or in collusion with other persons, or not committed by any person, during the Policy Period shown in the Declarations, except as provided under Condition **E.1.j.** or **E.1.k.**

16. “Other property” means any tangible property other than “money” and “securities” that has intrinsic value. “Other property” does not include computer programs, “electronic data” or any property specifically excluded under this insurance.

17. “Premises” means the interior of that portion of any building you occupy in conducting your business.

18. “Robbery” means the unlawful taking of property from the care and custody of a person by one who has:

a. Caused or threatened to cause that person bodily harm; or

b. Committed an obviously unlawful act witnessed by that person.

19. “Safe burglary” means the unlawful taking of:

a. Property from within a locked safe or vault by a person unlawfully entering the safe or vault as evidenced by marks of forcible entry upon its exterior; or

b. A safe or vault from inside the “premises”.

Copyright 2022 Munich Re America . All rights reserved.
Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

20. “Securities” means negotiable and nonnegotiable instruments or contracts representing either “money” or property and includes:

a. Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and

b. Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you;

but does not include “money”.

21. “Theft” means the unlawful taking of property to the deprivation of the Insured.

22. “Transfer account” means an account maintained by you at a financial institution from which you can initiate the transfer, payment or delivery of “money" or "securities":

a. By means of computer, telefacsimile, telephone or other electronic instructions; or

b. By means of written instructions (other than those covered under Insuring Agreement **A.3.**) establishing the conditions under which such transfers are to be initiated by such financial institutions through an electronic funds transfer system.

23. "Transfer instruction" means an instruction directing you to transfer "money", "securities" or "other property".

24. "Vendor" means an entity or individual from whom you purchase goods or receive services under a written contract.

25. “Watchperson” means any person you retain specifically to have care and custody of property inside the “premises” and who has no other duties.

Copyright 2022 Munich Re America . All rights reserved.
Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CALIFORNIA CHANGES – ACTUAL CASH VALUE

This endorsement modifies insurance provided under the following:

COMMERCIAL CRIME COVERAGE PART
GOVERNMENT CRIME COVERAGE PART

The following is added to any provision which uses the term actual cash value:

Actual cash value is calculated as the amount it would cost to repair or replace Covered Property, at the time of loss or damage, with material of like kind and quality, subject to a deduction for deterioration, depreciation and obsolescence. Actual cash value applies to valuation of Covered Property regardless of whether that property has sustained partial or total loss or damage. The actual cash value of the lost or damaged property may be significantly less than its replacement cost.

Copyright 2019 Munich Reinsurance America, Inc.. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CALIFORNIA CHANGES – PREMIUM

This endorsement modifies insurance provided under the following:

COMMERCIAL CRIME COVERAGE PART
GOVERNMENT CRIME COVERAGE PART

To comply with the ruling of the Commissioner of Insurance of the state of California and the opinion of the Attorney General of that state requiring that the premium for all policies be endorsed thereon, the premium charged for the attached coverage part for the policy period is shown in the Declarations.

Copyright 2019 Munich Reinsurance America, Inc.. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

Named Insured: Motivated Youth Academy

Policy Number: 7NA6CP0002704-00
Policy Period: From 07/01/2026
To 07/01/2027

INLAND MARINE COVERAGE PART DECLARATIONS

SCHEDULE OF COVERAGES

Description	Limit	Deductible
Coverage A		
Blanket Tools and Equipment	not to exceed per item	
Coverage B		
Scheduled Equipment	See Scheduled Items	$1,000
Coverage C		
Blanket Emergency Services Equipment		

Estimated Coverage Part Premium: $802

INLAND MARINE FORMS

See Schedule of Forms and Endorsements.

Named Insured: Motivated Youth Academy

Policy Number: 7NA6CP0002704-00
Policy Period: From 07/01/2026
To 07/01/2027

SCHEDULED EQUIPMENT

Actual Cash Value = ACV Replacement Cost = RC

Item Description	Serial Number	Limit	Deductible	Valuation
Computer Coverage	N/A	$150,000	$1,000	RC

INLAND MARINE COVERAGE FORM

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

Throughout this coverage part the words “you” and “your” refer to the Named Insured shown in the Declarations. The words “we”, “us” and “our” refer to the Company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section **VI -** Definitions**.**

SECTION I - COVERAGES

Coverage A - Blanket “Tools and Equipment”

We will pay for direct physical loss or damage caused by or resulting from any “covered cause of loss” to “tools and equipment” owned by you. The most we will pay is described under Section **IV -** What We Will Pay.

Coverage B - Scheduled Equipment

We will pay for direct physical loss or damage caused by or resulting from any “covered cause of loss” to equipment owned by you that is specifically listed in the Declarations or in a schedule attached to this coverage form. The most we will pay is described under Section **IV** - What We Will Pay.

Coverage C - Blanket “Emergency Services Equipment”

We will pay for direct physical loss or damage caused by or resulting from any “covered cause of loss” to “emergency services equipment” owned by you. The most we will pay is described under Section **IV** - What We Will Pay.

SECTION II - COVERAGE EXTENSIONS

This section adds to or extends the coverage under Section **I** - Coverages. Each separately numbered provision is referred to as an extension. Except to the extent specifically stated otherwise in an extension:

- **a.** Each extension is limited to direct physical loss or damage caused by or resulting from any “covered cause of loss”;
- **b.** The limits in each extension are in addition to the limits applicable to Section **I** - Coverages; and
- **c.** All other applicable terms and conditions of this coverage form apply to each extension.

1. Debris Removal Expenses

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission

a. We will pay your debris removal expenses if they are reported to us within 180 days after the date of direct physical loss or damage. Debris removal expense means expense you incur in removing debris of covered "tools and equipment", "emergency services equipment", or scheduled equipment after direct physical loss or damage caused by or resulting from any "covered cause of loss". Debris removal expense does not include "remediation expense" or any expense related to the removal of "fungus", wet rot, dry rot, bacteria or asbestos.

b. The most we will pay under this extension in any one occurrence is $15,000.

2. "Tools and Equipment" Owned by Your "Employees"

a. Coverage A - Blanket "Tools and Equipment" is extended to include direct physical loss or damage to "tools and equipment" belonging to your "employees" or volunteers caused by or resulting from any "covered cause of loss", provided the loss or damage occurs during the course of your "operations". This coverage will only apply if no other insurance coverage is available to the owner of the "tools and equipment".

b. The most we will pay under this extension in any one occurrence is $25,000.

c. No deductible will apply under this extension.

3. Emergency Services and Law Enforcement "Personal Effects"

a. Coverage C - Blanket "Emergency Services Equipment" is extended to include direct physical loss or damage to "personal effects" belonging to your emergency service or law enforcement "employees" or volunteers caused by or resulting from any "covered cause of loss", provided the loss or damage occurs while such individuals are away from your premises and enroute to, performing, or returning from any official emergency service or law enforcement duty authorized by you.

b. The most we will pay under this extension in any one occurrence is the actual "replacement cost" for the lost or damaged "personal effects".

c. This coverage is primary and will apply regardless of any other insurance coverage which may be available to the owner of the "personal effects".

d. No deductible will apply under this extension.

4. Rented or Borrowed Equipment

a. **Coverage A - Blanket "Tools and Equipment"** and **Coverage C - Blanket "Emergency Services Equipment"** are extended to include direct physical loss or damage to "tools and equipment" and "emergency services equipment" not owned by you, but that is temporarily in your possession, caused by or resulting from any "covered cause of loss".

(1) The most we will pay under extension **4.a.** in any one occurrence is the lesser of the replacement cost of the item(s) or $10,000.

(2) A $1,000 deductible applies to extension **4.a.**

b. Coverage B - Scheduled Equipment is extended to include direct physical loss or damage to equipment not owned by you, but that is temporarily in your possession, caused by or resulting from any "covered cause of loss". For the purpose of this extension only, such equipment will be considered as scheduled equipment while in your possession.

(1) The most we will pay under extension **4.b**. in any one occurrence is the lesser of the "actual cash value" of the damaged equipment or $100,000.

(2) A $1,000 deductible applies to extension **4.b**.

c. The coverage provided by this extension is primary.

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission

5. Newly Acquired Scheduled Equipment

a. **Coverage B - Scheduled Equipment** is extended to include direct physical loss or damage caused by or resulting from any "covered cause of loss" to newly acquired equipment for use in your "operations".

b. This automatic extension of coverage will apply for a period of 30 days from the date of acquisition on a "replacement cost" basis, not to exceed the purchase price of the newly acquired equipment. Coverage will cease for the newly acquired equipment at the earliest of 30 days from the date of acquisition, or when this coverage part is cancelled or nonrenewed.

c. A $1,000 deductible applies to this extension.

6. "Personal Watercraft" and "Watercraft"

a. **Coverage A - Blanket "Tools and Equipment"** and **Coverage C - Blanket "Emergency Services Equipment"** are extended to include direct physical loss or damage to "personal watercraft" or "watercraft" owned by you, caused by or resulting from a "covered cause of loss".

b. This extension applies to all such "personal watercraft" or "watercraft" that is either not powered by a motor or engine or is powered by a motor or combination of motors of 100 horsepower or less, regardless of whether the motor is inboard, outboard, or inboard/outboard.

c. This extension does not apply to any "personal watercraft" or "watercraft" that is listed under **Coverage B - Scheduled Equipment**.

d. We will pay up to the "replacement cost" of any "personal watercraft" or "watercraft", but the most we will pay under this extension is $25,000 in any one occurrence.

7. Rental Reimbursement for Scheduled Equipment

a. **Coverage B - Scheduled Equipment Coverage** is extended to reimburse you for the expenses you incur to rent substitute equipment while your scheduled equipment is inoperable due to direct physical loss or damage caused by or resulting from a "covered cause of loss".

This coverage will only apply if:

(1) You make every reasonable effort to repair, replace, or rebuild such equipment; and

(2) You are unable to continue or resume your operations with similar equipment that is available to you at no additional expense to you.

b. We will pay your rental expenses incurred during the period of time that:

(1) Begins 72 hours after the loss occurs; and

(2) Ends the soonest of the following:

(a) when the damaged equipment has been replaced;

(b) when the damaged equipment has been repaired; or

(c) when the damaged equipment is no longer required.

c. If this policy expires before we have paid you all the rental reimbursement to which you are entitled, we will continue to make payments after the expiration date.

d. The most we pay under this extension in any one occurrence is $10,000.

e. No deductible applies to this coverage.

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission

8. "Unmanned Aircraft"

a. We will pay for direct physical loss or damage to "unmanned aircraft" owned by you or furnished to you for your regular use, resulting from a "covered cause of loss".

b. Coverage is not provided:

(1) While "unmanned aircraft" is rented, leased, or loaned to others without an operator who is your "employee" or volunteer; or

(2) While being used in any professional or organized racing or demolition contest or stunting activity, or while practicing or preparing for such contest or activity; or

(3) While not used in the insured's "operations".

c. Subject to the limit shown in **8.d.,** below, we will pay the "replacement cost" of the lost or damaged "unmanned aircraft" in excess of the deductible, but not more than the lesser of:

(1) The amount which you actually spend to repair or replace the lost or damaged "unmanned aircraft" with "unmanned aircraft" of comparable kind and quality; or

(2) The "replacement cost" of the lost or damaged "unmanned aircraft".

d. The most we will pay under this extension in any one occurrence is $25,000.

e. A $500 deductible applies to this extension.

9. Fire Department Charges

a. We will pay up to $1,000 in any one occurrence for fire department charges as a result of direct physical damage to your "tools and equipment", scheduled equipment or "emergency services equipment" due to a "covered cause of loss".

b. No deductible applies to this extension.

10. Fire Extinguishing Equipment Recharge Costs

a. We will pay the necessary and reasonable cost to recharge or refill your fire extinguishing equipment, including both hand-held extinguishers and fixed automatic extinguishing systems, as a result of:

(1) Their discharge as a result of a "covered cause of loss"; or

(2) Their accidental discharge in the absence of a "covered cause of loss".

b. This extension applies regardless of whether the fire extinguishing equipment itself is damaged.

c. The fire extinguishing equipment must be for the protection of your "tools and equipment", scheduled equipment or your "emergency services equipment".

d. No deductible applies to this extension.

SECTION III - COVERED CAUSES OF LOSS

"Covered cause of loss" means any cause of direct physical loss or damage except as excluded below.

Exclusions

This coverage part does not apply to loss or damage caused by or resulting directly or indirectly from the following causes, or occurring in the following situations. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently with or before, during, or after the loss or damage.

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission

But we will cover resulting fire or explosion, meaning a fire or explosion that results from any cause of loss other than “war”, whether or not that cause of loss itself is covered under this coverage part.

1. **Asbestos**

   Loss or damage resulting from asbestos or asbestos-containing materials, unless the damage from asbestos is caused by or results from your “emergency operations” conducted away from premises owned or occupied by you.

2. **Delay, Loss of Use**

   Delay and loss of use or because you can no longer sell or use property.

3. **Dishonesty**

   Dishonest acts or omissions of you or your elected or appointed public officials, “employees”, or volunteers, or anyone authorized to act for you, or anyone to whom you entrust property, whether an individual is acting alone or in collusion with others.

4. **Faulty Design**

   Faulty, inadequate, or defective design, specifications, workmanship and material including the cost of correcting any faulty design, workmanship, material, manufacture or installation, alteration, repair or work on covered “tools and equipment”, “emergency services equipment” or scheduled equipment. This exclusion does not apply to loss or damage that results from any of these, if the loss or damage occurs in connection with any cause of loss not otherwise excluded by this policy.

5. **“Fungus”, Wet Rot, Dry Rot or Bacteria**

   The presence, growth, proliferation, spread or any activity of “fungus”, wet rot, dry rot or bacteria, including loss, damage or “remediation expenses” resulting from any of these.

6. **Inherent Vice**

   A natural condition of property that causes it to deteriorate or become damaged. Examples of inherent vice are the yellowing and cracking of old paper, patina that forms on old bronze and the swelling of wood under moist conditions.

7. **Latent Defects**

   Faults or defects in the property itself.

8. **Mechanical Breakdown**

   Mechanical Breakdown.

9. **Mysterious Disappearance**

   Mysterious disappearance of property or an inventory shortage.

10. **Neglect**

    Neglect means your failure to take all reasonable steps to protect your “tools and equipment”, “emergency services equipment”, or scheduled equipment when it is threatened with loss or damage and to take all reasonable steps to protect your “tools and equipment”, “emergency services equipment” or scheduled equipment from further loss after loss or damage occurs. This exclusion does not apply to the use of your “tools and equipment”, “emergency services equipment” or scheduled equipment used in “emergency operations”.

11. **“Nuclear Activity”**

12. **Pollution**

    Pollution or contamination including the actual, alleged or threatened presence, discharge, seepage, migration, release or escape of “pollutants” unless caused by a “specified cause of loss” or by your

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission

"training operations", or by your "emergency operations" conducted away from premises owned or occupied by you.

13. **"War"**

14. **Wear and Tear**

    Wear and tear, deterioration, rust, corrosion, marring or scratching, erosion, decomposition, and decay.

SECTION IV - WHAT WE WILL PAY

A. Limits of Insurance

1. For **Coverage A - Blanket "Tools and Equipment"**, the most we will pay for loss or damage in any one occurrence is the applicable blanket Limit of Insurance shown in the Declarations. However, the most we will pay for any single item including its attached devices and accessories, is $10,000.
2. For **Coverage B - Scheduled Equipment**, the most we will pay for loss or damage in any one occurrence is the applicable Limit of Insurance shown in the Declarations or in an attached schedule for the scheduled item.
3. For **Coverage C - Blanket "Emergency Services Equipment"**, the most we will pay for loss or damage in any one occurrence is the applicable blanket Limit of Insurance shown in the Declarations.
4. If an item is scheduled under **Coverage B - Scheduled Equipment**, there is no coverage for such item under **Coverage A** or **Coverage C**.

B. Deductible

1. We will not pay for loss or damage in any one occurrence until the amount of loss or damage exceeds the applicable deductible for each coverage as indicated in the declarations. We will then pay the amount of loss or damage in excess of the deductible, up to the applicable Limit of Insurance.
   a. If loss under both **Coverage A** and **Coverage C** applies to any one occurrence, only one deductible, the largest, will apply to the **Coverage A** and **Coverage C** loss.
   b. If loss under **Coverage B** involves more than one scheduled item in any one occurrence, only one deductible, the largest, will apply to the **Coverage B** loss.
2. **Deductible Waiver**. If a loss covered under **Coverage A** and/or **Coverage C** of this coverage form also involves a loss under a Property Coverage Form or a Business Auto Policy issued to you by us, only one deductible, the largest, will be applied to the loss. The deductible under the other coverage form or policies will be waived. This provision does not include any **Coverage B** loss.

C. Valuation

1. **Coverage A Valuation - Replacement Cost**

   In the event of loss or damage, we will determine the value of property under **Coverage A - Blanket "Tools and Equipment"** as follows:

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission

a. We will pay the "replacement cost" of the lost or damaged "tools and equipment" in excess of the deductible, but not more than the smallest of the following:

(1) The amount which you actually spend to repair or replace the lost or damaged "tools and equipment" with "tools and equipment" of comparable kind and quality;

(2) The "replacement cost" of the lost or damaged "tools and equipment"; or

(3) The limit shown in the Declarations for "tools and equipment".

b. You may substitute "tools and equipment" of a different kind or quality and still comply with the "replacement cost" provision, but we will not pay more than the cost to repair or replace the lost or damaged "tools and equipment" with "tools and equipment" of comparable kind and quality.

2. Coverage B Valuation - Replacement Cost or Actual Cash Value

In the event of loss or damage, we will determine the value of property under **Coverage B - Scheduled Equipment** as follows:

a. If "replacement cost" valuation is indicated in the Schedule, we will not pay more than the limit applicable to the lost or damaged scheduled equipment. Subject to that limit, we will pay the "replacement cost" of any loss or damage to the scheduled equipment in excess of the deductible, so long as:

(1) The loss or damage to the scheduled equipment is actually repaired or replaced;

(2) The repairs to or replacement of the scheduled equipment are made within one year of the loss or damage;

(3) The repairs or replacements restore the scheduled equipment to the same use; and

(4) The repairs to or replacement of the scheduled equipment are of the same kind and quality as the scheduled equipment suffering the loss or damage. You may substitute equipment of a different kind or quality, but we won't pay more than what it would cost to repair or replace the loss or damage to the scheduled equipment with equipment of comparable kind and quality.

b. If "replacement cost" does not apply, we will pay for loss or damage on the basis of the "actual cash value" of the scheduled equipment at the time of loss. The most we will pay for loss or damage to the scheduled equipment valued by the "actual cash value" method is the smallest of the following:

(1) The coverage limit which applies to the scheduled equipment;

(2) The "actual cash value" of the lost or damaged scheduled equipment; or

(3) The amount which you actually spend to repair or replace the lost or damaged scheduled equipment with equipment of comparable kind or quality. You may substitute equipment of a different kind or quality, but we won't pay more than what it would cost to replace the lost or damaged equipment with equipment of comparable kind and quality.

c. If "replacement cost" valuation is indicated in the Schedule, you may make a claim for loss or damage covered by this insurance on an "actual cash value" basis instead of on a "replacement cost" basis. If you elect to have loss or damage settled on an "actual cash value" basis, you may still make a claim on a "replacement cost" basis at any time within one year after the loss. However, you will only have this privilege if you comply with all the requirements of the "replacement cost" provisions.

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission

3. Coverage C Valuation - Guaranteed Replacement Cost

In the event of loss or damage under **Coverage C - Blanket "Emergency Services Equipment"**, we will determine the value of property on a guaranteed "replacement cost" basis, as follows:

a. We will pay the entire "replacement cost" of the lost or damaged "emergency services equipment", or the cost to repair or replace the damaged "emergency services equipment", whichever is smaller, in excess of the deductible, provided you accurately report to us at policy inception and within 30 days after acquisition, the number and "types of vehicles" which carry "emergency services equipment" owned by you.

b. You may substitute "emergency services equipment" of a different kind or quality, but we won't pay more than the cost to repair or replace the lost or damaged "emergency services equipment" with "emergency services equipment" of comparable kind and quality.

c. Our estimated value of the total "replacement cost" of all "emergency services equipment" is based on the number and "types of vehicles" reported by you which carry "emergency services equipment" owned by you.

d. If you do not accurately report the number and "types of vehicles" set forth in paragraph **3.a.** above, we will determine the most we will pay using the following steps:

(1) Calculate the estimated value of your "emergency services equipment" based on the number and "types of vehicles" you reported to us.

(2) Calculate the estimated value of your "emergency services equipment" had the number and "types of vehicles" been accurately reported to us.

(3) Divide the amount calculated in step (1) by the amount calculated in step (2).

(4) Multiply the resulting proportion by the total amount of the loss.

(5) Subtract the applicable deductible.

We will pay the amount determined in step (5). For the remainder of any loss, you will have to rely on other insurance or absorb the loss.

SECTION V - CONDITIONS

The following apply in addition to the Common Policy Conditions.

1. Abandonment

There can be no abandonment of any property to us.

2. Appraisal

If we cannot agree with you on the amount of the loss, either of us can demand that the following procedure be used to settle the amount.

a. You or we will request in writing that the dispute be submitted to appraisal within 60 days from the time we receive your proof of loss. Each will then select an appraiser and notify the other of that choice within 20 days of the initial request.

b. The appraisers will select an impartial umpire. If they cannot agree on an umpire within 15 days, either you or we can ask that an umpire be appointed by a judge of a court having jurisdiction in the county where the property is located.

c. The appraisers will appraise each item for its value at the time of loss and the amount of loss. If they can't agree, they will submit any differences to the umpire. An agreement in writing by any two of these three will determine the amount of the loss.

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission

d. You will pay your appraiser and we will pay ours. Each will share equally any other costs of the appraisal and the umpire.

e. We will not surrender our rights by any act we take relating to an appraisal.

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission

3. Concealment, Misrepresentation or Fraud

This coverage part is void in any case of fraud by you as it relates to this coverage part at any time. It is also void if you or any other insured, at any time, intentionally conceal or misrepresent a material fact concerning:

a. This coverage part;

b. The covered property;

c. Your interest in the covered property; or

d. A claim under this coverage part.

4. Control of Property

Any act or neglect of any person other than you, beyond your direction or control, will not affect this insurance. The breach of any condition of this coverage part at any one or more locations will not affect coverage at any location where, at the time of loss or damage, the breach of condition does not exist.

5. Duties in the Event of Loss or Damage

a. You must see that the following are done in the event of loss or damage to property insured under this coverage part:

(1) Notify the police if a law may have been broken.

(2) Give us prompt notice of the loss or damage. Include a description of the property involved.

(3) As soon as possible, give us a description of how, when and where the loss or damage occurred.

(4) Take all reasonable steps to protect the property from further damage by a “covered cause of loss”. If feasible, set the damaged property aside and in the best possible order for examination. Also keep a record of your expenses for emergency and temporary repairs, for consideration in the settlement of the claim. This will not increase the Limit of Insurance.

(5) At our request, give us complete inventories of the damaged and undamaged property. Include quantities, costs, values, and amount of loss claimed. However, if the total claim for any loss is less than $10,000, you are not required to provide an inventory of the undamaged property.

(6) As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records.

Also permit us to take samples of damaged and undamaged property for inspection, testing and analysis, and permit us to make copies from your books and records.

(7) Send us a signed, sworn proof of loss containing the information we request to investigate the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.

(8) Cooperate with us in the investigation or settlement of the claim.

b. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

6. Insurance Under Two or More Coverages

If two or more coverages of this coverage part apply to the same loss or damage, we will not pay more than the actual amount of the loss or damage.

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission

7. Legal Action Against Us

No one may bring a legal action against us under this coverage part unless:

a. There has been full compliance with all of the terms of this coverage part; and

b. The action is brought within two years after the date on which the direct physical loss or damage occurred.

8. Loss Payment

a. In the event of loss or damage covered by this coverage part, at our option, we will either:

(1) Pay the value of lost or damaged property;

(2) Pay the cost of repairing or replacing the lost or damaged property;

(3) Take all or any part of the property at an agreed or appraised value; or

(4) Repair, rebuild or replace the property with other property of like kind and quality.

b. We will give notice of our intentions within 30 days after we receive the sworn proof of loss.

c. We will not pay you more than your financial interest in the property.

d. We may adjust losses with the owners of lost or damaged property if other than you. If we pay the owners, such payments will satisfy your claims against us for the owners' property. We will not pay the owners more than their financial interest in the property.

e. We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.

f. We will pay for covered loss or damage within 30 days after we receive the sworn proof of loss if:

(1) You have complied with all of the terms of this coverage part; and

(2) We have reached agreement with you on the amount of loss, or an appraisal award has been made.

9. No Benefit to Bailee

No person or organization, other than you, having custody of covered property will benefit from this insurance.

10. Other Insurance

a. You may have other insurance subject to the same plan, terms, conditions and provisions as the insurance under this coverage part. If you do, we will pay our share of the covered loss or damage. Our share is the proportion that the applicable Limit of Insurance under this coverage part bears to the Limits of Insurance of all insurance covering on the same basis.

b. If there is other insurance covering the same loss or damage, other than that described in **a.** above, we will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect it or not. But we will not pay more than the applicable Limit of Insurance.

11. Policy Period, Policy Territory

We will cover loss or damage commencing:

a. During the policy period shown in the Declarations; and

b. Within the policy territory. Policy territory means the United States, its territories and possessions, Puerto Rico and Canada.

12. Recovered Property

If either you or we recover any property after loss settlement, that party must give the other prompt notice. At your option, the property will be returned to you. You must then return to us the amount we

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission

paid to you for the property. We will pay recovery expenses and the expenses to repair the recovered property, subject to the Limit of Insurance.

13. **Transfer of Rights of Recovery Against Others To Us**

If any person or organization to or for whom we make payment under this coverage part has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after loss to impair them. But you may waive your rights against another party in writing:

a. Prior to a loss to your covered property;

b. After a loss to your covered property only if, at time of loss, that party is one of the following:

(1) Someone insured by this insurance;

(2) An organization owned by or controlled by you;

(3) An organization that owns you or controls you; or

(4) Your tenant.

This will not restrict your insurance.

SECTION VI – DEFINITIONS

1. "Aircraft" means aircraft, other than "unmanned aircraft", except those that are:

a. On the ground for display or instructional purposes;

b. Not self-propelled; and

c. Not certified for flight.

However, this does not include detached aircraft engines, parts, accessories and equipment.

2. "Actual cash value" is calculated as the amount it would cost to repair or replace damaged or destroyed equipment, at the time of loss or damage, with equipment of like kind and quality, subject to a deduction for deterioration, depreciation and obsolescence. "Actual cash value" applies to the valuation of equipment regardless of whether that equipment has sustained partial or total loss or damage. The "actual cash value" of such equipment may be significantly less than its "replacement cost".

3. "Computer equipment" means your programmable electronic equipment that is used to store, retrieve and process "electronic data". It includes their component parts and air conditioning, fire suppression equipment and electrical equipment used exclusively in your computer operations as well as associated peripheral equipment that provides communication including input and output functions such as printing or auxiliary functions such as "electronic data" transmission.

4. "Covered cause of loss" is defined in Section **III** - Covered Causes Of Loss.

5. "Electronic data" means information, facts or computer programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), on hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other repositories of computer software which are used with electronically controlled equipment. The term computer programs, referred to in the foregoing description of "electronic data", means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve or send data.

6. "Emergency operations" means actions performed by members of law enforcement, a fire department, hazardous materials unit, or first aid, ambulance or rescue squad, which are urgent responses for the protection of property, human life, health or safety.

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission

7. "Emergency services equipment" means portable law enforcement, firefighting, ambulance, rescue, and communications equipment commonly used in law enforcement, firefighting, or rescue operations away from your premises. This term includes equipment specific to law enforcement, firefighting, or rescue related activities, such as firearms, radar speed timing units, training videos, manuals and mannequins, including trailers whose primary purpose is to transport covered "emergency services equipment".

"Emergency services equipment" does not include:

a. "Tools and equipment" that are not commonly used in activities specified above;

b. "Aircraft", its parts or accessories;

c. Animals;

d. "Computer equipment" or software or other "electronic data" processing equipment except when such equipment is intended for use off your premises in actual "emergency operations" or in training for "emergency operations";

e. "Fine arts or property that is rare or that has historic or artistic value, including antiques or rare articles;

f. Jewelry (except watches);

g. "Money" and "securities";

h. "Personal effects" belonging to you or your officers, managers, elected or appointed officials, "employees", or volunteers, other than individually owned portable law enforcement, firefighting, ambulance, or rescue related equipment;

i. "Personal property" including contents and building fixtures;

j. Televisions, video cassette recorders, and other audio-visual equipment except when such equipment is intended for use off your premises in actual "emergency operations" or in training for "emergency operations";

k. "Unmanned aircraft";

l. "Valuable papers and records";

m. "Vehicles";

n. "Watercraft" or "personal watercraft" except as provided for in **Extension 6**. for **Coverage C**, or in an attached schedule for **Coverage B**; or

o. Property or equipment covered under another coverage form of this or any other policy in which it is more specifically described.

8. "Employees" are people who work for you in the conduct of your ordinary activities, in return for a salary, wages or commissions. In order to be considered an "employee", a person must be subject to your exclusive direction in the performance of his or her activities. Contractors and agents are not considered to be "employees".

9. "Fungus" means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by fungi.

10. "Money" means currency, coins, bank notes, bullion, traveler's checks, registered checks and money orders held for sale.

11. "Nuclear activity" means loss from nuclear reaction, nuclear radiation or radioactive contamination, whether deliberate or accidental, controlled or uncontrolled, and whether or not the loss is direct or indirect, proximate or remote, or is contributed to or aggravated by a "covered cause of loss". But it does not include explosion, fire or smoke.

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission

12. “Operations” means your business activities or your activities as a local government unit including law enforcement, firefighting, ambulance or rescue services.

13. “Personal effects” means property that belongs to an individual and is devoted primarily to that individual's personal use; for example, clothing, eyeglasses, or individually owned portable law enforcement, firefighting, ambulance, or rescue related equipment.

“Personal effects” does not include:

a. “Aircraft” or its parts, accessories and equipment or “unmanned aircraft”;

b. Animals;

c. Fine arts or property that is rare or that has historic or artistic value, including antiques or rare articles;

d. Jewelry, (except watches);

e. “Money” and “securities”;

f. “Vehicles”; or

g. “Watercraft” and “personal watercraft”.

14. “Personal property” means all property used in your “operations”, other than “real property”, including but not limited to furnishings and office equipment, materials, supplies (including your inventory of “vehicle” parts and supplies) while held on your premises awaiting installation, building contents, “computer equipment”, communication systems, base stations and dispatching systems.

15. “Personal watercraft” means a vessel used in your “operations” which uses an inboard motor powering a water jet pump as its primary source of motive power, and which is designed to be operated by a person sitting, standing, or kneeling on the vessel, rather than the conventional manner of sitting or standing inside the vessel.

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

17. “Real property” means “items” at a “premises” including:

a. Aboveground piping;

b. Aboveground and belowground “penstock”;

c. Additions under construction;

d. Air cascade units that are not designed to be used off “premises”;

e. All appurtenant buildings or structures other than playground equipment, park shelters, pedestrian-only bridges, picnic tables, water fountains or coolers, benches, dugouts, bleachers, or scoreboards;

f. Alterations and repairs to the buildings or structures;

g. Completed additions;

h. Exterior signs, meaning neon, automatic, mechanical, electric or other signs either attached to the outside of a building or structure, or standing free in the open;

i. Foundations;

j. Materials, equipment, supplies and temporary structures you own or for which you are responsible, on the “premises” or in the open (including property inside “vehicles”) within 1,000 feet of the “premises”, used for making additions, alterations or repairs to buildings or structures at the “premises”;

k. Outdoor fixtures;

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission

l. Paved surfaces such as sidewalks, bike paths, walkways, patios or parking lots;

m. Permanently installed fixtures, machinery, and equipment;

n. "Personal property" used for the maintenance and service of buildings or structures, including tools, lawn care equipment, and free standing appliances for refrigerating, ventilating, cooking, dishwashing and laundering;

o. Submersible pumps, pump motors and engines; or

p. Underground piping located on or within 100 feet of a "premises" described in the Declarations.

"Real property" does not include:

a. Canals, ditches, flumes or aqueducts;

b. Dams, locks, levees, or reservoirs;

c. Docks, wharves, piers, pilings or bulkheads;

d. Electric utility power transmission and distribution lines, poles and related equipment;

e. Excavations, grading, or filling;

f. Foundations of machinery or boilers if the foundations are below the lowest basement floor or the surface of the ground, if there is no basement;

g. Land, including land on which the property is located;

h. Pump motors and engines exceeding 1,000 horsepower capacity;

i. Roadways or bridges;

j. "Tools and equipment";

k. Trees, shrubs, plants and lawns except as described in Section **II** - Coverage Extensions;

l. Underground flues, drains or well structures;

m. Underground piping located more than 100 feet from the "premises" described in the Declarations; or

n. Water.

18. "Remediation expenses" are expenses incurred for or in connection with the investigation, monitoring, removal, disposal, treatment, or neutralization of pollution conditions to the extent required by:

a. Federal, state or local laws, regulations or statutes, or any subsequent amendments thereof, enacted to address pollution conditions; or

b. A legally executed state voluntary program governing the cleanup of pollution conditions.

Pollution conditions means the discharge, dispersal, release, seepage, migration, or escape of smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids or gases, hazardous materials, waste materials (including medical, infectious and pathological wastes) or electromagnetic fields into or upon land or any structures thereon, the atmosphere, or any watercourse or body of water including groundwater.

19. "Replacement cost" is calculated as the amount it would cost, following direct physical loss or damage, to replace covered equipment with equipment of the same kind and quality, determined at the time of loss, without deduction for deterioration, depreciation or obsolescence.

20. "Securities" means negotiable and non-negotiable instruments or contracts that represent property or obligations to pay "money". Stamps, including revenue stamps, are "securities"; so are tokens and tickets. However, stamps are covered only for their face value. "Money" is not considered to be "securities".

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission

21. "Sinkhole collapse" means sudden sinking or collapse of land into underground empty space created by the action of water on limestone or similar rock formations. "Sinkhole collapse" does not include the cost of filling sinkholes.

22. "Specified cause of loss" means fire, lightning, windstorm or hail, explosion, riot or civil commotion, "vehicles" or aircraft, smoke, sonic boom, vandalism and malicious mischief, "sprinkler leakage", "sinkhole collapse", "volcanic action", falling objects, or weight of ice, snow or sleet.

23. "Sprinkler leakage" means leakage or discharge of any substance from an automatic sprinkler system. It includes the collapse or fall of a tank that is part of a plumbing or an automatic sprinkler system. It also includes damage caused by breakage or freezing to parts of an automatic sprinkler system installed in a building, if "sprinkler leakage" results from such damage.

24. "Tools and equipment" means all tools and equipment, together with attached devices, accessories and trailers that are used in your "operations". "Tools and equipment" includes, but is not limited to, hand tools, mechanics tools, power tools, meter readers, generators, air compressors, welders, trash pumps, trenchers, saws, jack hammers, maintenance or diagnostic equipment including specialized audio-visual equipment and its associated laptop, as well as recreational equipment, such as outdoor portable seating, temporary stands, food service trailers not licensed for road use, or portable restrooms.

"Tools and equipment" also includes mobile equipment such as, but not limited to, bulldozers, mobile equipment that travels on crawler treads, tractors, loaders, backhoes, excavators, graders, or road surfacing equipment, and equipment whether self propelled or not, maintained primarily to provide mobility to permanently mounted cranes, shovels, loaders, diggers, and drills.

"Tools and equipment" also includes snow plows, salt spreaders, and other similar equipment when not attached to a "vehicle".

"Tools and equipment" does not include the following:

a. "Aircraft", its parts and accessories and "unmanned aircraft", except "unmanned aircraft" as provided for in **Extension 8**. for **Coverage A**;

b. Animals;

c. "Emergency services equipment";

d. Fine arts;

e. Jewelry;

f. "Money" and "securities";

g. "Personal effects" belonging to you or your officers, managers, elected or appointed officials, "employees", or volunteers;

h. "Personal property", other than laptops as described above;

i. "Real property";

j. Scheduled equipment listed under **Coverage B**;

k. Televisions, video cassette recorders, and other audio-visual equipment other than the specialized audio-visual equipment described above;

l. "Valuable papers and records";

m. "Vehicles";

n. "Watercraft" or "personal watercraft" except as provided for in **Extension 6**. for **Coverage A**, or in an attached schedule for **Coverage B**; or

o. Property or equipment covered under another coverage form of this or any other policy in which it is more specifically described.

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission

25. "Training operations" means activities used to prepare, train, or instruct members of law enforcement, 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.

26. "Types of vehicles" means various categories of vehicles commonly used in law enforcement, firefighting, ambulance or rescue operations, such as pumpers, brush trucks, aerial devices, rescue trucks, law enforcement vehicles or advanced life support ambulances.

27. "Unmanned aircraft" means an aircraft weighing 15 pounds or less, that is not:

a. Designed;

b. Manufactured; or

c. Modified after manufacture;

to be controlled directly by a person from within or on the aircraft.

"Unmanned aircraft" includes equipment used with such "unmanned aircraft", provided such equipment is attached to or essential for its operation. Payload (camera) is included only when in connection to, stored with, or in use with the drone.

28. "Valuable papers and records" are documents that are written, printed, or otherwise inscribed. These include:

a. Books, manuscripts, abstracts, maps and drawings;

b. Film and other photographically produced records, such as slides and microfilm; and

c. Legal and financial agreements such as deeds and mortgages.

29. "Vehicle" means vehicles or their parts, accessories, and equipment if the vehicles are required by law to be licensed for highway use.

30. "Volcanic action" means direct loss or damage resulting from the eruption of a volcano when the loss or damage is caused by:

a. Airborne volcanic blast or airborne shock waves;

b. Ash, dust or particulate matter; or

c. Lava flow.

All volcanic eruptions that occur within any 168 hour period will constitute a single occurrence.

But "volcanic action" does not include the cost to remove ash, dust or particulate matter that does not cause direct physical loss or damage to covered property.

31. "War" means any of the following:

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.

32. "Watercraft" means any watercraft used in your "operations", including its motor, parts, accessories and equipment, but does not include "personal watercraft".

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission

Named Insured: Motivated Youth Academy	Policy Number: 7NA6CP0002704-00 Policy Period: From 07/01/2026 To 07/01/2027

GENERAL LIABILITY COVERAGE PART DECLARATIONS

LIMITS OF INSURANCE

Each Occurrence	$1,000,000
Damage to Premises Rented to You	$1,000,000
Medical Expense	$10,000
Personal and Advertising Injury	$1,000,000
General Aggregate	$3,000,000
Products – Completed Operations Aggregate	$3,000,000

Coverage A – Bodily Injury and Property Damage Liability
Coverage B – Personal and Advertising Injury Liability

Estimated Coverage Part Premium: $5,495.00

GENERAL LIABILITY FORMS

See Schedule of Forms and Endorsements.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK POLICY

A. If aggregate insured losses attributable to terrorist acts certified under the federal Terrorism Risk Insurance Act exceed $100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds $100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

1. The act resulted in insured losses in excess of $5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and

2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is 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.

B. The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for injury or damage that is otherwise excluded under this Coverage Part.

 © Insurance Services Office, Inc., 2015

Powered by BoardOnTrack

GENERAL LIABILITY COVERAGE FORM

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

Throughout this coverage part the words “you” and “your” refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this coverage part. The words “we”, “us” and “our” refer to the company providing this insurance. The words “policy period” mean the term of duration of the policy shown in the Declarations.

The word “insured” means any person or organization qualifying as such under Section **II -** Who Is An Insured.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section **V** - Definitions**.**

SECTION I - COVERAGES

COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY

1. Insuring Agreement

a. We will pay those sums that the insured becomes legally obligated to pay as damages because of “bodily injury” or “property damage” to which this insurance applies. We will have the right and duty to defend the insured against any “suit” seeking those damages. However, we will have no duty to defend the insured against any “suit” seeking damages for “bodily injury” or “property damage” to which this insurance does not apply. We may, at our discretion, investigate any “occurrence” and settle any claim or “suit” that may result. But:

(1) The amount we will pay for damages is limited as described in Section **III -** Limits Of Insurance; and

(2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages **A** or **B** or medical expenses under Coverage **C.**

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages **A** and **B.**

b. This insurance applies to “bodily injury” or “property damage” only if:

(1) The “bodily injury” or “property damage” is caused by an “occurrence” that takes place in the “coverage territory”;

(2) The “bodily injury” or “property damage” occurs during the policy period; and

(3) Prior to the policy period, no insured listed under Paragraph **1.**, Paragraph **2.a**., or Paragraph **2.f.** of Section **II** - Who Is An Insured and no insured authorized by you to give or receive notice of an “occurrence” or claim, knew or had reason to know that the “bodily injury” or “property damage” had occurred in whole or in part. If any such persons knew or had reason to know, prior to the policy period, that the “bodily injury” or “property damage” occurred in whole or part, then any continuation, change or resumption of such “bodily injury” or “property damage” during or after the policy period will be deemed to have been known to have occurred prior to the policy period.

c. “Bodily injury” or “property damage” which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph **1.**, Paragraph **2.a.,** or Paragraph **2.f.** of Section **II** - Who Is An Insured or any insured authorized

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the policy period.

d. "Bodily injury" or "property damage" will be deemed to have been known to have occurred when any insured listed under Paragraph **1.,** Paragraph **2.a.,** or Paragraph **2.f.** of Section **II** - Who Is An Insured or any insured authorized by you to give or receive notice of an "occurrence" or claim:

(1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;

(2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or

(3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.

e. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

2. Exclusions Applicable to Coverage A

This insurance does not apply to:

a. Aircraft, Auto Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned 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 claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft"), "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This exclusion does not apply to:

(1) A watercraft while ashore on premises you own or rent;

(2) A watercraft you do not own that is not being used to carry persons or property for a charge;

(3) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft;

(4) A watercraft you own that is:

(a) Powered by a motor or combination of motors of 100 horsepower or less;

(b) Not powered by a motor; or

(c) A "personal watercraft".

(5) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured; or

(6) "Bodily injury" or "property damage" arising out of:

(a) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged; or

(b) The operation of any of the equipment listed in Paragraph **f.(2)** or **f.(3)** of the definition of "mobile equipment".

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

b. Asbestos

Any injury, damage, expense, cost, loss, liability or legal obligation arising out of or in any way related to asbestos or asbestos-containing materials, or exposure thereto, or for the costs of abatement, mitigation, removal, elimination or disposal of any of them.

This exclusion does not apply to:

(1) "Bodily injury" or "property damage" arising from; or

(2) The costs of abatement, removal or disposal of;

asbestos released as a result of "emergency service activity" or "training operations" away from premises which are either owned by, rented to, or occupied by any insured.

c. Chromated Copper Arsenate (CCA)

"Bodily injury" or "property damage" arising from any loss, cost or expense arising out of or resulting from, either directly or indirectly, chromated copper arsenate (CCA).

However, this exclusion does not apply if all of the following conditions have been met:

(1) There is a maintenance program in place and operating that includes the annual sealing of all CCA treated wood surfaces with a weather resistant polyurethane or oil-based semi-transparent stain; and

(2) An absorbent ground cover is in place under the CCA treated wood structures; and

(3) Records of when the work was performed and the type of sealant utilized are maintained.

d. Contractual Liability

"Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

(1) That the insured would have in the absence of the contract or agreement; or

(2) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract", reasonable attorney fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "bodily injury" or "property damage" provided:

(a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and

(b) Such attorney fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

e. Dam, Reservoir Or Levee Structural Failure Or Collapse

"Bodily injury" or "property damage", loss, cost or expense arising directly or indirectly out of the structural failure, collapse, bursting, flooding, cracking, settling, seepage, underseepage, spillage, subsidence, landslide or other earth movement of any dam, reservoir, levee, or dike owned, operated, maintained, constructed or controlled by any insured.

This exclusion does not apply to "bodily injury" or property damage", loss, cost or expense arising directly or indirectly out of the structural failure, collapse, bursting, flooding, cracking, settling, spillage, subsidence, landslide or other earth movement of any dam, reservoir, levee or dike which is scheduled in the coverage Declarations.

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

f. Damage To Impaired Property Or Property Not Physically Injured

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

(1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or

(2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

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

g. Damage To Property

"Property damage" to:

(1) Property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;

(2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;

(3) Property loaned to you;

(4) Personal property in the care, custody or control of the insured;

(5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or

(6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraphs **(1), (3)** and **(4)** of this exclusion do not apply to "property damage" (other than damage by "specified perils") to premises, including the contents of such premises, rented or loaned to you for a period of 30 or fewer consecutive days. The Each Occurrence Limit shown in the Declarations will apply to this coverage.

Paragraph **(2)** of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

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

Paragraphs **(3)** and **(4)** of this exclusion do not apply to "mobile equipment" borrowed or commandeered by you in connection with emergency operations.

Paragraph **(4)** of this exclusion does not apply to "property damage" to personal property belonging to anyone receiving service from any insured during an "emergency service activity" because of loss by theft, physical damage or disappearance of such property during the period beginning when "volunteer workers" or "employees" of the insured arrive on the scene or while they are rendering service to others and ending when they either leave the scene, complete their service, or transfer care of a transported patient to others. This insurance does not apply to that portion of any loss for which the Named Insured has other valid and collectible insurance. The limit of the company's liability is the Each Occurrence Limit stated in the Declarations, subject to a $100 deductible each "occurrence".

Paragraphs **(5)** and **(6)** of this exclusion do not apply to "property damage" resulting from actions taken to protect persons or property during an "emergency service activity" or "law enforcement activity".

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

Paragraph **(6)** of this exclusion does not apply to “property damage” included in the “products-completed operations hazard”.

h. Damage To Your Product

“Property damage” to “your product” arising out of it or any part of it.

i. Damage To Your Work

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

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

j. Distribution and Recording Of Material Or Information In Violation Of Law

“Bodily injury” or “property damage” arising directly or indirectly out of any action or omission that violates or is alleged to violate:

(1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;

(2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;

(3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transactions Act (FACTA); or

(4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

k. Electronic Data

Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

However, this exclusion does not apply to liability for damages because of “bodily injury”.

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

l. Employer’s Liability

“Bodily injury” to:

(1) An “employee” of the insured arising out of or in the course of:

(a) Employment by the insured; or

(b) Performing duties related to the conduct of the insured's operations;

(2) A “volunteer worker”, if you provide or are required to provide benefits for such “volunteer worker” under any workers' compensation, disability benefits, or unemployment compensation law, or any similar law; or

(3) The spouse, child, parent, brother or sister of that “employee” or “volunteer worker” as a consequence of **(1)** or **(2)** above.

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

This exclusion does not apply to liability assumed by the insured under an “insured contract”.

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

m. Employment Practices And Employee Benefit Plans

"Bodily injury" or "property damage" arising out of your "employment practices" or the "administration" of your "employee benefit plans".

n Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" or "property damage" resulting from reasonable actions taken to protect persons or property.

o. Fungi Or Bacteria

(1) Any injury or damage which would not have occurred or taken place, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, any "fungi" or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury or damage.

(2) Any loss, cost or expenses arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.

(3) This exclusion does not apply:

(a) To any "fungi" or bacteria that are, are on, or are contained in a good or product intended for consumption; or

(b) To any injury or damage arising out of or caused by your water or wastewater treatment process or sewage operations.

p. Law Enforcement Activity

Damages arising out of any "law enforcement activity".

q. Lead, Electromagnetic Radiation, Nuclear Material

(1) Any injury, damage, expense, cost, loss, liability or legal obligation arising out of or in any way related to:

(a) The toxic properties of lead, or any material or substance containing lead with the exception of "potable water" which you supply to others; or

(b) Electromagnetic radiation;

or exposure thereto, or for the costs of abatement, mitigation, removal, elimination, or disposal of any of them.

(2) Any loss, cost or expense arising out of any actual, alleged or threatened injury or damage to any person or property from any radioactive matter or nuclear material.

r. Mobile Equipment

"Bodily injury" or "property damage" arising out of:

(1) The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or

(2) The use of "mobile equipment" in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition or stunting activity.

s. Personal And Advertising Injury

"Bodily injury" arising out of "personal and advertising injury".

t. Pollution

Any injury, damage, expense, cost, loss, liability or legal obligation arising out of or in any way related to pollution, however caused. Pollution includes the actual, alleged, or potential

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

presence in or introduction into the environment of any substance if such substance has, or is alleged to have, the effect of making the environment impure, harmful or dangerous. Environment includes any air, land, structure (or the air within), watercourse or other body of water, including underground water.

(1) This exclusion does not apply:

(a) To “bodily injury” if sustained within a building which is or was at any time owned or occupied by, or rented or loaned to, any insured and is caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests.

(b) To “bodily injury” or “property damage” arising out of heat, smoke or fumes from a “hostile fire” unless that “hostile fire” occurred or originated:

i. At any premises, site or location which is or was at any time used by any insured or others for the handling, storage, disposal, processing or treatment of waste; or

ii. At any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations to test for, monitor, clean up, remove, contain, treat, detoxify, neutralize or in any way respond to, or assess the effects of, “pollutants” except to the extent coverage is provided in Paragraph **(c)** below.

(c) To “bodily injury” or “property damage” which occurs as a result of your operations provided the “bodily injury” or “property damage” is not otherwise excluded in whole or in part and arises out of the following:

i. “Potable water” which you supply to others;

ii. Chemicals you use in your water or wastewater treatment process;

iii. Chemicals you use or store in your classrooms and laboratories;

iv. Chemicals you use, apply or store for your ownership, maintenance, or operation of swimming pools;

v. The use, application or storage of road salt or similar substances designed and used for snow and ice removal from road and similar surfaces;

vi. Natural gas or propane gas you use in your water or wastewater treatment process;

vii. Urgent response for the protection of property, human life, health or safety conducted away from premises owned by, rented to or regularly occupied by you;

viii. “Training operations” by you;

ix. Water runoff from the cleaning of equipment used in an “emergency service activity”;

x. Storage and/or application of pesticides or herbicides if such storage and/or application meets all standards of any statute, ordinance, regulation or license requirement of any federal, state or local government; or

xi. Fuels, lubricants or other operating fluids needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of “mobile equipment” or its parts, but only if:

(aa) The fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them; and

(bb) The fuels, lubricants or other operating fluids are not:

(i) Intentionally discharged; or

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

(ii) Brought on or to a premises, site or location with the intent to be discharged as part of the operations being performed by an insured, contractor or subcontractor.

(d) To "bodily injury" or to "property damage" if such "bodily injury" or "property damage" is caused by the escape or back-up of sewage or waste water from any sewage treatment facility or fixed conduit or piping that you own, operate, lease or control, or for which you have the right of way, but only if "property damage" occurs away from land you own or lease.

(e) Paragraphs **(1)(c)** and **(1)(d)** of this exclusion only apply:

(i) To "bodily injury" or "property damage" arising out of a "short-term pollution event";

(ii) You notify us of the "short-term pollution event" as soon as practicable but no more than fourteen (14) days after its ending; and

(iii) The discharge is accidental, unintended and stopped as soon as possible. The entirety of any discharge or series if related discharges will be deemed a single discharge regardless of the length of time over which the "pollutants" are released. The entirety of any discharge or series of related discharges will be deemed to have only occurred at the date the earliest discharge commenced.

(2) This insurance does not apply to any loss, cost or expense arising out of any:

(a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or

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

However, this paragraph does not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

Discharge as used in this exclusion includes dispersal, seepage, migration, release or escape.

u. Professional Health Care Services

Damages arising out of providing or failing to provide "professional health care services".

v. Professional Services

Damages arising out of the rendering of or failure to render any architectural, engineering, surveying or legal professional services by you or any engineer, architect, surveyor, or lawyer performing work on your behalf in such capacity.

w. Public Use Of Property

"Bodily injury" or "property damage" arising out of the principles of eminent domain, condemnation, inverse condemnation or adverse possession.

x. Recall Of Products, Work Or Impaired Property

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

(1) "Your product";

(2) "Your work"; or

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

(3) "Impaired property";

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

y. Riot, Civil Commotion Or Mob Action

"Bodily injury" or "property damage" arising out of:

(1) Riot, civil commotion or mob action; or

(2) Any act or omission in connection with the prevention or suppression of a riot, civil commotion or mob action.

This exclusion does not apply to injury or damage arising out of your "emergency service activity", except "professional health care services", in response to a riot, civil commotion or mob action.

z. Sexual Abuse

"Bodily injury" arising out of the "sexual abuse" of any person. However, this exclusion shall not apply to the Named Insured if no elected or appointed official, "executive officer", officer, director, or trustee of the Named Insured knew or had reason to know of the "sexual abuse". Also, we will defend an insured for a covered civil action subject to the other terms of this coverage part until either a judgment or final adjudication establishes such an act, or the insured confirms such act.

aa. Specific Operations

"Bodily injury" or "property damage" arising from the ownership, operation, maintenance, entrustment to others, or use of any:

(1) Hospital or medical clinic;

(2) Nursing home, convalescent home, or home for the aged, handicapped or orphaned;

(3) Mental or psychiatric institution or institution for the restraint or treatment of substance abusers;

(4) Airport or similar facility;

(5) Port or similar facility;

(6) Public housing authority or project;

(7) Gas or electric generation facility; or

(8) Sanitary landfill, dump, or other permanent waste disposal facility.

bb. Water Or Wastewater Professional Activity

Damages arising out of an act, error or omission from your "water or wastewater professional activities".

cc. War

"Bodily injury" or "property damage", however caused, arising, directly or indirectly, out of:

(1) War, including undeclared or civil war;

(2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

(3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

dd. Workers' Compensation And Similar Laws

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

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

ee. Trampolines

"Bodily injury" and "property damage" arising out of the ownership, maintenance or use of trampolines greater than 48 inches in diameter.

ff. Unmanned Aircraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance or use of an "unmanned aircraft" while:

(1) Rented, leased or loaned to others without an operator who is your "employee" or "volunteer worker";

(2) Used in any professional or organized racing or demolition contest or stunting activity, or while practicing or preparing for such contest or activity; or

(3) Not used in the insured's operations.

Exclusions **a.** through **c., e.** through **m., o**. through **z.,** and **bb**. through **ff.** do not apply to damage by "specified perils" to premises while rented to you or temporarily occupied by you with permission of the owner. The Each Occurrence Limit shown in the Declarations will apply to this coverage.

COVERAGE B - PERSONAL AND ADVERTISING INJURY LIABILITY

1. Insuring Agreement

a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "personal and advertising injury" to which this insurance does not apply. We may, at our discretion, investigate any offense and settle any claim or "suit" that may result. But:

(1) The amount we will pay for damages is limited as described in Section **III** - Limits Of Insurance; and

(2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages **A** or **B,** or medical expenses under Coverage **C**.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages **A** and **B.**

b. This coverage applies to "personal and advertising injury" only if:

(1) The "personal and advertising injury" is caused by an offense arising out of your operations; and

(2) The offense is committed in the "coverage territory" during the policy period.

2. Exclusions Applicable To Coverage B

This insurance does not apply to:

a. Asbestos

Any injury, damage, expense, cost, loss, liability or legal obligation arising out of or in any way related to asbestos or asbestos-containing materials, or exposure thereto, or for the costs of abatement, mitigation, removal, elimination or disposal of any of them.

b. Breach Of Contract

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

"Personal and advertising injury" arising out of a breach of contract, except an implied contract to use another's advertising idea in your "advertisement".

c. Contractual Liability

"Personal and advertising injury" for which the insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement.

d. Criminal Acts

"Personal and advertising injury" arising out of a criminal act committed by or at the direction of the insured.

e. Distribution and Recording Of Material Or Information In Violation Of Law

"Personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

(1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;

(2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;

(3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transactions Act (FACTA); or

(4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

f. Electronic Chatrooms Or Bulletin Boards

"Personal and advertising injury" arising out of an electronic chatroom or bulletin board the insured hosts, owns, or over which the insured exercises control.

g. Employment Practices And Employee Benefit Plans

"Personal and advertising injury" arising out of your "employment practices" or "administration" of your "employee benefit plans".

h. Fungi Or Bacteria

(1) Any injury which would not have occurred or taken place, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, any "fungi" or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury or damage.

(2) Any loss, cost or expenses arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi".

i. Infringement Of Copyright, Patent, Trademark Or Trade Secret

"Personal and advertising injury" arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights. Under this exclusion, such other intellectual property rights do not include the use of another's advertising idea in your "advertisement".

However, this exclusion does not apply to infringement, in your "advertisement", of copyright, trade dress or slogan.

j. Insureds In Media And Internet Type Businesses

"Personal and advertising injury" committed by an insured whose business is:

(1) Advertising, broadcasting, publishing or telecasting;

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

(2) Designing or determining content of websites for others; or

(3) An Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs **22.a. b.,** and **c.** of "personal and advertising injury" under the Definitions Section.

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

k. Knowing Violation Of The Rights Of Another

"Personal and advertising injury" caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury".

l. Law Enforcement Activity

Damages arising out of any "law enforcement activity".

m. Lead, Electromagnetic Radiation Or Nuclear Material

(1) Any injury, expense, cost, loss, liability or legal obligation arising out of or in any way related to:

(a) The toxic properties of lead, or any material or substance containing lead; or

(b) Electromagnetic radiation;

or exposure thereto, or for the costs of abatement, mitigation, removal, elimination or disposal of any of them.

(2) Any loss, cost or expense arising out of any actual, alleged or threatened injury to any person or property from any radioactive matter or nuclear material.

n. Material Published Prior To Policy Period

"Personal and advertising injury" arising out of the oral or written publication of material whose first publication took place before the beginning of the policy period.

o. Material Published With Knowledge Of Falsity

"Personal and advertising injury" arising out of oral or written publication of material, if done by or at the direction of the insured with knowledge of its falsity.

p. Pollution

"Personal and advertising injury" arising out of or in any way related to pollution, however caused. Pollution includes the actual, alleged, or potential presence in or introduction into the environment of any substance if such substance has, or is alleged to have, the effect of making the environment impure, harmful or dangerous. Environment includes any air, land, structure (or the air therein), watercourse or other body of water, including underground water.

q. Pollution-Related

Any loss, cost or expense arising out of any:

(1) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or

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

r. Professional Health Care Services

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

Damages arising out of providing or failing to provide “professional health care services”.

s. Professional Services

Damages arising out of the rendering of or failure to render any architectural, engineering, surveying or legal professional services by you or any engineer, architect, surveyor, or lawyer performing work on your behalf in such capacity.

t. Public Use Of Property

“Personal and advertising injury” arising out of the principles of eminent domain, condemnation, inverse condemnation, or adverse possession.

u. Quality Or Performance Of Goods

“Personal and advertising injury” arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your “advertisement”.

v. Sexual Abuse

“Personal and advertising injury” arising out of the “sexual abuse” of any person.

w. Specific Operations

“Personal and advertising injury” arising from the ownership, operation, maintenance, entrustment to others, or use of any:

(1) Hospital or medical clinic;

(2) Nursing home, convalescent home, or home for the aged, handicapped or orphaned;

(3) Mental or psychiatric institution or institution for the restraint or treatment of substance abusers;

(4) Airport or similar facility;

(5) Port or similar facility;

(6) Public housing authority or project;

(7) Gas or electric generation facility; or

(8) Sanitary landfill, dump, or other permanent waste disposal facility.

x. Unauthorized Use Of Another's Name Or Product

“Personal and advertising injury” arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

y. War

“Personal and advertising injury”, however caused, arising directly or indirectly, out of:

(1) War, including undeclared or civil war;

(2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack by any government, sovereign or other authority using military personnel or other agents; or

(3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

z. Water Or Wastewater Professional Activity

Damages arising out of an act, error or omission from your “water or wastewater professional activities”.

aa. Wrong Description Of Prices

“Personal and advertising injury” arising out of the wrong description of the price of goods, products or services stated in your “advertisement”.

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

COVERAGE C - MEDICAL EXPENSE

1. Insuring Agreement

a. At your written request, we will pay medical expenses as described below for "bodily injury" caused by an accident:

(1) On premises you own or rent;

(2) On ways next to premises you own or rent;

(3) On that portion of a right-of-way, easement, or similar interest in property which you do not own or rent, upon which water, sewer, or other utility fixtures are installed as part of your operations, including any surface feature which directly results from the presence of such water, sewer or other utility fixture, but does not include any other portion of a right-of-way, easement or similar interest in property; or

(4) Because of your operations;

provided that:

(a) The accident takes place in the "coverage territory" and during the policy period;

(b) The expenses are incurred and reported to us within one year of the date of the accident; and

(c) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:

(1) First aid administered at the time of an accident;

(2) Necessary medical, surgical, x-ray and dental services, including prosthetic devices; and

(3) Necessary ambulance, hospital, professional nursing and funeral services.

2. Exclusions Applicable To Coverage C

We will not pay expenses for "bodily injury":

a. Any Insured

To any insured, except "volunteer workers" not performing an "emergency service activity" or a "law enforcement activity".

b. Athletic Activities

To a person injured while practicing, instructing or participating in any physical exercises or games, sports, or athletic contests.

c. Coverage A Exclusions

Excluded under Coverage **A -** Bodily Injury And Property Damage Liability**.**

d. Hired Person

To a person hired to do work for or on behalf of any insured or a tenant of any insured.

e. Injury On Normally Occupied Premises

To a person injured on that part of premises you own or rent that the person normally occupies.

f. Products – Completed Operations Hazard

Included within the "products-completed operations hazard".

g. Workers' Compensation And Similar Laws

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

To a person, whether or not an “employee” of any insured, if benefits for the “bodily injury” are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

SUPPLEMENTARY PAYMENTS – COVERAGES A AND B

1. We will pay, with respect to any claim we investigate or settle, or any “suit” against an insured we defend:

a. All expenses we incur.

b. Up to $5,000 for the cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.

c. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.

d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or “suit”, including actual loss of earnings up to $500 a day because of time off from work.

e. All court costs taxed against the insured in the “suit”. However, these payments do not include attorneys’ fees or attorneys’ expenses taxed against the insured.

f. 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 insurance, we 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 we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

2. If we defend an insured against a “suit” and an indemnitee of the insured is also named as a party to the “suit”, we will defend that indemnitee if all of the following conditions are met:

a. The “suit” against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an “insured contract”;

b. This insurance applies to such liability assumed by the insured;

c. The obligation to defend, or the cost of the defense of, that indemnitee has also been assumed by the insured in the same “insured contract”;

d. The allegations in the “suit” and the information we know about the underlying basis for the “suit” are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;

e. The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such “suit” and agree that we can assign the same counsel to defend the insured and the indemnitee; and

f. The indemnitee:

(1) Agrees in writing to:

(a) Cooperate with us in the investigation, settlement or defense of the “suit”;

(b) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the “suit”;

(c) Notify any other insurer whose coverage is available to the indemnitee; and

(d) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

(2) Provides us with written authorization to:

(a) Obtain records and other information related to the “suit”; and

(b) Conduct and control the defense of the indemnitee in such “suit”.

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments**.** Notwithstanding the provisions of any contractual liability exclusions or exceptions to exclusions, such payments will not be deemed to be damages and will not reduce the limits of insurance.

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when:

(1) We have used up the applicable limit of insurance in the payment of judgments or settlements; or

(2) The conditions set forth above, or the terms of the agreement described in Paragraph **f.** above, are no longer met.

SECTION II - WHO IS AN INSURED

1. If you are designated in the Declarations as:

a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.

b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business. However, if you are a public entity, you are insured as a partner in a partnership or as a joint venturer in a joint venture, but only if the partnership or joint venture is between you and another governmental organization or non-profit entity. Coverage does not extend to a partnership or joint venture that operates, controls, or funds a hospital or medical clinic, nursing home, airport, port, public housing, or a gas or electric generation facility.

c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.

d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your “executive officers” and directors are insureds, but only with respect to their duties as your officers or directors. Your directors, trustees or members of your school board or your governing board by whatever name are insureds but only with respect to their duties as your directors, trustees or board members. Your stockholders are also insureds, but only with respect to their liability as stockholders.

e. A public entity, you are an insured. Your operating authorities, boards, commissions, districts or any other governmental units are insureds, provided that you operate, control, and fund the authority, board, commission, district, or other governmental unit. Coverage does not extend to an authority, board, commission, district, or other governmental unit that operates, controls, or funds a hospital or medical clinic, nursing home, airport, port, public housing, or a gas or electric generation facility.

f. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

2. Each of the following is also an insured:

a. Elected Or Appointed Officials. Your elected or appointed officials, including elected or appointed officials of your operating authorities, boards, commissions, districts, or other governmental units but only for acts within the course and scope of their duties for the

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

insured public entity or its operating authorities, boards, commissions, districts or other governmental units.

b. Employees And Volunteer Workers. "Employees" and "volunteer workers", but only for acts within the course and scope of their employment or volunteer activities for you.

c. Real Estate Managers. Any person (other than your "employee" or "volunteer worker") or any organization while acting as your real estate manager.

d. Temporary Custodians. Any person or organization having proper temporary custody of your property if you die, but only:

(1) With respect to liability arising out of the maintenance or use of that property; and

(2) Until your legal representative has been appointed.

e. Legal Representatives. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.

f. Medical Directors. Physicians who are your medical directors, but only for acts within the course and scope of their medical director duties on behalf of your "emergency service activity".

g. Mutual Aid Agreements. Any persons or organizations providing service to you under any mutual aid or similar agreement, but only for acts within the scope of that mutual aid or similar agreement.

h. Good Samaritans. "Employees" and "volunteer workers" while acting as a Good Samaritan independently of his or her activities on your behalf, but only when he or she encounters the scene of an emergency requiring sudden action. In no event will such person who responds to the scene of an emergency with or for any other emergency service organization be an insured.

i. Owners Of Commandeered Equipment. The owner of commandeered equipment other than an "auto" is an insured while the equipment is in your temporary care, custody or control and is being used as part of an "emergency service activity".

j. Blanket Additional Insureds. Any person or organization required to be an additional insured under an "insured contract", if agreed to by you prior to the "bodily injury", "property damage", or "personal and advertising injury", caused in whole or in part by your acts or omissions or the acts or omissions of those acting on your behalf:

(1) In the performance of your operations; or

(2) In connection with premises owned or rented by you.

k. Student Teachers. Any of your student teachers who are teaching as part of their educational requirements are insureds, but only with respect to their duties in connection with their position as such.

l. Student Body Organizations. Any student body organization acting under the jurisdiction of your governing board is an insured, but only while under the supervision required by the governing board.

m. Parent Teacher Organizations Or Associations. Any parent teacher organization or association acting under the jurisdiction of your governing board is an insured, but only while under the supervision required by the governing board.

3. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:

a. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;

b. Coverage **A** does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

c. Coverage **B** does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

SECTION III - LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:

a. Insureds;

b. Claims made or "suits" brought; or

c. Persons or organizations making claims or bringing "suits".

2. The General Aggregate Limit is the most we will pay for the sum of:

a. Medical expenses under Coverage **C**;

b. Damages under Coverage **A**, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; and

c. Damages under Coverage **B.**

3. The Products-Completed Operations Aggregate Limit is the most we will pay under Coverage **A** for damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard".

4. Subject to Paragraph **2.** above, the Personal and Advertising Injury Liability Limit is the most we will pay under Coverage **B** for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization.

5. Subject to Paragraph **2.** or **3.** above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:

a. Damages under Coverage **A**; and

b. Medical expenses under Coverage **C**;

because of all damages arising out of the same or related "occurrence".

6. Subject to Paragraph **5.** above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage **A** for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by "specified perils", while rented to you or temporarily occupied by you with permission of the owner.

7. Subject to Paragraph **5.** above, the Medical Expense Limit is the most we will pay under Coverage **C** for all medical expenses because of "bodily injury" sustained by any one person.

The Limits of Insurance of this coverage part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

SECTION IV - CONDITIONS

The following conditions apply in addition to the Common Policy Conditions.

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

1. Bankruptcy

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this coverage part.

2. Duties In The Event Of An Occurrence, Offense, Claim Or Suit

a. You must see to it that we are notified as soon as practicable of an “occurrence”, or an offense which may result in a claim or “suit”. To the extent possible, notice should include:

(1) How, when and where the “occurrence” or offense took place;

(2) The names and addresses of any injured persons and witnesses; and

(3) The nature and location of any injury or damage arising out of the “occurrence” or offense.

b. If a claim is made or “suit” is brought against any insured, you must:

(1) Immediately record the specifics of the claim or “suit” and the date received; and

(2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or “suit” as soon as practicable.

c. You and any other involved insured must:

(1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or “suit”;

(2) Authorize us to obtain records and other information;

(3) Cooperate with us in the investigation or settlement of the claim or defense against the “suit”; and

(4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.

d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

e. If you report an “occurrence” or offense, to an insurer providing other than General Liability insurance which later develops into a General Liability claim covered under this coverage part, failure to report such “occurrence” or offense to us at the time of the “occurrence” or offense shall not be deemed in violation of these conditions. However, you shall give notification to us, as soon as is reasonably possible, that the “occurrence” or offense is a General Liability claim.

f. Knowledge of an “occurrence” or offense by any of your agents, “volunteer workers” or “employees” shall not constitute knowledge by you unless one of your officers or anyone responsible for administering your insurance program has received a notification from the agent, “volunteer worker” or “employee”.

3. Legal Action Against Us

No person or organization has a right under this coverage part:

a. To join us as a party or otherwise bring us into a “suit” asking for damages from an insured; or

b. To sue us on this coverage part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this coverage part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

4. Other Insurance

If other valid and collectible insurance is available to the insured “volunteer worker”, “employee”, elected or appointed officer, director, commissioner, trustee, medical director or owner of commandeered equipment for a loss we cover under Coverages **A or B** of this form, our insurance is primary, with no consideration for contribution with other insurance, except with respect to any medical malpractice liability insurance available to a physician who is acting on your behalf by providing medical treatment of a person. With respect to said medical malpractice liability insurance, our insurance is excess over that coverage.

If other valid and collectible insurance is available to the insured, other than “volunteer workers”, “employees”, elected or appointed officers, directors, commissioners, trustees, medical directors or owners of commandeered equipment, for a loss we cover under Coverages **A or B** of this form, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary except when Paragraph **b.** below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in Paragraph **c.** below.

b. Excess Insurance

This insurance is excess over:

(1) Any of the other insurance, whether primary, excess, contingent or on any other basis:

(a) That is fire, extended coverage, builder's risk, installation risk or similar coverage for “your work”;

(b) That is “specified perils” insurance for premises rented to you or temporarily occupied by you with permission of the owner;

(c) That is insurance purchased by you to cover your liability as a tenant for “property damage” to premises rented to you or temporarily occupied by you with permission of the owner;

(d) That is insurance covering your liability for “bodily injury” or “property damage” arising out of the providing, serving or selling of alcoholic beverages to others;

(e) That is insurance covering your liability for “bodily injury” or “property damage” arising out of the igniting or discharging of fireworks, including but not limited to firecrackers, aerial or ground displays, in conjunction with any demonstration or show conducted or sponsored by you. However, this coverage shall not be excess should the “bodily injury” or “property damage” result from an emergency response you provide in response to an emergency arising out of fireworks;

(f) If the loss arises out of the maintenance or use of aircraft or watercraft to the extent not subject to exclusion **a.** of Coverage **A.** Bodily Injury And Property Damage Liability;

(g) That is liability insurance available to an independent commission, board, or authority or to an individual serving on such independent commission, board, or authority at your request;

(h) That is liability insurance available to participants in a mutual aid or similar agreement;

(i) That is liability insurance available to a partnership or joint venture; or

(j) That is liability insurance available to any student body organization or parent teacher organization or association.

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

(2) Any other primary insurance, including pools or self-insurance, covering your liability for damages arising out of the premises or operations for which you have been added as an additional insured.

When this insurance is excess, we will have no duty under Coverages **A** or **B** to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

(i) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and

(ii) The total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this excess insurance provision and was not bought specifically to apply in excess of the limits of insurance shown in the Declarations of this coverage part.

c. Method Of Sharing

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

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

5. Representations

By accepting this policy, you agree:

a. The information in the Declarations is accurate and complete;

b. The information is based upon representations you made to us; and

c. We have issued this policy in reliance upon your representations.

Your failure to disclose all hazards existing as of the inception date of the policy shall not prejudice you with respect to the coverage afforded, provided such failure or omission is not intentional. This coverage part is void if any material fact or circumstance relating to this insurance is intentionally omitted or misrepresented.

6. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this coverage part to the first Named Insured, this insurance applies:

a. As if each Named Insured were the only Named Insured; and

b. Separately to each insured against whom claim is made or "suit" is brought.

7. Transfer Of Rights Of Recovery Against Others To Us

If the insured has rights to recover all or part of any payment we have made under this coverage part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

8. When We Do Not Renew

If we decide not to renew this coverage part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date. If notice is mailed, proof of mailing will be sufficient proof of notice.

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

SECTION V - DEFINITIONS

1. “Administration” means any of the following acts that you do or authorize a person to do:

a. Counseling “employees” or “volunteer workers”, other than giving legal advice, on “employee benefit plans”;

b. Interpreting your “employee benefit plans”;

c. Handling records for your “employee benefit plans”; and

d. Effecting enrollment, termination or cancellation of “employees” or “volunteer workers” under your “employee benefit plans”.

2. “Advertisement” means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:

a. Notices that are published include material placed in the Internet or on similar electronic means of communication; and

b. Regarding websites, only that part of a website that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.

3. “Auto” means a land motor vehicle, trailer or semi-trailer designed for travel on public roads, including any attached machinery or equipment; or any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged. However, “auto” does not include “mobile equipment”.

4. “Bodily injury” means bodily injury, sickness or disease sustained by a person, including death or mental anguish, mental injury, shock or fright resulting from any of these at any time.

5. “Coverage territory” means:

a. The United States of America (including its territories and possessions), Puerto Rico and Canada;

b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in Paragraph **a.** above; or

c. All other parts of the world if the injury or damage arises out of:

(1) Goods or products made or sold by you in the territory described in Paragraph **a.** above;

(2) The activities of a person whose home is in the territory described in Paragraph **a**. above, but who is away for a short time on your business; or

(3) “Personal and advertising injury” offenses that take place through the Internet or similar electronic means of communication;

provided the insured's responsibility to pay damages is determined in a “suit” on the merits, in the territory described in Paragraph **a.** above or in a settlement we agree to.

6. “Emergency service activity” means:

a. All operations conducted by your firefighting, emergency medical services, or rescue squad units; and

b. Which are sanctioned by you.

7. “Employee” includes a “leased worker”. “Employee” does not include a “temporary worker”.

8. “Employee benefit plans” means a formal program or programs of employee benefits you maintain, such as group life insurance plans, group accident or health insurance plans, savings plans, or vacation plans, provided that no one other than an “employee” or “volunteer worker” or their dependents may subscribe to or benefit from such plans. This term also includes unemployment insurance, social security, workers' compensation, statutory disability benefits, or similar statutorily required plans.

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

9. "Employment practices" means an actual or alleged improper employment-related practice, policy, act or omission involving an actual, prospective, or former "volunteer worker" or "employee", including:

a. Failing to hire or refusing to hire;

b. Wrongful dismissal, discharge, or termination of employment or membership, whether actual or constructive;

c. Wrongful deprivation of a career opportunity, or failure to promote;

d. Wrongful discipline of "volunteer workers" or "employees";

e. Negligent evaluation of "volunteer workers" or "employees";

f. Retaliation against "volunteer workers" or "employees" for the exercise of any legally protected right or for engaging in any legally protected activity;

g. Failure to adopt adequate workplace or employment-related policies and procedures;

h. Harassment, including "sexual harassment"; or

i. Violation of any federal, state or local laws (whether common law or statutory) concerning employment or discrimination in employment.

10. "Executive Officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.

11. "Fungi" means any type or form of fungus, including mold or mildew and any mycotoxins, spores, scents or by-products produced or released by "fungi".

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

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

a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or

b. You have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by the repair, replacement, adjustment or removal of "your product" or "your work" or your fulfilling the terms of the contract or agreement.

14. "Insured contract" means:

a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by "specified perils" to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";

b. A sidetrack agreement;

c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;

d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;

e. An elevator maintenance agreement;

f. That part of any other contract or agreement pertaining to your operations (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization. However, such part of a contract or agreement shall only be considered an "insured contract" to the extent your assumption of the tort liability is permitted by law. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

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

(1) That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing;

(2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:

(a) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders, or drawings and specifications; or

(b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or

(3) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering of or failure to render professional services, including those listed in **(2)** above and supervisory, inspection, architectural or engineering activities.

15. "Law enforcement activity" means the activities of any insured while acting as a law enforcement official, officer, auxiliary officer, "employee", or "volunteer worker" of the law enforcement agency or department of the Named Insured. "Law enforcement activity" also includes the activities of an armed school security "employee" or "volunteer worker" while performed on behalf of the insured. "Law enforcement activity" does not include:

a. Your operations related to any building, code, license, permit, health, sanitation, animal control, safety, planning or zoning enforcement; or

b. The activities of an unarmed school security "employee" or "volunteer worker".

As used in this definition, armed means a person who possesses a firearm. Unarmed means a person who does not possess a firearm.

16. "Law enforcement wrongful act" means any actual or alleged error, act, omission, neglect, or breach of duty, including violation of any civil rights law, while performing a "law enforcement activity". All claims arising from a series of related errors, acts, omissions, neglects, or breaches of duty while performing "law enforcement activities" will constitute a single "law enforcement wrongful act".

17. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your operations. "Leased worker" does not include a "temporary worker".

18. "Loading or unloading" means the handling of property:

a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";

b. While it is in or on an aircraft, watercraft or "auto"; or

c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".

19. "Medical incident" means any act, error or omission in the rendering of or failure to render "professional health care services" by you or by anyone for whose "professional health care services" you are legally responsible. Any such act, error or omission, together with all related acts, errors or omissions in the furnishing of such services to any one person, shall be considered one "medical incident".

20. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;

b. Vehicles maintained for use solely on or next to premises you own or rent;

c. Vehicles that travel on crawler treads;

d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:

(1) Power cranes, shovels, loaders, diggers or drills; or

(2) Road construction or resurfacing equipment such as graders, scrapers or rollers;

e. Vehicles not described in Paragraph **a., b., c**. or **d.** above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:

(1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or

(2) Cherry pickers and similar devices used to raise or lower workers;

f. Vehicles not described in Paragraph **a., b., c.** or **d.** above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not “mobile equipment” but will be considered “autos”:

(1) Equipment designed primarily for:

(a) Snow removal;

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

(c) Street cleaning;

(2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and

(3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

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

21. “Occurrence” means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

22. “Personal and advertising injury” means injury, including consequential “bodily injury”, arising out of one or more of the following offenses:

a. False arrest, detention or imprisonment;

b. Malicious prosecution;

c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;

d. Oral or written publication in any manner of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;

e. Oral or written publication in any manner of material that violates a person's right of privacy;

f. The use of another's advertising idea in your “advertisement”; or

g. Infringing upon another's copyright, trade dress or slogan in your “advertisement”.

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

23. "Personal watercraft" means a vessel you own, rent, or borrow which uses an inboard motor powering a water jet pump as its primary source of motive power, and which is designed to be operated by a person sitting, standing, or kneeling on the vessel, rather than the conventional manner of sitting or standing inside the vessel.

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

25. "Potable water" means water intended and provided for human consumption.

26. "Products-completed operations hazard":

a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:

(1) Products that are still in your physical possession; or

(2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:

(a) When all of the work called for in your contract has been completed.

(b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.

(c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

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

b. With respect to "bodily injury" or "property damage" arising out of "your products" manufactured, sold, handled or distributed on, from or in connection with your premises or in the conduct of your operations, includes all "bodily injury" and "property damage" that arises out of "your products" if the "bodily injury" or "property damage" occurs after you have relinquished possession of those products.

c. Does not include "bodily injury" or "property damage" arising out of:

(1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured;

(2) The existence of tools, uninstalled equipment or abandoned or unused materials; or

(3) Products or operations for which the classification, listed in the Declarations or in a policy schedule, states that products-completed operations are subject to the General Aggregate Limit.

d. The "products-completed operations hazard" does not apply to any "auto" used for snow plow operations.

27. "Professional health care services" means:

a. Providing medical or nursing services;

b. Providing professional services of any other health care professional, including emergency medical technicians and paramedics;

c. Furnishing or dispensing drugs or medical, surgical or dental supplies or appliances;

d. Handling of patients:

(1) From the place where they are accepted for movement into or onto the means of transport;

(2) During transport; and

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

(3) From the means of transport to the place where they are finally delivered;

e. Dispatching of, including the failure or refusal to dispatch, personnel to provide any of the above services;

f. Serving on, or carrying out the orders of, a health care accreditation board or similar professional board or committee; and

g. Establishing medical protocol, creating medical training curricula, providing medical training, conducting medical quality assurance programs, and carrying out similar duties.

"Professional health care services" does not include the rendering of first aid or emergency medical care or assistance by an insured whose primary duties or responsibilities do not include items **a.** through **g.** above.

28. "Property damage" means:

a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or

b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

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

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

29. "Sexual abuse" means any actual, attempted or alleged sexual conduct by a person, or by persons acting in concert, which causes injury. "Sexual abuse" includes sexual molestation, sexual assault, sexual exploitation, or sexual injury, but does not include "sexual harassment".

30. "Sexual harassment" means any actual, attempted or alleged unwelcome sexual advances, requests for sexual favors, or other conduct of a sexual nature by a person, or by persons acting in concert, which causes injury, but only when:

a. Submission to or rejection of such conduct is made either explicitly or implicitly a condition of a person's employment, or a basis for employment decisions affecting a person; or

b. Such conduct has the purpose or effect of interfering with a person's work performance or creating an intimidating, hostile or offensive work environment.

31. "Specified perils" means fire, lightning, explosion, smoke, riot or civil commotion.

32. "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage", "personal and advertising injury", "medical incident", "law enforcement wrongful act", or a "water or wastewater professional activity" to which this insurance applies are alleged. "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 civil alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

33. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions. A substitute teacher is not a "temporary worker".

34. "Training operations" means activities used to prepare, train, or instruct members of a fire department, emergency medical services unit, or rescue squad in accepted and recognized emergency procedures, including municipal, state and federal standards.

35. "Unmanned aircraft" means an aircraft weighing 15 pounds or less that is not:

a. Designed;

b. Manufactured; or

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

c. Modified after manufacture;

to be controlled directly by a person from within or on the aircraft.

"Unmanned aircraft" includes equipment used with such "unmanned aircraft", provided such equipment is attached to or essential for its operation.

36. "Volunteer worker" means a person who is not your "employee", and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you. Volunteer worker" includes:

a. Any trustee, official, or member of the board of directors or the governing board of your parent-teacher organization or association, or of a parent support group, but only with respect to their duties as such; or

b. Any members of your parent-teacher organization or association, or of your parent support group, but only with respect to their liability for activities they perform on your behalf.

37. "Water or wastewater professional activity" means an act, error or omission which arises from your activities as a water or wastewater district, water utility, or any other entity whose primary duty is the treatment and distribution of "potable water", or the collection and treatment of wastewater.

38. "Your product" means:

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

(1) You;

(2) Others trading under your name; or

(3) A person or organization whose business or assets you have acquired; and

b. Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

"Your product" includes:

a. Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and

b. The providing of or failure to provide warnings or instructions.

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

39. "Your work" means:

a. Work or operations performed by you or on your behalf; and

b. Materials, parts or equipment furnished in connection with such work or operations.

"Your work" includes:

a. Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and

b. The providing of or failure to provide warnings or instructions.

40. "Short-term pollution event" means a discharge, dispersal, release or escape of "pollutants" which:

a. Begins during the policy period;

b. Begins at an identified time and place;

c. Ends, in its entirety, at an identified time within forty-eight (48) hours of the beginning of the discharge, dispersal, release or escape of the "pollutants"; and

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

d. Does not originate from an “underground storage tank”, except for storage tanks used to hold or process water, wastewater or sewage.

To be a “short-term pollution event”, the discharge of pollutants need not be continuous. However, if the discharge is not continuous, then all discharges of the same pollutants from essentially the same source, considered together, must satisfy Provisions **a.** through **d.** of this definition to be considered a “short-term pollution event”.

41. “Underground storage tank” means any storage tank, including any attached pumps, valves or piping, buried below the surface of the ground or water, or which at any time, had been buried under the surface of the ground or water and then subsequently exposed by any means. For the purposes of this definition, buried means that at least 10% of it is below the surface of the ground or water.

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – ELECTRONIC INFORMATION SECURITY EVENT – WITH LIMITED BODILY INJURY EXCEPTION

This endorsement modifies insurance provided under the following:

GENERAL LIABILITY COVERAGE PART

1. The following exclusion applies to **Coverage A – Bodily Injury And Property Damage Liability**, **Coverage B – Personal And Advertising Injury Liability**, and any additional coverage that is provided under this General Liability Coverage Part:

This insurance does not apply to:

Any injury, damage, expense, cost, loss, liability, or legal obligation arising out of or in any way related to an "electronic information security event".

However, unless damages arise out of any “personal identity event” or “corporate privacy event”, this exclusion does not apply to damages because of “bodily injury”.

2. The following definitions are added:

“Electronic information security event” means:

(1) Transmission of malware from your “computer system” to a third party.

(2) The inability of an authorized user to access your web site or your “computer system” because of a denial of service attack.

(3) A “personal identity event”, but this is limited to information that is obtained or released directly from:

(a) Your “computer system”; or

(b) The "computer system" of an entity that has such information under a formal agreement with you.

(4) A “corporate privacy event”, but this is limited to information that is obtained or released directly from:

(a) Your “computer system”; or

(b) The "computer system" of an entity that has such Information under a formal agreement with you.

As used in this definition, a denial of service attack means an intentional attack on a web site or a computer network that prevents or slows down access to the web site or computer network.

“Computer system” means the following:

(1) Computers, including Personal Digital Assistants (PDAs) and other transportable or hand held devices, electronic storage devices and related peripheral components;

(2) Systems and applications software;

(3) Communications networks (including the internet, intranets, extranets or virtual private networks) to the extent used by the items in **(1)** and **(2)** above;

by which “electronic data” is collected, transmitted, processed, stored or retrieved; and

(4) “Computer system” includes “electronic data” that is:

(1) Stored on any of the items described in item **(1)** above; or

(2) Temporarily outside of the “computer system” for use by an insured or an employee of an entity that has such information under a formal agreement with you.

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

"Electronic data" means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment. This includes such information, facts or programs only while they are in an electronic format.

"Personal identity event" means:

(1) Unauthorized disclosure by you of "personally identifiable information" or your failure to protect "personally identifiable information" from misappropriation.

(2) Failure by you to disclose or warn of an actual or potential disclosure or misappropriation of "personally identifiable information", but only if this policy applies to such disclosure or misappropriation and it resulted directly from **(1)** above; or

(3) Violation of any federal or state privacy statute addressing disclosure or misappropriation of "personally identifiable information", but only if:

(a) This policy applies to such disclosure or misappropriation and it resulted directly from **(1)** or **(2)** above; and

(b) The violation is not willful.

"Personally identifiable information" means any of the following in your care, custody or control:

(1) Information from which an individual may be uniquely and reliably identified or contacted, including an individual's name, telephone number, social security number, drivers license number, state identification number, account relationships, account numbers, account balances, account histories, access codes, and passwords;

(2) Information concerning an individual that would be considered nonpublic personal information within the meaning of Title V of the Gramm-Leach Bliley Act of 1999 as implemented and amended; and

(3) Information concerning an individual that would be considered protected health information within the Health Insurance Portability and Accountability Act of 1996 as implemented and amended.

"Corporate privacy event" means:

(1) Unauthorized disclosure by you of "confidential corporate information" or your failure to protect "confidential corporate information" from misappropriation;

(2) Failure by you to disclose or warn of an actual or potential disclosure or misappropriation of "confidential corporate information", but only if this policy applies to such disclosure or misappropriation and it resulted directly from **(1)** above; or

(3) Violation of any federal or state privacy statute addressing disclosure or misappropriation of "confidential corporate information", but only if:

(a) This policy applies to such disclosure or misappropriation and it resulted directly from **(1)** or **(2)** above; and

(b) The violation is not willful.

"Confidential corporate information" means any commercial trade secret, data, design, interpretation, forecast, formula, method, practice, process record, report or other item of information of a non-insured third party, and which is:

(1) In your care, custody or control;

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

(2) Not available to the general public; and

(3) **(a)** Provided to you under a mutually agreed to written confidentiality/non-disclosure agreement; or

(b) Marked confidential or otherwise specifically designated in writing as confidential by such third party.

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EMPLOYEE BENEFITS LIABILITY ENDORSEMENT

THIS ENDORSEMENT PROVIDES CLAIMS-MADE COVERAGE.
PLEASE READ THE ENTIRE ENDORSEMENT CAREFULLY.

This endorsement modifies insurance provided under the following:

GENERAL LIABILITY COVERAGE PART

SCHEDULE

Coverage	Limit Of Insurance		Deductible		Premium
Employee Benefits Programs	$1,000,000	each "employee"	$0	each "employee"	$116
	$2,000,000	aggregate			
Retroactive Date:	07/01/2026				

A. The following is added to Section I – Coverages:

COVERAGE – EMPLOYEE BENEFITS LIABILITY

1. Insuring Agreement

a. We will pay those sums that the insured becomes legally obligated to pay as damages because of any act, error or omission, of the insured, or of any other person for whose acts the insured is legally liable, to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages to which this insurance does not apply. We may, at our discretion, investigate any report of an act, error or omission and settle any "claim" or "suit" that may result. But:

(1) The amount we will pay for damages is limited as described in Paragraph **D.** (Section **III** – Limits Of Insurance); and

(2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments.

b. This insurance applies to damages only if:

(1) The act, error or omission, is negligently committed in the "administration" of your "employee benefit program";

(2) The act, error or omission, did not take place before the Retroactive Date, if any, shown in the Schedule nor after the end of the policy period; and

(3) A "claim" for damages, because of an act, error or omission, is first made against any insured, in accordance with Paragraph **c.** below, during the policy period or an Extended Reporting Period we provide under Paragraph **F.** of this endorsement.

c. A "claim" seeking damages will be deemed to have been made at the earlier of the following times:

(1) When notice of such "claim" is received and recorded by any insured or by us, whichever comes first; or

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

(2) When we make settlement in accordance with Paragraph **a.** above.

A "claim" received and recorded by the insured within 60 days after the end of the policy period will be considered to have been received within the policy period, if no subsequent policy is available to cover the claim.

d. All "claims" for damages made by an "employee" because of any act, error or omission, or a series of related acts, errors or omissions, including damages claimed by such "employee's" dependents and beneficiaries, will be deemed to have been made at the time the first of those "claims" is made against any insured.

2. Exclusions

This insurance does not apply to:

a. Dishonest, Fraudulent, Criminal Or Malicious Act

Damages arising out of any intentional, dishonest, fraudulent, criminal or malicious act, error or omission, committed by any insured, including the willful or reckless violation of any statute.

b. Bodily Injury, Property Damage, Or Personal And Advertising Injury

“Bodily injury”, “property damage” or “personal and advertising injury”.

c. Failure To Perform A Contract

Damages arising out of failure of performance of contract by any insurer.

d. Insufficiency Of Funds

Damages arising out of an insufficiency of funds to meet any obligations under any plan included in the “employee benefit program”.

e. Inadequacy Of Performance Of Investment/Advice Given With Respect To Participation

Any “claim” based upon:

(1) Failure of any investment to perform;

(2) Errors in providing information on past performance of investment vehicles; or

(3) Advice given to any person with respect to that person's decision to participate or not to participate in any plan included in the “employee benefit program”.

f. Workers' Compensation And Similar Laws

Any “claim” arising out of your failure to comply with the mandatory provisions of any workers' compensation, unemployment compensation insurance, social security or disability benefits law or any similar law.

g. ERISA

Damages for which any insured is liable because of liability imposed on a fiduciary by the Employee Retirement Income Security Act of 1974, as now or hereafter amended, or by any similar federal, state or local laws.

h. Available Benefits

Any “claim” for benefits to the extent that such benefits are available, with reasonable effort and cooperation of the insured, from the applicable funds accrued or other collectible insurance.

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

i. Taxes, Fines Or Penalties

Taxes, fines or penalties, including those imposed under the Internal Revenue Code or any similar state or local law.

j. Employment-Related Practices

Damages arising out of wrongful termination of employment, discrimination, or other employment-related practices.

B. For the purposes of the coverage provided by this endorsement:

1. All references to Supplementary Payments – Coverages **A** and **B** are replaced by Supplementary Payments – Coverages **A, B** and **Employee Benefits Liability.**

2. Paragraphs **1.b.** and **2.** of the Supplementary Payments provision do not apply.

C. For the purposes of the coverage provided by this endorsement, Paragraphs **2.** and **3.** of **Section II – Who Is An Insured** are replaced by the following:

2. Each of the following is also an insured:

a. Each of your “employees” who is or was authorized to administer your “employee benefit program”.

b. Any persons, organizations or “employees” having proper temporary authorization to administer your “employee benefit program” if you die, but only until your legal representative is appointed.

c. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this endorsement.

3. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if no other similar insurance applies to that organization. However:

a. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier.

b. Coverage under this provision does not apply to any act, error or omission that was committed before you acquired or formed the organization.

D. For the purposes of the coverage provided by this endorsement, **Section III – Limits Of Insurance** is replaced by the following:

1. Limits Of Insurance

a. The Limits of Insurance shown in the Schedule and the rules below fix the most we will pay regardless of the number of:

(1) Insureds;

(2) “Claims” made or “suits” brought;

(3) Persons or organizations making “claims” or bringing “suits”;

(4) Acts, errors or omissions; or

(5) Benefits included in your “employee benefit program”.

b. The Aggregate Limit is the most we will pay for all damages because of acts, errors or omissions negligently committed in the “administration” of your “employee benefit program”.

c. Subject to the Aggregate Limit, the Each Employee Limit is the most we will pay for all damages sustained by any one “employee”, including damages sustained by such “employee's” dependents and beneficiaries, as a result of:

(1) An act, error or omission; or

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

(2) A series of related acts, errors or omissions

negligently committed in the "administration" of your "employee benefit program".

However, the amount paid under this endorsement shall not exceed, and will be subject to, the limits and restrictions that apply to the payment of benefits in any plan included in the "employee benefit program".

The Limits of Insurance of this endorsement apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations of the policy to which this endorsement is attached, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits Of Insurance.

2. Deductible

a. Our obligation to pay damages on behalf of the insured applies only to the amount of damages in excess of the deductible amount stated in the Schedule as applicable to Each Employee. The limits of insurance shall not be reduced by the amount of this deductible.

b. The deductible amount stated in the Schedule applies to all damages sustained by any one "employee", including such "employee's" dependents and beneficiaries, because of all acts, errors or omissions to which this insurance applies.

c. The terms of this insurance, including those with respect to:

(1) Our right and duty to defend any "suits" seeking those damages; and

(2) Your duties, and the duties of any other involved insured, in the event of an act, error or omission, or "claim"

apply irrespective of the application of the deductible amount.

d. We may pay any part or all of the deductible amount to effect settlement of any "claim" or "suit" and, upon notification of the action taken, you shall promptly reimburse us for such part of the deductible amount as we have paid**.**

E. For the purposes of the coverage provided by this endorsement, Conditions **2.** and **4.** of **Section IV – Conditions** are replaced by the following:

2. Duties In The Event Of An Act, Error Or Omission, Or "Claim" Or "Suit"

a. You must see to it that we are notified as soon as practicable of an act, error or omission which may result in a "claim". To the extent possible, notice should include:

(1) What the act, error or omission was and when it occurred; and

(2) The names and addresses of anyone who may suffer damages as a result of the act, error or omission.

b. If a "claim" is made or "suit" is brought against any insured, you must:

(1) Immediately record the specifics of the "claim" or "suit" and the date received; and

(2) Notify us as soon as practicable.

You must see to it that we receive written notice of the "claim" or "suit" as soon as practicable.

c. You and any other involved insured must:

(1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "claim" or "suit";

(2) Authorize us to obtain records and other information;

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

(3) Cooperate with us in the investigation or settlement of the “claim” or defense against the “suit”; and

(4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of an act, error or omission to which this insurance may also apply.

d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation or incur any expense without our consent.

4. Other Insurance

If other valid and collectible insurance is available to the insured for a loss we cover under this endorsement, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary. Our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in **b.** below.

b. Method Of Sharing

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

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

F. For the purposes of the coverage provided by this endorsement, the following Extended Reporting Period provisions are added, or, if this endorsement is attached to a claims-made Coverage Part, replaces any similar Section in that Coverage Part:

EXTENDED REPORTING PERIOD

1. You will have the right to purchase an Extended Reporting Period, as described below, if:

a. This endorsement is canceled or not renewed; or

b. We renew or replace this endorsement with insurance that:

(1) Has a Retroactive Date later than the date shown in the Schedule of this endorsement; or

(2) Does not apply to an act, error or omission on a claims-made basis.

2. The Extended Reporting Period does not extend the policy period or change the scope of coverage provided. It applies only to "claims" for acts, errors or omissions that were first committed before the end of the policy period but not before the Retroactive Date, if any, shown in the Schedule. Once in effect, the Extended Reporting Period may not be canceled.

3. An Extended Reporting Period of five years is available, but only by an endorsement and for an extra charge.

You must give us a written request for the endorsement within 60 days after the end of the policy period. The Extended Reporting Period will not go into effect unless you pay the additional premium promptly when due.

We will determine the additional premium in accordance with our rules and rates. In doing so, we may take into account the following:

a. The "employee benefit programs" insured;

b. Previous types and amounts of insurance;

c. Limits of insurance available under this endorsement for future payment of damages; and

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

d. Other related factors.

The additional premium will not exceed 100% of the annual premium for this endorsement.

The Extended Reporting Period endorsement applicable to this coverage shall set forth the terms, not inconsistent with this Section, applicable to the Extended Reporting Period, including a provision to the effect that the insurance afforded for "claims" first received during such period is excess over any other valid and collectible insurance available under policies in force after the Extended Reporting Period starts.

4. If the Extended Reporting Period is in effect, we will provide an extended reporting period aggregate limit of insurance described below, but only for claims first received and recorded during the Extended Reporting Period.

The extended reporting period aggregate limit of insurance will be equal to the dollar amount shown in the Schedule of this endorsement under Limits of Insurance.

Paragraph **D.1.b.** of this endorsement will be amended accordingly. The Each Employee Limit shown in the Schedule will then continue to apply as set forth in Paragraph **D.1.c.**

G. For the purposes of the coverage provided by this endorsement, the following definitions are added to the Definitions Section:

1. “Cafeteria plans” means plans authorized by applicable law to allow “employees” to elect to pay for certain benefits with pre-tax dollars.

2. “Claim” means any demand, or “suit”, made by an “employee” or an “employee's” dependents and beneficiaries, for damages as the result of an act, error or omission.

3. “Employee benefit program” means a program providing some or all of the following benefits to “employees”, whether provided through a “cafeteria plan” or otherwise:

a. Group life insurance; group accident or health insurance; dental, vision and hearing plans; and flexible spending accounts; provided that no one other than an “employee” may subscribe to such benefits and such benefits are made generally available to those “employees” who satisfy the plan's eligibility requirements;

b. Profit sharing plans, employee savings plans, employee stock ownership plans, pension plans and stock subscription plans, provided that no one other than an “employee” may subscribe to such benefits and such benefits are made generally available to all “employees” who are eligible under the plan for such benefits;

c. Unemployment insurance, social security benefits, workers' compensation and disability benefits;

d. Vacation plans, including buy and sell programs; leave of absence programs, including military, maternity, family, and civil leave; tuition assistance plans; transportation and health club subsidies; and

e. Any other similar benefits designated in the Schedule or added thereto by endorsement.

H. For the purposes of the coverage provided by this endorsement, Definitions **1, 7.** and **32.** in the **Definitions** Section are replaced by the following:

1. “Administration” means:

a. Providing information to “employees”, including their dependents and beneficiaries, with respect to eligibility for or scope of “employee benefit programs”;

b. Handling records in connection with the “employee benefit program”; or

c. Effecting, continuing or terminating any “employee's” participation in any benefit included in the “employee benefit program”.

However, “administration” does not include handling payroll deductions.

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

7. “Employee” means a person actively employed, formerly employed, on leave of absence or disabled, or retired. “Employee” includes a “leased worker”. “Employee” does not include a “temporary worker”.

32. “Suit” means a civil proceeding in which damages because of an act, error or omission to which this insurance applies are alleged. “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.

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

ABUSE OR MOLESTATION LIABILITY COVERAGE

THIS IS CLAIMS-MADE COVERAGE
PLEASE READ THE ENTIRE FORM CAREFULLY

This endorsement modifies insurance provided under the following:

GENERAL LIABILITY COVERAGE PART

SCHEDULE

Abuse Or Molestation Liability	$1,000,000	**Each Act Limit**
	$3,000,000	**Aggregate Limit**
Abuse Or Molestation Retroactive Date	07/01/2026	
Special Supplementary Payment Limit	$10,000	
Abuse or Molestation Alleged Participant Coverage	$500,000	**Each Act Limit**
	$1,000,000	**Aggregate Limit**
Abuse or Molestation Alleged Participant Coverage Retroactive Date	07/01/2026	

A. EXCLUSION – COVERAGES A AND B

1. Exclusion **z.**, **Sexual Abuse** in paragraph **2. Exclusions** of **Coverage A - Bodily Injury And Property Damage Liability** and exclusion **v. Sexual Abuse** in paragraph **2. Exclusions** of **Coverage B - Personal And Advertising Injury Liability** in **Section I - Coverages** are deleted.

2. The following exclusion is added to paragraphs **2. Exclusions** of **Coverage A - Bodily Injury And Property Damage Liability and Coverage B - Personal And Advertising Injury Liability** in **Section I – Coverages**:

Abuse Or Molestation

This insurance does not apply to any injury arising out of:

a. The actual, attempted or alleged “abuse or molestation” of any person by another person. This includes “sexual abuse”;

b. Any other acts, errors, omissions, "occurrences" or offenses that contribute to the acts described in **a.** above; or

c. Any acts to which **Coverage – Abuse Or Molestation Liability** applies.

However, if specific coverage for "law enforcement activity" has been endorsed to the General Liability Coverage Form, paragraphs **1.** and **2.** do not apply to that coverage for "law enforcement activities".

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

B. The following is added to **Section I - Coverages**

1. Abuse Or Molestation Liability

a. We will pay those sums that the insured becomes legally obligated to pay as damages because of injury to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for injury to which this insurance does not apply. We may at our discretion investigate any act of “abuse or molestation” and settle any claim or "suit" that may result. But:

(1) The amount we will pay for damages is limited as described in Section **III -** Limits Of Insurance; and

(2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments.

b. This insurance applies to injury only if:

(1) The injury is caused by an act of “abuse or molestation" that takes place in the "coverage territory";

(2) The act of “abuse or molestation" did not occur before the Retroactive Date, if any, shown in the Declarations or after the end of the policy period;

(3) A claim because of the injury is first made against any insured, in accordance with Paragraph **c.** below, during the policy period or any applicable Extended Reporting Period we provide under this endorsement’s Condition **5. Extended Reporting Period**; and

(4) We receive written notice of the claim no later than 60 days after the expiration of the policy period or no later than the expiration of any applicable Extended Reporting Period we provide.

c. A claim by a person or organization seeking damages will be deemed to have been made at the earlier of the following times:

(1) When notice of such claim is received and recorded by any insured or by us, whichever comes first;

(2) When we make “settlement”; or

(3) When we receive written notice of an act of “abuse or molestation" which may reasonably give rise to a claim under this coverage.

d. All claims arising from the same act of “abuse or molestation" in accordance with paragraph **f.** below will be deemed to have been made at the time the first of those claims is made in accordance with paragraph **c.** above.

e. Related Acts

All acts of “abuse or molestation", including any acts that contribute to “abuse or molestation", that:

(1) Are causally connected by common facts, circumstances, transactions, events and/or decisions; or

(2) The same person commits or is a participant in committing, or multiple persons acting together commit or are participants in committing, regardless of the number of times the same person is abused or molested or the number of persons that are abused or molested by the same person(s);

will be treated as one act of “abuse or molestation" and will be considered to have occurred on the date the first of those acts of “abuse or molestation" or contributing acts occurred. This provision applies regardless of the number of injured parties, persons or organizations making claims or acts of “abuse or molestation".

2. Abuse Or Molestation Alleged Participant Coverage

a. We will pay “defense expenses" and “settlements” because of injury resulting from an act of “abuse or molestation” caused by an "alleged participant" to which this insurance applies. We will have the right

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

Powered by BoardOnTrack

and duty to defend the "alleged participant" against any claim for injury resulting from the act of “abuse or molestation”, and we will pay "defense expenses" with respect to any such claim we defend. However, we will have no duty to defend the "alleged participant" against any claim for injury to which this insurance does not apply. We may, at our discretion, settle any claim for an act of “abuse or molestation”.

b. This insurance applies to “defense expenses" and “settlements” because of injury resulting from an act of “abuse or molestation” only if:

(1) The injury is caused by an act of “abuse or molestation” that takes place in the "coverage territory";

(2) The act of “abuse or molestation" did not occur before the Retroactive Date, if any, shown in the Declarations or after the end of the policy period;

(3) A claim to pay “defense expenses” and “settlements” because of the injury is first made against any insured, in accordance with Paragraph **c.** below, during the policy period or any applicable Extended Reporting Period we provide under this endorsement’s Condition **5. Extended Reporting Period**;

(4) We receive written notice of the claim no later than 60 days after the expiration of the policy period or no later than the expiration of any applicable Extended Reporting Period we provide; and

(5) Coverage is not otherwise provided to an "alleged participant" under **B.1. Coverage – Abuse or Molestation Liability,** above.

c. But:

(1) The amount we will pay for "defense expenses" and “settlements” on behalf of any "alleged participant" is limited as described in Section **III -** Limits Of Insurance; and

(2) Our right and duty to defend any "alleged participant" ends when we have used up the applicable limit of insurance in the payment of "defense expenses" and “settlements”; and

(3) Any obligation or liability to pay "defense expenses" and “settlements” on behalf of any "alleged participant" ends when any of the following first occurs:

(a) The "alleged participant" is convicted of a criminal offense arising out of an act of “abuse or molestation” in any criminal proceeding, even if such determination does not constitute a final and appealable judgment;

(b) The "alleged participant" pleads guilty or no contest to a criminal charge or charges arising out of the act of “abuse or molestation”;

(c) The "alleged participant" admits to his or her personal participation in or condoning of the act of “abuse or molestation”;

(d) The "alleged participant's" personal participation in or condoning of the act of “abuse or molestation” is determined to have occurred by a court of competent jurisdiction in a civil action, even if such determination does not constitute a final and appealable judgment; or

(e) The Alleged Participant Abuse or Molestation Each Act Limit or the Alleged Participant Abuse or Molestation Aggregate Limit shown in the Schedule of this endorsement is exhausted.

We have no other obligation or liability to pay "defense expenses" and “settlements”.

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

3. Exclusions applicable to Abuse or Molestation Liability

This insurance does not apply to:

a. Perpetrator

Any insured who participated in, conspired with, knowingly allowed, or directed a participant in, any act of “abuse or molestation”. We will defend such insured in connection with a "suit" subject to the terms of this coverage until either a judgment or final adjudication establishes that such insured committed the act of “abuse or molestation” or such insured confirms that they committed the act of “abuse or molestation”.

b. Knowledge Of Prior Acts

Any claim or "suit" arising from a person’s act of “abuse or molestation” that occurs after the Named Insured, its "executive officers", directors, trustees, partners or managers (if it is a limited liability corporation) or an "employee" authorized by you to give and receive notice of an act of “abuse or molestation” or claim has knowledge of any prior act of “abuse or molestation” committed by such person, whether that act of “abuse or molestation” occurred before or after such person was hired by you or became your responsibility.

For the purposes of this exclusion:

(1) Knowledge of an allegation of an act of “abuse or molestation” is not knowledge of an act of “abuse or molestation”; and

(2) Related acts that occur after entities have the knowledge described above will not be considered to have occurred on the date of the first act.

This exclusion does not apply if:

(1) The knowledge of a prior act of “abuse or molestation” is possessed only by an insured or "employee" described above who committed or allegedly committed such act of “abuse or molestation”; or

(2) You are prohibited by law from terminating, discharging or refusing to hire or admit the person who committed the act of “abuse or molestation”, but only if you took other reasonably adequate measures to prevent another act of “abuse or molestation” from occurring.

c. Failure To Report Abuse Or Molestation

Any insured with knowledge of the act of “abuse or molestation” who intentionally fails to report such act to the proper authorities. Proper authorities may include those within your organization and any governmental, legal or regulatory bodies.

d. Material Published With Knowledge Of Falsity

Any injury arising out of oral or written publication of material, if done by or at the direction of the insured with knowledge of its falsity.

e. Material Published Prior To Policy Period

Any injury arising out of oral or written publication of material whose first publication took place before the beginning of the policy period.

f. Contractual Liability

Any injury for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement.

g. Workers Compensation And Similar Laws

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

h. Employers' Liability

Any injury to:

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

(1) An "employee" arising out of and in the course of:

(a) Employment by the insured; or

(b) Performing duties related to the conduct of the insured's business; or

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

This exclusion applies:

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

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

i. Employment Practices

Any injury to:

(1) A person arising out of any:

(a) Refusal to employ that person;

(b) Termination of that person's employment; or

(c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or

(2) The spouse, child, parent, brother or sister of a person as a consequence of any injury to that person at whom any of the employment-related practices described in Paragraphs **i.(1)(a)**, **(b)** or **(c)** above is directed.

This exclusion applies:

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

(2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

j. Aircraft, Auto Or Watercraft

Any injury arising out of the ownership, maintenance, use or entrustment to others of any aircraft, auto or watercraft.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured with respect to any aircraft, auto or watercraft.

k. War

Any injury however caused, arising, directly or indirectly, out of:

(1) War, including undeclared or civil war;

(2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack by any government, sovereign or other authority using military personnel or other agents; or

(3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

l. Damage To Property

Any damage to or loss of use of property owned by, rented to, leased by, in the care, custody or control of, or entrusted to, any insured.

m. Financial

(1) Gain, profit or advantage to which any insured is not legally entitled;

(2) Any injury resulting from fraud or theft;

(3) Any injury caused by financial, investment, insurance or fiduciary advice or services;

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

(4) Any injury resulting from tax assessments or regulatory actions;

(5) Any injury arising out of the operation of the principles of eminent domain, condemnation, inverse condemnation or adverse possession; or

(6) Any injury arising out of the failure to adequately provide utilities or other governmental services.

n. Services

Any injury caused by deficient, inadequate or faulty services.

o. Fines Or Penalties

Fines or penalties.

p. Americans With Disabilities Act (ADA)

Any injury arising out of your failure to comply with any of the accommodations for the disabled required of you by, or any expenses incurred as the result of physical modifications made to accommodate any person pursuant to, the Americans With Disabilities Act, or any amendments thereto, or any similar state or local statutes, rules or regulations to the extent that they prescribe responsibilities or duties concerning accommodations for the disabled.

q. Discrimination

"Abuse or molestation" arising out of "discrimination".

4. Exclusions applicable to **Abuse Or Molestation Alleged Participant Coverage**

All exclusions applicable to **Abuse or Molestation Liability** shall apply to **Abuse Or Molestation Alleged Participant Coverage,** except Exclusion **a. Perpetrator** shall not apply.

5. Supplementary Payments

For the purposes of the **Abuse Or Molestation Liability** and **Abuse Or Molestation Alleged Participant Coverage** provided by this endorsement:

a. All references to **Supplementary Payments – Coverages A and B** will include **Abuse Or Molestation Liability Coverage** and **Abuse Or Molestation Alleged Participant Coverage**.

b. Paragraph **2.** of **Supplementary Payments – Coverages A and B** does not apply.

c. The following is added to **Supplementary Payments** for **Abuse Or Molestation Liability** only (this supplementary payment does not apply to **Abuse Or Molestation Alleged Participant Coverage)**:

3. Special Supplementary Payments

We will reimburse you, only with respect to any claim for an act of "abuse or molestation" to which this insurance applies, for the following expenses you incur:

a. Your reasonable expenses incurred in conducting an internal investigation of or counseling relating to allegations of an act of "abuse or molestation"; and

b. Your reasonable expense in retaining the services of a media consultant or public relations professional in response to allegations of an act of "abuse or molestation".

The most we will reimburse you for the sum of all such expenses, regardless of the number of acts of "abuse or molestation", claimants, claims or insureds, is the Special Supplementary Payment Limit shown in the Schedule of this endorsement. We have no obligation to arrange for any of these services or pay any of the service providers on your behalf.

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

C. LIMITS OF INSURANCE

For the purposes of the coverage provided by this endorsement, **Section III - Limits Of Insurance** is replaced by the following:

Limits Of Insurance

a. The Limits of Insurance shown in the above Schedule and the rules below fix the most we will pay regardless of the number of:

(1) Insureds;

(2) Claims made or “suits” brought; or

(3) Persons or organizations making claims or bringing “suits”.

b. The Abuse Or Molestation Aggregate Limit is the most we will pay for all damages arising out of acts of “abuse or molestation”.

c. Subject to the Abuse Or Molestation Aggregate Limit, the Abuse Or Molestation Each Act Limit is the most we will pay for all damages because of all injury arising out of any one act of “abuse or molestation”. All contributing acts that are connected with or committed by or participated in by the same person(s) will be considered one act in accordance with Paragraph **B.1.e.** of this endorsement.

d. The Abuse or Molestation Alleged Participant Aggregate Limit shown in the Schedule of this endorsement is the most we will pay for the sum of all “defense expenses” and “settlements” because of injury for all claims made in each policy year, regardless of the number of acts of “abuse or molestation” or claims.

e. Subject to Paragraph **d.** above, the Abuse or Molestation Alleged Participant Each Act Limit shown in the Schedule of this endorsement is the most we will pay for the sum of all “defense expenses” and “settlements” because of injury for any one claim resulting from any one act of “abuse or molestation” caused by one or more “alleged participants”.

The Limits of Insurance of this endorsement apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations of the policy to which this endorsement is attached, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits Of Insurance.

D. CONDITIONS

For the purposes of the coverage provided under **B.1. Abuse Or Molestation Liability** and **B.2. Abuse Or Molestation Alleged Participant Coverage**, Condition **2. Duties In The Event Of An Occurrence, Offense, Claim Or Suit** in **Section IV – Conditions** is revised as follows:

1. When used in Condition **2 - Duties In The Event Of An Occurrence, Offense, Claim Or Suit**, the term "occurrence" includes an act of “abuse or molestation”.

2. The following is added to Paragraph **2.c**.:

(5) Notify any other insurer whose coverage is available to the “alleged participant”;

(6) Cooperate with us with respect to the coordinating of other applicable insurance available to the “alleged participant"; and

(7) Provide us with written authorization to:

(a) Obtain records and other information related to any claim; and

(b) Conduct and control the defense of the “alleged participant” in such claim.

3. Other Insurance

a. The following is added to Condition **4 - Other Insurance**, Paragraph **b.**:

This insurance is excess over:

(3) Any other primary insurance available to you covering liability for damages arising out of acts of “abuse or molestation" for which you have been added as an additional insured by attachment of an endorsement.

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

(4) Any of the other insurance, whether primary, excess, contingent or on any other basis, that applies to damages arising out of acts of “abuse or molestation". This does not include other insurance purchased specifically by you to apply in excess of the limits of insurance of this policy.

b. When used in Paragraph **b.** of Condition **4 - Other Insurance**, the term **Coverage A** includes **Abuse Or Molestation Liability**.

4. Your Right To Claim Information

We will provide the first Named Insured shown in the Declarations the following information relating to this and any preceding general liability claims-made coverage we have issued to you during the previous three years:

a. A list or other record of each act of “abuse or molestation", not previously reported to any other insurer, of which we were notified in accordance with Paragraph **2.a.** of the **Section IV - Duties In The Event Of An Occurrence, Offense, Claim Or Suit** Condition. We will include the date and a brief description of the act of “abuse or molestation" if that information was in the notice we received.

b. A summary by policy year, of payments made and amounts reserved, stated separately, under any applicable Aggregate Limit.

Amounts reserved are based on our judgment. They are subject to change and should not be regarded as ultimate settlement values.

You must not disclose this information to any claimant or any claimant's representative without our consent.

If we cancel or elect not to renew this coverage, we will provide such information no later than 30 days before the date of policy termination. In other circumstances, we will provide this information only if we receive a written request from the first Named Insured within 60 days after the end of the policy period. In this case, we will provide this information within 45 days of receipt of the request.

We compile claim and act information for our own business purposes and exercise reasonable care in doing so. In providing this information to the first Named Insured, we make no representations or warranties to insureds, insurers, or others to whom this information is furnished by or on behalf of any insured. Cancellation or non-renewal will be effective even if we inadvertently provide inaccurate information.

5. Extended Reporting Period

For the purposes of the **Abuse Or Molestation Liability** and **Abuse or Molestation Alleged Participant Coverage** provided by this endorsement, the following Extended Reporting Period provisions apply:

a. We will provide one or more Extended Reporting Periods, as described below, if:

(1) This insurance is canceled or not renewed; or

(2) We renew or replace this insurance with insurance that:

(a) Has a Retroactive Date later than the date shown in the Declarations; or

(b) Does not apply to acts of “abuse or molestation" on a claims-made basis.

b. The Extended Reporting Periods do not extend the policy period or change the scope of coverage provided nor do they reinstate or provide any additional or renewed Aggregate Limits Of Insurance. They apply only to claims for acts of “abuse or molestation" that first occurred before the end of the policy period but not before the Retroactive Date, if any, shown in the Declarations. Once in effect, the Extended Reporting Period may not be canceled.

c. A Basic Extended Reporting Period is automatically provided without additional charge. This period starts with the end of the policy period and lasts for sixty (60) days.

The Basic Extended Reporting Period does not apply to claims that are covered under any subsequent insurance you purchase, or that would be covered but for exhaustion of the amount of insurance applicable to such claims.

d. A Supplemental Extended Reporting Period of 5 years is available, but only by an endorsement and for an extra charge. This supplemental period starts when the Basic Extended Reporting Period, set forth in Paragraph **c.** above, ends.

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

You must give us a written request for the endorsement within 60 days after the end of the policy period. The Supplemental Extended Reporting Period will not go into effect unless you pay the additional premium promptly when due.

We will determine the additional premium in accordance with our rules and rates. In doing so, we may take into account the following:

(1) The exposures insured;

(2) Previous types and amounts of insurance;

(3) Limits of Insurance available under this coverage for future payment of damages; and

(4) Other related factors.

The additional premium will not exceed 200% of the annual premium for this coverage.

This endorsement shall set forth the terms, not inconsistent with this Section, applicable to the Supplemental Extended Reporting Period, including a provision to the effect that the insurance afforded for claims first received during such period is excess over any other valid and collectible insurance available under policies in force after the Supplemental Extended Reporting Period starts.

E. DEFINITIONS

1. For the purposes of the coverage provided under **B.1. Abuse Or Molestation Liability** and **B.2. Abuse Or Molestation Alleged Participant Coverage**, the following definitions are added to **Section V - Definitions**:

a. "Abuse or molestation" means actual, attempted or alleged abuse or molestation, including acts of bullying, of any person by another person. This includes “sexual abuse”. "Abuse or molestation" does not include "sexual harassment".

However, as respects "law enforcement activity", "abuse or molestation" means only actual, attempted or alleged “sexual abuse” of any person by another person. "Abuse or molestation" does not include "sexual harassment".

b. “Alleged participant” means any insured who allegedly participated in, directed or knowingly allowed an act of “abuse or molestation”.

c. “Defense expenses” means reasonable costs, attorney’s fees, charges and expenses incurred by us in the defense of a claim or investigation, including:

(1) All court costs taxed against the insured by a court of law in a civil proceeding, but these court costs do not include attorney’s fees or attorney’s expenses taxed against the insured;

(2) Prejudgment interest awarded against the insured on that part of the judgment we pay. However, if we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer;

(3) All interest on the full amount of the judgment or award that accrues after entry of the judgment or award and before we have paid, offer to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance; and

(4) The costs of attachment or similar bonds, but only for bond amounts within the applicable limit of insurance

and excluding salaries, wages, overhead or benefit expenses associated with any insured and further excluding any amount paid by any other insurer. We do not have to furnish bonds.

d. “Discrimination” means violation of a person’s civil rights with respect to such person’s race, color, national origin, religion, gender, marital status, age, sexual orientation or preference, physical or mental condition, or any other protected class or characteristic established by any federal, state or local statutes, rules or regulation.

e. “Settlement” means an agreed resolution of a disputed claim by payment of money. However, “settlement” does not include any payment of a civil judgment or award, or any payment of criminal costs, fees, expenses or penalties.

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

2. For the purposes of the coverage provided under Paragraph **B.1. Abuse Or Molestation Liability** of this endorsement, the following definition replaces the definition of the same term in **Section V – Definitions**:

"Suit" means a civil proceeding in which damages because of injury to which this insurance applies are alleged. "Suit" includes:

(1) An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or

(2) Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

HONOR ROLL ELITE GENERAL LIABILITY ENHANCEMENT

This endorsement modifies insurance provided under the following:

GENERAL LIABILITY COVERAGE FORM

The following coverages and extensions are added to this policy as detailed below. As respects any coverage provided by this endorsement, if higher limits are provided on any other schedule, declarations or endorsement attached to this policy, then the limits and coverage provided by this endorsement would not apply for that coverage.

SCHEDULE

Limited Product Withdrawal Expense	$10,000 All Product Withdrawal Expenses
Limited Pollution Coverage	Included
Watercraft	
Non-Owned	Increased To 51 Feet Long
Non-Motorized	Less Than 76 Feet Long
Non-Owned Aircraft	If Rented Or Loaned With A Paid Crew
Property Damage To Borrowed Equipment	$10,000 Each Occurrence
Property Damage To Customers' Goods	$10,000 Each Occurrence
Property Damage From Elevator Use	Included
Personal And Advertising Injury	
From Televised Or Videotaped Material	Included
For Insureds In Media And Internet Type Businesses	Included
From Electronic Chatrooms or Bulletin Boards	Included
Supplementary Payments	
Bail Bonds	Up To $5,000
Loss Of Earnings	Up To $500 A Day
Legal And Media Expense	$10,000 Each Event / $50,000 Annual Aggregate
Broadened Definition Of Insured	Included
Automatic Additional Insureds	
When Required By Contract Or Agreement	Included
Managers Or Lessors Of Premises	Included
Mortgagees, Assignees Or Receivers	Included
Vendors	Included
Each Location And Each Project Aggregates	Equal To The General Aggregate Limit
Duties In The Event Of Occurrence, Offense, Claim Or Suit	Included
Unintentional Failure To Disclose All Hazards	Included
Waiver Of Transfer Of Rights Of Recovery Against Others To Us	Included
Expanded Coverage Territory	Included
Liberalization	Included
Mental Anguish Resulting From Bodily Injury	Included
Broadened Definition Of Mobile Equipment	Included
Products Liability Redefined	Included
Broadened Liability Coverage for Restraint or Removal of Students	Included

Includes copyrighted material of Insurance Services Office, Inc., with its permission.

LIMITED PRODUCT WITHDRAWAL EXPENSE

THIS COVERAGE ONLY PROVIDES REIMBURSEMENT TO YOU FOR EXPENSES INCURRED BECAUSE OF A COVERED "PRODUCT WITHDRAWAL". THIS COVERAGE DOES NOT PROVIDE ANY LIABILITY COVERAGE OR COVERAGE FOR THE COST OR EXPENSE OF DEFENDING ANY CLAIM OR "SUIT".

1. The following is added to Section **I** – Coverages:

LIMITED PRODUCT WITHDRAWAL EXPENSE COVERAGE

Insuring Agreement

a. We will reimburse you for "product withdrawal expenses" incurred by you because of a "product withdrawal" to which this insurance applies.

The amount of such reimbursement is limited as described in Section **III** – Limits Of Insurance, as amended by this endorsement. No other obligation or liability to pay sums or perform acts or services is covered.

b. This insurance applies to a "product withdrawal" only if the "product withdrawal" is initiated in the "coverage territory" during the policy period because:

(1) You determine that the "product withdrawal" is necessary; or

(2) An authorized government entity has ordered you to conduct a "product withdrawal".

c. We will reimburse "product withdrawal expenses" only if:

(1) The expenses are incurred within one year of the date the "product withdrawal" was initiated;

(2) The expenses are reported to us within one year of the date the expenses were incurred; and

(3) The product that is the subject of the "product withdrawal" was produced during the policy period.

d. The initiation of a "product withdrawal" will be deemed to have been made only at the earliest of the following times:

(1) When you first announced, in any manner, to the general public, your vendors or to your "employees" (other than those "employees" directly involved in making the determination) your decision to conduct or participate in a "product withdrawal". This applies regardless of whether the determination to conduct a "product withdrawal" is made by you or is requested by a third party; or

(2) When you first received, either orally or in writing, notification of an order from an authorized government entity to conduct a "product withdrawal".

e. "Product withdrawal expenses" incurred to withdraw "your products" which contain the same or substantially similar "defects" will be deemed to have arisen out of the same "product withdrawal".

Exclusions

This insurance does not apply to "product withdrawal expenses" arising out of:

a. Breach Of Warranty And Failure To Conform To Intended Purpose

Any "product withdrawal" initiated due to the failure of "your product" to accomplish its intended purpose, including any breach of warranty of fitness, whether written or implied. This exclusion does not apply if such failure has caused or is reasonably expected to cause "bodily injury" or physical damage to tangible property other than "your product".

b. Infringement Of Copyright, **Patent**, **Trade Secret**, **Trade Dress Or Trademark**

Any "product withdrawal" initiated due to copyright, patent, trade secret, trade dress or trademark infringements.

c. Chemical Transformation, Deterioration Or Decomposition

Any "product withdrawal" initiated due to transformation of a chemical nature, deterioration or decomposition of "your product". This exclusion does not apply if transformation of a chemical nature, deterioration or decomposition is caused by:

(1) An error in manufacturing, design or processing;

Includes copyrighted material of Insurance Services Office, Inc., with its permission.

(2) Transportation of "your product"; or

(3) "Product tampering".

d. Goodwill, **Market Share**, **Revenue**, **Profit Or Redesign**

The costs of goodwill, market share, revenue or "profit" or the costs of redesigning "your product".

e. Expiration Of Shelf Life

Any "product withdrawal" initiated due to expiration of the designated shelf life of "your product".

f. Known Defect

A "product withdrawal" initiated because of a "defect" in "your product" known to exist by the Named Insured or the Named Insured's "executive officers" prior to the policy period or the time "your product" leaves your control or possession.

g. Otherwise Excluded Products

A recall of any specific products for which "bodily injury" or "property damage" is excluded under Coverage **A** – Bodily Injury And Property Damage Liability.

h. Governmental Ban

A recall when "your product" or a component contained within "your product" has been:

(1) Banned from the market by an authorized government entity prior to the policy period; or

(2) Distributed or sold by you subsequent to any governmental ban.

i. Defense Of Claim

The defense of a claim or "suit" against you for liability arising out of a "product withdrawal".

j. Third Party Damages, Fines And Penalties

Any compensatory damages, fines, penalties, punitive or exemplary or other non-compensatory damages imposed upon the insured. Exemplary or punitive damages are only excluded in jurisdictions where allowable by statute.

k. Pollution-Related Expenses

Any loss, cost or expense due to any:

(1) Request, demand, order, statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to or assess the effects of, "pollutants"; or

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

2. The following is added to Section **III** – Limits Of Insurance:

The most that we will reimburse you for the sum of all "product withdrawal expenses" incurred for all "product withdrawals" initiated during the policy period is the amount shown in the Schedule of this endorsement, regardless of the number of:

a. Insureds;

b. "Product withdrawals" initiated; or

c. "Your products" withdrawn.

3. Section **IV** –Conditions is amended as follows:

a. Paragraph **2.** Duties In The Event Of Occurrence, Offense, Claim Or Suit is replaced by the following:

2. **Duties In The Event Of A Defect Or A Product Withdrawal**

Includes copyrighted material of Insurance Services Office, Inc., with its permission.

a. You must see to it that we are notified as soon as practicable of any actual, suspected or threatened "defect" in "your product", or any governmental investigation, that may result in a "product withdrawal". To the extent possible, notice should include:

(1) How, when and where the "defect" was discovered;

(2) The names and addresses of any injured persons and witnesses; and

(3) The nature, location and circumstances of any injury or damage arising out of use or consumption of "your product".

Your obligation to notify us as soon as practicable is satisfied if you send us written notice as soon as practicable after any of your "executive officers", directors, partners, insurance managers or legal representatives become aware of or should have become aware of such actual, suspected or threatened "defect" in "your product", or any governmental investigation, that may result in a "product withdrawal".

b. If a "product withdrawal" is initiated, you must:

(1) Immediately record the specifics of the "product withdrawal" and the date where it was initiated; and

(2) Notify us as soon as practicable.

You must see to it that we receive written notice of the "product withdrawal" as soon as practicable.

c. You must promptly take all reasonable steps to mitigate the expenses associated with a "product withdrawal". Any "profit" that you receive from mitigating the expenses will be deducted from the amount of reimbursement that you will receive for "product withdrawal expenses".

d. You and any other involved insured must:

(1) Immediately send us copies of pertinent correspondence received in connection with the "product withdrawal";

(2) Authorize us to obtain records and other information; and

(3) Cooperate with us in our investigation of the "product withdrawal".

b. The following Conditions are added:

Concealment Or Fraud

We will not provide "product withdrawal expense" coverage to you or any other insured who, at any time:

a. Engaged in fraudulent conduct; or

b. Intentionally concealed or misrepresented a material fact concerning a "product withdrawal" or "product withdrawal expenses" incurred by you.

Product Tampering Limitation

When "product tampering" is known, suspected or threatened, a "product withdrawal" will be limited to those batches of "your product" which are known or suspected to have been tampered with.

4. The following definitions are added:

a. "Defect" means a flaw, deficiency or inadequacy that creates a dangerous condition.

b. "Product tampering" means an act of intentional alteration of "your product" which has caused or is reasonably expected to cause "bodily injury" or physical injury to tangible property other than "your product".

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

As used in this definition, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and application software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

c. "Product withdrawal" means the recall or withdrawal:

(1) From the market; or

Includes copyrighted material of Insurance Services Office, Inc., with its permission.

(2) From use by any other person or organization;

of "your products" or products which contain "your products", because of known or suspected "defects" in "your product" or known or suspected "product tampering" which has caused or is reasonably expected to cause "bodily injury" or physical injury to tangible property other than "your product".

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

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

d. "Product withdrawal expenses" means those reasonable and necessary extra expenses, listed below, paid and directly related to a "product withdrawal":

(1) Costs of notification;

(2) Costs of stationery, envelopes, production of announcements and postage or facsimiles;

(3) Costs of overtime paid to your regular non-salary "employees" and costs incurred by your "employees", including costs of transportation and accommodations;

(4) Costs of computer time;

(5) Costs of hiring independent contractors and other temporary employees;

(6) Costs of transportation, shipping or packaging;

(7) Costs of warehouse or storage space; or

(8) Costs of proper disposal of "your products" or products that contain "your products" that cannot be reused, not exceeding your purchase price or your costs to produce the products.

e. "Profit" means the positive gain from business operation after subtracting all expenses.

B. **LIMITED POLLUTION COVERAGE**

Exclusion **2.t.** Pollution of Section **I** – Coverages, Coverage **A** – Bodily Injury And Property Damage Liability does not apply to materials used by an insured as part of an educational curriculum or educational program.

C. WATERCRAFT AND NON-OWNED AIRCRAFT

Exclusion **2.a.** Aircraft, Auto Or Watercraft under Section **I** – Coverages, Coverage **A** – Bodily Injury And Property Damage Liability is amended as follows:

1. Transportation Of Students

With respect to the transportation of your students, this exclusion also applies to any aircraft, "auto" or watercraft that is hired by an insured, including claims against the insured that allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved any aircraft, "auto" or watercraft that is hired by the insured.

For the purpose of this exclusion, the word hired includes any contract to furnish transportation of your students to and from schools.

2. Non-Owned Watercraft

Paragraph **(2)** is replaced by the following:

(2) A watercraft you do not own that is:

(a) Less than 51 feet long; and

(b) Not being used by You to carry persons or property for a charge.

3. Non-Motorized Watercraft And Non-Owned Aircraft

The following is added:

This exclusion also does not apply to:

(a) A non-motorized watercraft that is:

(i) Less than 76 feet long; and

(ii) Not being used to carry persons or property for a charge.

(b) Aircraft not owned by any insured that is rented or loaned to you with a paid crew.

4. If other insurance applies to a loss because of "property damage" to non-owned watercraft or aircraft as described in Paragraphs **2.** or **3.** above, the insurance provided by this endorsement does not apply, whether the other insurance is primary, excess, contingent or issued on any other basis.

D. PROPERTY DAMAGE TO BORROWED EQUIPMENT

1. The following is added to Exclusion **2.g.** Damage To Property under Section **I** – Coverages, Coverage **A** – Bodily Injury And Property Damage Liability:

Paragraph **(4)** of this exclusion does not apply to "property damage" to borrowed equipment while that equipment is:

a. Not being used to perform operations; and

b. Away from an insured's premises.

2. The following is added to Section **III** – Limits Of Insurance:

Subject to the General Aggregate limit, the most we will pay for "property damage" to borrowed equipment is the amount shown in the Schedule of this endorsement for each "occurrence".

3. The insurance afforded by Paragraph **1.** above is excess over any valid and collectible property insurance (including any deductible) available to the insured, whether primary, excess, contingent or issued on any other basis.

E. PROPERTY DAMAGE TO CUSTOMERS' GOODS

1. The following is added to Exclusion **2.g.** Damage To Property under Section **I** – Coverages, Coverage **A** – Bodily Injury And Property Damage Liability:

Paragraphs **(3)**, **(4)** and **(6)** of this exclusion do not apply to "property damage" to "customers' goods" while on your premises.

2. The following is added to Section **III** – Limits Of Insurance:

Subject to the General Aggregate limit, the most we will pay for "property damage" to "customers' goods" is the amount shown in the Schedule of this endorsement for each "occurrence".

3. The insurance afforded by Paragraph **1.** above is excess over any valid and collectible property insurance (including any deductible) available to the insured, whether primary, excess, contingent or issued on any other basis.

4. The following definition is added:

"Customers' goods" means tangible personal property belonging to your customers and left with you for storage, service or repair. "Customers' goods" does not include:

a. Accounts, bills, currency, deeds, food stamps or other evidences of debt, money, notes or securities. Lottery tickets held for sale are not securities;

b. Animals;

c. Contraband, or property in the course of illegal transportation or trade;

d. Personal property while airborne or waterborne;

e. Property that is covered under another coverage form of this or any other policy in which it is more specifically described, except for the excess of the amount due (whether you can collect on it or not) from that other insurance;

f. Vehicles or self-propelled machines that are licensed for use on public roads; aircraft; or watercraft;

This paragraph does not apply to:

(1) Vehicles or self-propelled machines, other than "autos", you hold for sale; or

(2) Rowboats or canoes out of water at your premises; or

Includes copyrighted material of Insurance Services Office, Inc., with its permission.

g. The following property while outside of buildings:

(1) Grain, hay, straw or other crops; and

(2) Fences, radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers, trees, shrubs or plants (other than trees, shrubs or plants held for sale).

F. PROPERTY DAMAGE FROM ELEVATOR USE

1. The following is added to Exclusion **2.g.** Damage To Property under Section **I** – Coverages, Coverage **A** – Bodily Injury And Property Damage Liability:

Paragraphs **(3)**, **(4)** and **(6)** of this exclusion do not apply if such "property damage" arises out of the use of elevators at premises you own, rent, lease or occupy.

2. The insurance afforded by Paragraph **1.** above is excess over any other valid and collectible insurance which applies to a loss because of "property damage" arising out of the use of elevators, whether such other insurance is primary, excess, contingent or issued on any other basis.

G. PERSONAL AND ADVERTISING INJURY FROM TELEVISED OR VIDEOTAPED MATERIAL

(1) Exclusions **2.n.** and **2.o.** under Section **I** – Coverages, Coverage **B** – Personal And Advertising Injury Liability are replaced by the following:

n. Material Published Prior To Policy Period

"Personal and advertising injury" arising out of oral, written or professionally produced televised or videotaped publication, in any manner, of material whose first publication took place before the beginning of the policy period.

o. Material Published With Knowledge Of Falsity

"Personal and advertising injury" arising out of oral, written or professionally produced televised or videotaped publication, in any manner, of material, if done by or at the direction of the insured with knowledge of its falsity.

(2) Paragraphs **d.** and **e.** of the definition of "personal and advertising injury" are replaced by the following:

d. Oral, written or professionally produced televised or videotaped publication, in any manner, of material that slanders or libels a person or organization, or disparages a person's or organization's goods, products or services;

e. Oral, written or professionally produced televised or videotaped publication, in any manner, of material that violates a person's right to privacy;

H. PERSONAL AND ADVERSTISING INJURY FOR INSUREDS IN MEDIA AND INTERNET TYPE BUSINESSES

Exclusion **2.j.** under Section **I** – Coverages, Coverage **B** – Personal And Advertising Injury Liability is amended to include the following: However, paragraph **(1)** does not apply to advertising, broadcasting, publishing or telecasting within the scope of the Named Insured's activities as an educational institution.

I. PERSONAL AND ADVERSTISING INJURY FROM ELECTRONIC CHATROOMS OR BULLETIN BOARDS

Exclusion **2.f**. Electronic Chatrooms or Bulletin Boards of Section **I** – Coverages, Coverage B -Personal And Advertising Injury Liability is deleted.

J. SUPPLEMENTARY PAYMENTS – BAIL BONDS, LOSS OF EARNINGS, LEGAL AND MEDIA EXPENSE

Section **I** – Coverages, Supplementary Payments – Coverages **A** And **B** is amended as follows:

(1) Paragraphs **1.b.** and **1.d.** are replaced by the following:

b. Up to the amount shown in the Schedule of this endorsement for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.

d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to the amount shown in the Schedule of this

endorsement because of time off from work.

(2) The following is added:

Legal And Media Expense

a. We will reimburse you for "legal and media expense" you actually incurred and paid because of a "legal or media event" during the policy period. However:

(1) We will have no liability to reimburse you for fines, penalties, assessments of costs or other financial awards associated with any such "legal or media event"; and

(2) We will only reimburse you for "legal and media expense" actually incurred and paid within 90 days of the "legal or media event".

b. The maximum we will reimburse you is:

(1) The Each Event amount shown in the Schedule of this endorsement for any one "legal or media event"; and

(2) The Annual Aggregate amount shown in the Schedule of this endorsement for the sum of all "legal or media events" during the policy period.

c. If any other coverage provides reimbursement of similar legal expenses or medical expenses, the coverage provided by this endorsement will apply as excess over such other coverage.

d. The following definitions are added:

(1) "Legal or media event" means any criminal investigation, criminal complaint, indictment, administrative hearing, licensing hearing or regulatory agency proceeding relating to the alleged violation or infringement of one or more state or federal statutes or regulations regarding:

(a) Child abuse;

(b) Premises contamination at your facility;

(c) Closure of your facility by order of the Board of Health due to discovery or suspicion of contaminated food that has been served to your clients;

(d) An actual, attempted, or threatened violent act committed on your premises that results in physical injury or death, including sexual assault, kidnapping, criminal use of weapons on your premises, and stalking of your clients;

(e) An actual incident occurring at your premises involving an explosion, fire, construction accident, or equipment failure; or

(f) Your operations intended to protect the rights or safety of children and/or children in child care facilities.

"Legal or media event" includes significant adverse local, regional or national news media coverage of you relating to the adverse "legal or media event".

However, "legal or media event" does not include any actual or threatened "suit" or claim.

(2) "Legal and media expense" means reasonable fees and necessary costs incurred by you for:

(a) Attorneys, experts, and consultants used in your investigation or defense of a "legal or media event"; and

(b) Media consultants and management of public relations used in your investigation or defense of a "legal or media event".

"Legal and media expense" does not include:

(a) Damages;

(b) Fines, taxes, sanctions, or penalties;

(c) Any uninsurable amount;

(d) Any expense reimbursed or covered by any other entity or carrier or for which another entity is liable or obligated to pay; or

(e) Any of your remuneration, salaries, overhead, fees, loss of earning reimbursement, or benefit expenses.

Includes copyrighted material of Insurance Services Office, Inc., with its permission.

K. BROADENED DEFINITION OF INSURED

Section **II** – Who Is An Insured is amended as follows:

1. Paragraph 1.b is replaced by the following:

b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business. However, if you are a public entity, you are insured as a partner in a partnership or as a joint venturer in a joint venture, but only if the partnership or joint venture is between you and another governmental organization or non-profit entity. Coverage does not extend to a partnership or joint venture that operates, controls, or funds a hospital or medical clinic, nursing home, airport, port, public housing, or a gas or electric generation facility. For the purpose of this paragraph 1.b an "educational organization: is not a public entity.

2. Paragraph 1.e is replaced by the following:

e. A public entity, you are an insured. Your operating authorities, boards, commissions, districts or any other governmental units are insureds, provided that you operate, control, and fund the authority, board, commission, district, or other governmental unit. Coverage does not extend to an authority, board, commission, district, or other governmental unit that operates, controls, or funds a hospital or medical clinic, nursing home, airport, port, public housing, or a gas or electric generation facility. For the purpose of this paragraph 1.e an "educational organization" is not a public entity.

3. Paragraph **2.** is replaced by the following:

2. Each of the following is also an insured:

a. Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company), or your managers (if you are a limited liability company), at the supervisory level or above, your "executive officers" (if you are an organization other than a limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" or "volunteer workers" are insureds for:

(3) "Bodily injury" or "personal and advertising injury":

(a) To you, to your partners or members (if you are a partnership or joint venture), or to your members (if you are a limited liability company);

(b) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraph **(1)(a)** above; or

(c) Arising out of his or her providing or failing to provide professional health care services, provided that this subparagraph does not apply to any person who is employed or contracted by the Named Insured as a registered nurse, licensed practical nurse, or licensed or certified athletic trainer providing healthcare services on your behalf at:

i. A dispensary, clinic, infirmary, student health center, athletic facility or other similar facility maintained by the Named Insured principally for the use of its students or "employees"; or

ii. Any other incidental location that is not a medical emergency facility, in the event of a medical emergency.

(2) "Property damage" to property:

(a) Owned, occupied or used by;

(b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by; you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

b. Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.

c. Any person or organization having proper temporary custody of your property if you die, but only:

(1) With respect to liability arising out of the maintenance or use of that property; and

(2) Until your legal representative has been appointed.

Includes copyrighted material of Insurance Services Office, Inc., with its permission.

d. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.

e. Any student body or parent-teacher organizations authorized by the Named Insured, but only while:

(1) Under the supervision required by your governing board; and

(2) Performing services or activities authorized by you.

f. Any student teacher while teaching as part of their educational requirements and acting within the scope of their duties.

g. Spouses of your directors and trustees, but only to the extent that they are involved in a claim or "suit" solely because of their status as a spouse and such claim or "suit" seeks to recover from marital community property, jointly held property or property transferred from an insured to the spouse. No coverage is provided for any "occurrence" or offense caused or committed by a spouse.

h. Any affiliated organizations, boards, commissions, foundations or endowments, or any other current of former controlled organization or subsidiary, provided the Named Insured owns or controls at least 51% of such entity.

This insurance shall not apply to any entity that is already insured under any other insurance provided by any company or that would be an insured but for the exhaustion of its limits of insurance.

4. Paragraph **3.a.** is replaced by the following:

a. Coverage for your newly acquired or formed organization shall be:

(1) Effective on the date of acquisition or formation; and

(2) Afforded until the end of the policy period of this Coverage Form.

L. AUTOMATIC ADDITIONAL INSUREDS

The following paragraphs are added to Section **II** – Who Is An Insured:

1. The following are also insureds under this policy, subject to the following provisions:

a. When Required By Contract Or Agreement

Any person or organization to whom you are required by written contract, agreement, permit or authorization to provide insurance, but only if the contract, agreement, permit or authorization is in effect during the policy period shown in the Declarations and was executed prior to the "bodily injury", "property damage" or "personal and advertising injury". However:

(4) The person or organization is an insured only to the extent you are held liable due to:

(a) The ownership, maintenance or use of that part of premises you own, rent, lease or occupy, subject to the following additional provisions:

(i) This insurance does not apply to any "occurrence" which takes place after you cease to be a tenant in any premises leased to or rented to you; and

(ii) This insurance does not apply to any structural alterations, new construction or demolition operations performed by or on behalf of the person or organization;

(b) Your ongoing operations for that insured, whether the work is performed by you or for you;

(c) The maintenance, operation or use by you of equipment leased to you by such person or organization, subject to the following additional provisions:

(i) This insurance does not apply to any "occurrence" which takes place after the equipment lease expires or you cease to lease that equipment; and

(ii) This insurance does not apply to "bodily injury" or "property damage" arising out of the sole negligence of such person or organization;

(d) Permits or authorizations issued by any state or political subdivision with respect to operations performed by you or on your behalf, subject to the following additional provision:

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of operations performed for that state or municipality.

 Includes copyrighted material of Insurance Services Office, Inc., with its permission.

(5) The insurance with respect to any architect, engineer or surveyor does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of or failure to render any professional services by or for you, including:

(a) The preparing, approving or failure to prepare or approve maps, drawings, opinions, reports, surveys, change orders, designs or specifications; and

(b) Supervisory, inspection or engineering services.

(6) This insurance does not apply to "bodily injury" or "property damage" included within the "products-completed operations hazard".

(7) This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of or failure to render any professional services.

(8) This insurance does not apply to any insured person or organization if the loss, cost, injury or damage is otherwise excluded from coverage under this insurance, including any endorsements made a part of this policy.

(9) A person's or organization's status as an insured under this endorsement ends when your operations for that insured are completed.

(10) This insurance does not apply to any person or organization included as an insured by an endorsement issued by us or otherwise made part of this insurance.

(11) No coverage will be provided if, in the absence of this endorsement, no liability will be imposed by law on you. Coverage will be limited to the extent of your negligence or fault according to the applicable principles of comparative fault.

This Additional Insured provision does not apply to managers or lessors of premises; mortgagees, assignees or receivers; or vendors.

b. Managers Or Lessors Of Premises

Any person or organization who leases to you or manages property you rent or lease, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf in connection with that part of the premises leased or rented to you and shown on the Declarations.

The following additional exclusions apply to such managers or lessors of premises:

This insurance does not apply to:

(1) Any "occurrence" which takes place after you cease to be a tenant in that premises.

(2) Structural alterations, new construction or demolition operations performed by or on behalf of the person(s) or organization(s) who leases to you or manages property you rent or lease.

c. Mortgagees, Assignees Or Receivers

Any person or organization with respect to their liability as mortgagee, assignee or receiver and arising out of the ownership, maintenance or use of premises by you. However, this insurance does not apply to structural alterations, new construction or demolition operations performed by or for that person or organization.

d. Vendors

Any vendor with whom you have agreed in a written contract or agreement to provide insurance, but only if the contract or agreement is in effect during the policy period shown in the Declarations and was executed prior to the "bodily injury" or "property damage", and only with respect to "bodily injury" or "property damage" arising out of "your products" which are distributed or sold in the regular course of the vendor's business.

(1) The following additional exclusions apply to such vendors:

This insurance does not apply to:

(a) "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;

(b) Any express warranty unauthorized by you;

(c) Any physical or chemical change in the product made intentionally by the vendor;

Includes copyrighted material of Insurance Services Office, Inc., with its permission.

(d) Repackaging, except when unpacked solely for the purpose of inspection, demonstration, testing or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;

(e) Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products;

(f) Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;

(g) Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor;

(h) Any failure to maintain the product in a merchantable condition; or

(i) "Bodily injury" or "property damage" arising out of the sole negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:

(i) The exceptions contained in subparagraphs **(d)** or **(f)**; or

(ii) Such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.

(2) This insurance does not apply to any insured person or organization from whom you have acquired such products, or any ingredient, part or container entering into, accompanying or containing such products.

(3) This insurance does not apply to any vendor included as an insured by an endorsement issued by us or otherwise made a part of this insurance.

(4) This insurance does not apply if "bodily injury" or "property damage" included in the "products-completed operations hazard" is excluded either by the provisions of this insurance or by endorsement.

2. The insurance provided to such automatic additional insureds:

a. Only applies to the extent permitted by law; and

b. Will not be broader than that which you are required by the contract or agreement to provide for such additional insureds.

3. With respect to the insurance afforded to such automatic additional insureds, the following is added to Section **III** – Limits Of Insurance:

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

a. Required by the contract or agreement; or

b.Available under the applicable limits of insurance shown in the Declarations,

whichever is less.

The insurance afforded to the additional insured does not increase the applicable limits of insurance shown in the Declarations.

M. EACH LOCATION AND EACH PROJECT AGGREGATES

The following is added to Section **III** – Limits Of Insurance:

2. For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under Coverage **A**, and for all medical expenses caused by accidents under Coverage **C**, which can be attributed only to operations at a single designated covered "location" or covered construction project:

a. A separate Each Location or Each Project Aggregate limit applies to each covered "location" or covered construction project, and that limit is equal to the General Aggregate limit shown in the Declarations.

b. The Each Location or Each Project Aggregate limit is the most we will pay for the sum of all damages under Coverage **A**, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard", and for medical expenses under Coverage **C**, regardless of the number of:

(1) Insureds;

 Includes copyrighted material of Insurance Services Office, Inc., with its permission.

(2) Claims made or "suits" brought; or

(3) Persons or organizations making claims or bringing "suits".

c. Any payments made under Coverage **A** for damages or under Coverage **C** for medical expenses shall reduce the Each Location or Each Project Aggregate limit for each covered "location" or covered project for which payment is made. Such payments shall not reduce the General Aggregate limit shown in the Declarations nor shall they reduce any other covered "location" or covered project's general aggregate.

d. The limits shown in the Declarations for Each Occurrence, Damage To Premises Rented To You and Medical Expense continue to apply. However, instead of being subject to the General Aggregate limit shown in the Declarations, such limits will be subject to the applicable Each Location or Each Project Aggregate limit.

3. For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under Coverage **A**, and for all medical expenses caused by accidents under Coverage **C**, which cannot be attributed only to ongoing operations at a covered "location" or covered project:

a. Any payments made under Coverage **A** for damages or under Coverage **C** for medical expenses shall reduce the amount available under the General Aggregate limit or the Products-Completed Operations Aggregate limit, whichever is applicable; and

b. Such payments shall not reduce any Each Location or Each Project Aggregate limit.

4. When coverage for liability arising out of the "products-completed operations hazard" is provided, any payments for damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard" will reduce the Products-Completed Operations Aggregate limit, and not reduce the General Aggregate limit nor the Each Location or Each Project Aggregate limit.

5. If the applicable covered construction project has been abandoned, delayed, or abandoned and then restarted, or if the authorized contracting parties deviate from plans, blueprints, designs, specifications or timetables, the project will still be deemed to be the same construction project.

6. For the purposes of this section of this endorsement, "location" means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad.

7. The provisions of Section **III** – Limits Of Insurance not otherwise modified by this endorsement shall continue to apply as stipulated.

N. DUTIES IN THE EVENT OF OCCURRENCE, OFFENSE, CLAIM OR SUIT

The following is added to Condition **2.** Duties In The Event Of Occurrence, Offense, Claim Or Suit under Section **IV** –Conditions:

Your obligation to notify us as soon as practicable of an "occurrence", offense, claim or "suit" is satisfied if you send us written notice as soon as practicable after any of your "executive officers", directors, partners, insurance managers or legal representatives become aware of or should have become aware of such "occurrence", offense, claim or "suit".

O. UNINTENTIONAL FAILURE TO DISCLOSE ALL HAZARDS

The following is added to Condition 5. Representations under Section **IV** –Conditions:

If you unintentionally fail to disclose all hazards prior to the beginning of the policy period of the Coverage Form, we shall not deny coverage under this Coverage Form because of such failure.

P. WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

The following is added to Condition 7**.** Transfer Of Rights Of Recovery Against Others To Us under Section **IV** – Conditions:

We waive any right of recovery we may have against any person or organization because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a contract with that person or organization and included in the "products-completed operations hazard". This waiver applies only to the person or organization with whom you have agreed in a written contract prior to an "occurrence" to waive such rights.

Q. EXPANDED COVERAGE TERRITORY

1. The following is added to Section IV **–Conditions**

Expanded Coverage Territory

Includes copyrighted material of Insurance Services Office, Inc., with its permission.

a. If a "suit" is brought in a part of the "coverage territory" that is outside the United States of America (including its territories and possessions), Puerto Rico or Canada, and we are prevented by law, or otherwise, from defending the insured, the insured will initiate a defense of the "suit". We will reimburse the insured, under Supplementary Payments, for any reasonable and necessary expenses incurred for the defense of a "suit" seeking damages to which this insurance applies, that we would have paid had we been able to exercise our right and duty to defend.

If the insured becomes legally obligated to pay sums because of damages to which this insurance applies in a part of the "coverage territory" that is outside the United States of America (including its territories and possessions), Puerto Rico or Canada, and we are prevented by law, or otherwise, from paying such sums on the insured's behalf, we will reimburse the insured for such sums.

b. All payments or reimbursement we make for damages because of judgments or settlements will be made in United States currency at the prevailing exchange rate at the time the insured became legally obligated to pay such sums. All payments or reimbursements we make for expenses under Supplementary Payments will be made in United States currency at the prevailing exchange rate at the time the expenses were incurred.

c. Any disputes between you and us as to whether there is coverage under this policy must be filed in the courts of the United States of America (including its territories and possessions), Puerto Rico or Canada.

d. The insured must fully maintain any coverage required by law, regulation or other governmental authority during the policy period, except for the reduction of the aggregate limits due to payments of claims, judgments or settlements. Failure to maintain such coverage required by law, regulation or other governmental authority will not invalidate this insurance. However, this insurance will apply as if the required coverage by law, regulation or other government authority was in full effect.

e. This insurance is excess over any other insurance, whether primary, excess, contingent or on any other basis:

(1) If the insured's liability to pay damages is determined in a "suit" brought outside the United States of America (including its territories and possessions), Puerto Rico or Canada; or

(2) That is coverage required by law, regulation or other governmental authority in a part of the "coverage territory" that is outside the United States of America (including its territories and possessions), Puerto Rico or Canada.

8. Definition 5**.** "Coverage territory" in Section V- Definitions is replaced with the following:

5. "Coverage territory" means any part of the world with the exception of any country or jurisdiction which is subject to trade or other economic sanction or embargo by the United States of America.

R. LIBERALIZATION CLAUSE

The following is added to Section **IV** –Conditions:

Liberalization Clause

If we adopt any revision that would broaden coverage under this Coverage Form without additional premium, the broadened coverage will immediately apply to this Coverage Form as of the day the revision is effective in your state.

S. MENTAL ANGUISH RESULTING FROM BODILY INJURY

Definition 4**.** "bodily injury" is replaced by the following:

4. Bodily injury" means:

a. Bodily injury, sickness or disease sustained by a person, including mental anguish or emotional distress resulting from any of these; and

b. Death resulting from bodily injury, sickness or disease.

T. BROADENED DEFINITION OF MOBILE EQUIPMENT

The following is added to Paragraph **f.(1)** of Definition 20**.** "mobile equipment":

This shall not apply to self-propelled vehicles of less than 1,000 pounds gross vehicle weight.

U. EDUCATIONAL ORGANIZATION DEFINITION

The following definition is added:

Includes copyrighted material of Insurance Services Office, Inc., with its permission.

"Educational organization" means the entity or association shown as a Named Insured in the Declarations of the policy to which this endorsement is attached.

V. PRODUCTS LIABILITY REDEFINED

With respect to "bodily injury" or "property damage" arising out of "your products" manufactured, sold, handled or distributed:

1. On, from or in connection with the use of any insured premises; or

2. In connection with the conduct of any insured operation, when conducted by you or on your behalf, Paragraph a. of the definition of "Products-completed operations hazard" is replaced by the following:

"Products-completed operations hazard"

a. Includes all "bodily injury" and "property damage" that arises out of "your products" if the "bodily injury" or "property damage" occurs after you have relinquished possession of those products.

W. BROADENED LIABILITY COVERAGE FOR RESTRAINT OR REMOVAL OF STUDENTS

The following is added to Exclusion **2.n.** Expected Or Intended Injury under Section **I** – Coverages, Coverage **A** – Bodily Injury And Property Damage Liability:

This exclusion also does not apply to "bodily injury" resulting from the use of reasonable force to restrain or remove a student whose behavior is interfering with the orderly exercise and performance of your functions, duties and powers, if that student has refused to comply with a request to refrain from further disruptive acts.

All other terms and conditions remain unchanged.

Includes copyrighted material of Insurance Services Office, Inc., with its permission.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

AMERICAN SOUTHERN HOME INSURANCE COMPANY

LIMITED EXCLUSION – LIQUOR LIABILITY

This endorsement modifies insurance provided under the following:

GENERAL LIABILITY COVERAGE PART

The following is added to Paragraph **2. Exclusions** of **SECTION I – COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY**:

Liquor Liability

This insurance does not apply to “bodily injury” or “property damage” for which any insured may be held liable by reason of:

(1) Causing or contributing to the intoxication of any person;

(2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or

(3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

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

(a) The supervision, hiring, employment, training or monitoring of others by that insured; or

(b) Providing or failing to provide transportation with respect to any person that may be under the influence of alcohol; if the "occurrence" which caused the "bodily injury" or "property damage", involved that which is described in Paragraph (1), (2) or (3) above.

However, this exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages. For the purposes of this exclusion, permitting a person to bring alcoholic beverages on your premises, for consumption on your premises, whether or not a fee is charged or a license is required for such activity, is not by itself considered the business of selling, serving or furnishing alcoholic beverages.

All other terms and conditions remain unchanged.

Copyright 2020 Munich Re America . All rights reserved.
Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

AMERICAN SOUTHERN HOME INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LIMITED EXCLUSION – PROFESSIONAL SERVICES WITH EXCEPTIONS FOR STUDENT INTERNS AND CERTAIN MEDICAL SERVICES

This endorsement modifies insurance provided under the following:

GENERAL LIABILITY COVERAGE FORM

A. Paragraph **2.** Exclusions of Coverage **A** – Bodily Injury And Property Damage Liability and Coverage **B** – Personal And Advertising Injury Liability under Section **I** – Coverages is amended as follows:

Exclusion v. **Professional Services** of Coverage **A** – Bodily Injury And Property Damage Liability and Exclusion s. **Professional Services** of Coverage **B** – Personal And Advertising Injury Liability are deleted and replaced by the following:

Professional Services

This insurance does not apply to:

"Bodily injury", "property damage", or "personal and advertising injury" arising out of the rendering of or failure to render any professional services. However, this exclusion does not apply to:

(1) "Bodily injury" or "property damage" caused by a student intern while participating in any:

(a) Supervised practicum;

(b) Field work experience; or

(c) Internship program

that may be legally performed by a student who does not yet hold a professional license;

(2) "Bodily injury" or "property damage" arising out of the rendering of or failure to render any "professional healthcare services" by a person who is employed or contracted by the "educational organization" as a registered nurse, licensed practical nurse, licensed or certified athletic trainer, or other allied health professional other than a physician, physician's assistant or nurse practitioner, but only if such service is performed on your behalf at:

(a) A dispensary, clinic, infirmary, student health center, athletic facility or other similar facility maintained by the "educational organization" principally for the use of its students or "employees"; or

(b) Any other incidental location that is not a medical emergency facility in the event of a medical emergency; or

(3) The "educational organization's" liability for "bodily injury" or "property damage" arising out of the rendering of or failure to render any "professional healthcare service" by any physician, physician's assistant, or nurse practitioner on behalf of the "educational organization".

B. The following is added to Section **II** – Who Is An Insured:

Any student intern of the "educational organization" while participating in any supervised practicum, field work experience or internship program which is a required part of the student's curriculum at the "educational organization" is an insured.

Copyright 2020 Munich Re America . All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

C. Exclusion **u. Professional Health Care Services of** Coverage **A** – Bodily Injury And Property Damage Liability and Exclusion **r**. **Professional Health Care Services** of Coverage **B** – Personal And Advertising Injury Liability do not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of or failure to render any "professional health care services" included in Paragraph A. above.

D. The following definition is added to Section V- Definitions :

"Educational organization" means the entity or association shown as a Named Insured in the Declarations of the policy to which this endorsement is attached.

All other terms and conditions remain unchanged.

Copyright 2020 Munich Re America . All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

GENERAL LIABILITY

American Southern Home Insurance Company

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CRISIS MANAGEMENT AND PUBLIC RELATIONS EXPENSE COVERAGE

This endorsement modifies insurance provided under the following:

GENERAL LIABILITY COVERAGE FORM

SCHEDULE

Crisis Management And Public Relations Expense:	$300,000 Aggregate Limit
Crisis Management Expense:	$300,000 Each Crisis Event Limit
Public Relations Expense:	
Resulting From A Crisis Event:	$50,000 Each Crisis Event Limit
Resulting From An Adverse Event:	$25,000 Each Adverse Event Limit
Public Relations Expense Resulting From Adverse Event:	$2,500 Each Adverse Event Deductible

A. The following is added to Section **I** – Coverages:

CRISIS MANAGEMENT AND PUBLIC RELATIONS EXPENSE COVERAGES

1. Insuring Agreements

a. Crisis Management Expense Insuring Agreement

(1) We will reimburse you for reasonable and necessary "crisis management expense" arising out of a "crisis event", provided the "crisis event":

(a) Takes place in the "coverage territory"; and

(b) First commences during the policy period.

(2) We will only reimburse you for "crisis management expense" incurred within the first 60 days immediately following the "crisis event". The end of the policy period will not cut short this 60 day period in which to incur "crisis management expense".

(3) A "crisis event" will be deemed to have first commenced when any insured listed under Paragraph **1.** of Section **II** – Who Is An Insured or any "employee" authorized by you to give or receive notice of a "crisis event" first becomes aware that the "crisis event" has commenced.

(4) All related or interrelated "crisis events", including multiple acts actually or allegedly committed or attempted by the same person or persons, will be treated as one "crisis event" and will be deemed to have first commenced when the first of such "crisis events" first commences, and will be subject to the coverage and limits in effect at the time of the first "crisis event".

b. Public Relations Expense Insuring Agreement

(1) We will reimburse you reasonable and necessary "public relations expense" arising out of "adverse publicity", provided:

Copyright 2020 Munich Re America . All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

(a) The "adverse publicity" is the result of a "crisis event" or "adverse event" that takes place in the "coverage territory"; and

(b) The "adverse publicity" first commences during the policy period, regardless of when the "crisis event" or "adverse event" first commenced.

(2) We will only pay "public relations expense" incurred within the first 60 days immediately following the "adverse publicity". The end of the policy period will not cut short this 60 day period in which to incur "public relations expense".

If the intent to release "adverse publicity" by a third party becomes known to an insured, we will also reimburse you for "public relations expense" incurred for a period of up to 30 days, beginning when the intent to release "adverse publicity" first becomes known to the insured. However:

(a) We must agree in writing, prior to incurring such "public relations expense" in advance of the actual release of "adverse publicity", to cover such "public relations expense"; and

(b) Under no circumstance will the amount we pay for the sum of "public relations expense" incurred in advance of and after the actual release of "adverse publicity" exceed the applicable limit of insurance.

(3) An "adverse publicity" will be deemed to have first commenced at the earliest time when any insured listed under Paragraph **1.** of Section **II** – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "adverse publicity" first becomes aware:

(a) That the "crisis event" has commenced; or

(b) Of the intent of a third party to release "adverse publicity".

(4) All related or interrelated "adverse publicity" arising out of the same, related or interrelated "crisis events" or "adverse events", including multiple acts actually or allegedly committed or attempted by the same person or persons, will be treated as one "adverse publicity" and will be deemed to have first commenced when the first of such "adverse publicity" first commences.

2. Exclusions

This insurance does not apply to:

a. Access Or Disclosure Of Confidential Information Or Personal Information And Data-related Liability

"Crisis management expense" or "public relations expense" arising out of:

(1) The access to any system or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, membership information, student information, financial information, credit card information, health information or any other type of nonpublic information by you or anyone acting on your behalf;

(2) The loss of, theft of, loss of use of, damage to, deletion of, corruption of, or the inability to access or to manipulate electronic data;

(3) The denial of electronic systems access or service because of an anticipated or actual electronic systems attack including, but not limited to, malware, phishing, SQL injection attack, cross-site scripting, denial-ofservice attack, hijacking and man-in-the-middle attack, Trojan horse, application layer attack, compromised key attack, spyware, ransomware, cyber terrorism, or any type of computer virus; or

(4) The unauthorized viewing, copying, use or manipulation of data by you or anyone acting on your behalf.

We will not be obligated to pay any costs associated with events described in Paragraphs **(1)** through **(4)** above, including but not limited to, costs related to extortion, ransom, forensics, credit monitoring, notification, regulatory costs, public relations, or business interruption.

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

Copyright 2020 Munich Re America . All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

b. Contractual Liability

"Crisis management expense" or "public relations expense" that arises solely from the actual or alleged liability assumed by an insured through express, implied, actual or constructive contract, agreement, warranty, guarantee, or promise, unless such liability would have been attached to the insured even in the absence of such contract, agreement, warranty, guarantee, or promise. However, this exclusion shall not apply to "public relations expense" arising out of "adverse publicity" that results from an "adverse event".

c. Failure To Maintain Insurance

"Crisis management expense" or "public relations expense" arising solely from your failure to maintain insurance.

d. Failure to Pay Bonds

"Crisis management expense" or "public relations expense" arising solely due to your failure to pay any bond, interest on any bond, any debt, financial guarantee or debenture. However, this exclusion does not apply to "public relations expense" arising out of "adverse publicity" that results from an "adverse event".

e. Governmental Services

"Crisis management expense" or "public relations expense" for any services provided by a governmental entity. This exclusion does not apply to services that are customarily charged by the providing governmental entity to the public.

f. Third Party Damages, Fines And Penalties

Any compensatory damages (including, but not limited to, compensatory damages because of "bodily injury", "property damage" or "personal and advertising injury" sustained as the direct result of a "crisis event" or "adverse event"), fines, penalties, punitive damages, exemplary damages, multiplied damages, or other noncompensatory damages imposed upon the insured because of a "crisis event" or an "adverse event".

g. Sexual Misconduct

"Crisis management expense" or "public relations expense" arising out of any actual or alleged sexual abuse, sexual molestation, sexual harassment or sexual misconduct of any type. However, this exclusion does not apply to "public relations expense" arising out of sexual harassment related to employment and alleged by or on behalf of a past, present or prospective "employee" of the Named Insured.

h. War

(1) War, including undeclared or civil war;

(2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or

(3) Insurrection, rebellion, revolution, usurped power, or action taken by a government authority in hindering or defending against any of these.

i. Failure to Follow Risk Management Procedures and Inadequacy of Software

Damages, loss, or expense arising directly or indirectly from:

a. Any shortcoming in security that you knew about prior to the inception of this policy and for which you failed to take corrective action within a reasonable time, not to exceed 60 days;

b. Your failure to comply with all data security standards issued by credit card issuers or financial institutions with whom you transact business, if you process, store or handle credit card information;

c. Your reckless disregard for the security of "personally identifiable information" and "confidential corporate information"; or

d. The inability to use, or the lack of performance of, software:

(1) Due to the expiration, cancellation, or withdrawal of such software;

(2) That has not yet been released from its development stage; or

(3) That has not passed all test runs or proven successful in applicable daily operations.

Copyright 2020 Munich Re America . All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

B. With respect only to the coverage provided by this endorsement, Section **III** – Limits Of Insurance is replaced by the following:

Section III – Limits Of Insurance

1. The limits shown in the Schedule of this endorsement and the rules below fix the most we will pay regardless of the number of:

a. Insureds;

b. Claims made;

c. Persons or organizations making claims; or

d. "Affected persons".

2. The Crisis Management And Public Relations Expense Aggregate Limit shown in the Schedule of this endorsement is the most we will reimburse you for the sum of all "crisis management expense" and "public relations expense" arising out of all "crisis events" and "adverse publicity". The Crisis Management And Public Relations Expense Aggregate Limit shown in the Schedule of this endorsement is in addition to the limits of insurance provided by the **GENERAL LIABILITY COVERAGE FORM**.

3. Subject to Paragraph **2.** above:

a. The Each Crisis Event Limit for Crisis Management Expense shown in the Schedule of this endorsement is the most we will reimburse you for all "crisis management expense" arising out of any one "crisis event".

b. The Each Crisis Event Limit for Public Relations Expense Resulting From A Crisis Event shown in the Schedule of this endorsement is the most we will reimburse you for all "public relations expense" arising out of all "adverse publicity" resulting from any one "crisis event".

c. The Each Adverse Event Limit for Public Relations Expense Resulting From An Adverse Event shown in the Schedule of this endorsement is the most we will reimburse you for all "public relations expense" arising out of all "adverse publicity" resulting from any one "adverse event".

4. Subject to the limits of liability, exclusions and other terms of this endorsement, we will only be liable for "public relations expense" arising out of "adverse publicity" that is the result of an "adverse event" that is in excess of the Each Adverse Event Deductible shown in the Schedule of this endorsement for Public Relations Expense Resulting From Adverse Event. Such deductible will apply separately to each "adverse event" that results in "adverse publicity" and will be deducted from our reimbursement to you. No deductible applies to "public relations expense" arising out of "adverse publicity" that is the result of a "crisis event".

The terms of this insurance, including the insured’s duties in the event of an "adverse event" or "adverse publicity", apply irrespective of the application of the deductible.

C. With respect only to the coverage provided by this endorsement, Section **IV** –Conditions is amended as follows:

1. Condition **2.** Duties In The Event Of Occurrence, Offense, Claim Or Suit is replaced by the following:

2. Duties In The Event Of A Crisis Event, Adverse Event, Adverse Publicity Or Claim

a. You must see to it that we are notified as soon as practicable of a "crisis event", "adverse event" or "adverse publicity" which may result in a claim for reimbursement. To the extent possible, notice should include:

(1) How, when and where the "crisis event" or "adverse event" took place;

(2) The names and addresses of any "affected persons" and witnesses; and

(3) The nature and location of any injury or damage arising out of the "crisis event" or "adverse event", including any actual or anticipated "adverse publicity".

b. You must notify us of the name of the "crisis management firm" selected prior to incurring any "public relations expense".

Copyright 2020 Munich Re America . All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

c. You must submit a claim for reimbursement of "crisis management expense" or "public relations expense" within 60 days after incurring such "crisis management expense" or "public relations expense". Such claim must include invoices or receipts supporting all such "crisis management expense" or "public relations expense" actually incurred.

d. No insured will, except at that insured's own cost, incur any expense without our consent.

2. Condition **4.** Other Insurance is replaced by the following:

4. Other Insurance

If other valid and collectible insurance is available to the insured for "crisis management expense" or "public relations expense" we cover under this endorsement, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary, and our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in **b.** below.

b. Method of Sharing

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

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

3. The following condition is added:

Two Or More Coverage Forms Or Policies Issued By Us

If the coverage provided by this endorsement and any other Coverage Form or policy issued to you by us or any company affiliated with us apply to the same "crisis event", "adverse event", "crisis management expense" or "public relation expense", the aggregate maximum limit of insurance under all of the Coverage Forms, policies or endorsements will not exceed the highest applicable limit of insurance under any one Coverage Form, policy or endorsement. This condition does not apply to any Coverage Form, policy or endorsement issued by us or an affiliated company specifically intended to apply as excess insurance over the coverage provided by this endorsement.

D. With respect only to the coverages provided by this endorsement, Section V-Definitions is amended as follows:

1. Definition 5**.** "coverage territory" is replaced by the following:

4. "Coverage territory" means the United States of America (including its territories and possessions) Puerto Rico and Canada. "Coverage territory" includes "crisis events" and "adverse events" occurring anywhere in the world if such "crisis event" or "adverse event" occurs during an event officially sponsored, organized and controlled by you or during travel thereto or returning therefrom.

2. The following definitions are added:

"Act of violence" means:

a. A threatened or an actual explosion or bombing;

b. An intentional and unlawful act of deadly force involving the use of a lethal weapon or the threat of deadly force involving the display of a lethal weapon; or

c. Any other type of mass attack or the imminent threat of a mass attack;
that is specifically directed against the insured institution, its students, members, customers, or other persons who may be victims or potential victims because of their presence at an insured location, or at an event or activity sponsored by you.

"Adverse event" means an unanticipated legal, financial, or regulatory situation. "Adverse event" includes, but is not limited to:

Copyright 2020 Munich Re America . All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

a. The incapacity or death of an "executive officer" or institution leader of yours, other than incapacity or death resulting from a "crisis event";

b. The criminal indictment of an "executive officer" or institutional leader of yours;

c. The cancellation, withdrawal, or revocation by a non-government entity or person of major funding, donations, grants or bequests to you;

d. Disclosure by you of your intention to file, or your actual filing, for protection under the federal bankruptcy law; or disclosure of a third party's intention to file, or its actual filing of, an involuntary bankruptcy petition under federal bankruptcy laws with the respect to you, unless such filing is the direct result of a "crisis event".

e. Disclosure of the threatened or actual commencement by a third party of an action, audit or investigation alleging an "employment practices wrongful act" committed by any insured; or

f. Disclosure of the threatened or actual commencement by a third party of an action, audit or investigation alleging discrimination, other than an "employment practices wrongful act", committed by any insured.

"Adverse event" does not include a "crisis event".

"Adverse publicity" means the publication of unfavorable information regarding the Named Insured, resulting directly from a "crisis event" or "adverse event", that can reasonably be considered sufficient and of a nature to materially reduce public confidence in the competence, integrity, or viability of the Named Insured to conduct operations.

"Affected persons" means those persons, including your "employees", who are subject to actual or imminent threat of "bodily injury", "property damage", or "personal and advertising injury".

"Care provider" means the family member of an insured who provides direct care to that insured.

"Crisis counseling expense" means expenses for psychological counseling services provided to "affected persons". "Crisis counseling expense" does not include any medical expenses, including first aid, medicines, medical doctor office visits, or hospitalization".

"Crisis event" means an "urgent situation" caused by an act, whether man-made or an act of nature, that results in the actual or imminent threat of "bodily injury", "property damage" or "personal and advertising injury" sustained by one or more "affected persons", and arising from your institution or its operations or sponsored activities. "Crisis event" includes, but is not limited to:

a. An "act of violence";

b. Arson;

c. Assault or battery;

d. The taking of hostages, kidnapping or stalking;

e. Terrorism (only if covered under the policy);

f. Contamination of food, drink or pharmaceuticals;

g. A fire;

h. Collapse of a building, structure or equipment;

i. An automobile, watercraft or aircraft accident;

j. Flood;

k. Earthquake;

l. Any event that results in permanent paralysis or traumatic brain injury to one or more individuals;

m. Mud slide; or

n. A drowning;

whether or not the initial act that leads to the "crisis event" commences during or prior to the policy period.

"Crisis event" does not include an "adverse event".

Copyright 2020 Munich Re America . All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

"Crisis management firm" means a public relations firm or law firm, retained or approved by us, that is hired to perform services of the type covered under "public relations expense" in connection with "adverse publicity" resulting from a "crisis event" or "adverse event".

"Crisis management expense" means:

a. Reasonable and necessary "emergency transport expense", "crisis counseling expense", funeral expenses, travel expenses, and temporary living expenses actually incurred by you to provide relief or support to "affected persons";

b. Reasonable and necessary expenses actually incurred by you to secure the scene of a "crisis event" when reasonably required because of an "act of violence";

c. 60% of "loss of income" for:

(1) An insured who sustains "serious bodily injury";

(2) An insured held as a hostage; or

(3) The "care provider" of an insured described in Paragraph **(1)** or **(2)** above, provided the need for care is a result of such "serious bodily injury" or kidnapping;

d. Rental of comparable substitute premises after the "crisis event" when reasonably required because of an "act of violence";

e. Additional expenses actually incurred by you for the transportation of persons to and from a substitute premises described in Paragraph **d.** above;

f. Security services for up to 15 days immediately following a "crisis event" if such services are required because of a "crisis event";

g. Compensation paid to temporary personnel, hired to replace "employees" who have sustained "serious bodily injury" during a "crisis event". Such compensation shall not exceed the compensation of the "employee" being replaced; and

h. Any other pre-approved reasonable and necessary expenses actually incurred by you after a "crisis event".

With respect to Paragraph **c.** above, in the event that another policy, program or plan pays a portion less than 60% of the "loss of income", we will reimburse the difference between that portion paid by the other policy, program or plan and 60% of the "loss of income".

"Crisis management expense" does not include "public relations expense".

"Emergency transport expense" means transport expenses, including emergency airlift, occurring within 24 hours after a "crisis event", to transport an "affected person" sustaining "bodily injury" as the result of a "crisis event" to a medical treatment facility.

"Employment practices wrongful act" means any of the following acts related to employment, but only if alleged by or on behalf of a past, present or prospective "employee" of the Named Insured:

a. Wrongful dismissal, discharge or termination of employment, whether actual or constructive;

b. Misrepresentation;

c. Violation of employment laws;

d. Sexual harassment or workplace harassment;

e. Discrimination;

f. Wrongful discipline;

g. Wrongful deprivation of a career opportunity including a wrongful failure to hire or promote;

h. Failure to grant tenure;

i. Negligent employee evaluation;

j. Retaliation;

k. Failure to provide adequate workplace or employment policies or procedures;

Copyright 2020 Munich Re America . All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

l. Defamation (including libel and slander);

m. Invasion of privacy;

n. Malicious prosecution;

o. Wrongful demotion;

p. Negligent reassignment;

q. Violation of any federal, state or local civil rights laws;

r. Negligent hiring;

s. Negligent supervision;

t. Negligent training;

u. Negligent retention; or

v. Acts described in Paragraphs **a.** through **u.** above arising from the use of the Named Insured's or a subsidiary entity of the Named Insured's internet, email, telecommunication or similar systems, including the failure to provide and enforce adequate policies and procedures relating to such use of the Named Insured or the Named Insured's subsidiary's internet, email, telecommunication or similar systems.

"Loss of income" means loss of an "affected person's" or "care provider's" actual gross income based on the salary of the "affected person" or "care provider" on the date of the "crisis event". "Loss of income" does not include:

a. Any loss after the date on which an "affected person" dies; or

b. Potential income that may have been received from overtime hours, on-call pay or similar types of compensation; or

c. Compensation for paid sick leave, short-term disability, long-term disability, or family leave that was utilized because of "serious bodily injury".

"Public relations expense" means the expenses actually incurred by you for a "crisis management firm" to restore or maintain public confidence in your organization because of an anticipated or actual "crisis event" or "adverse event". "Public relations expense" includes the cost of necessary communications. "Public relations expense" does not include the salary of your "employees" or "crisis management expense".

"Serious bodily injury" means:

a. Death of a person; or

b. Other physical injury sustained by a person that causes serious impairment of body function, or permanent serious disfigurement. For the purpose of this definition, serious impairment of body function means an objectively manifested impairment of an important body function that affects the person's general ability to lead her or his normal life.

"Urgent situation" means a sudden and unexpected state or condition that requires immediate action or attention, whereby in the absence of such immediate action or attention, there is an imminent threat of "serious bodily injury" or significant loss to property or the environment is imminent.

E. Terrorism

Any conditions, exclusions or other provisions related to terrorism under the **GENERAL LIABILITY COVERAGE FORM** apply to "crisis management expense" and "public relations expense" under this endorsement.

All other terms and conditions remain unchanged.

Copyright 2020 Munich Re America . All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

American Southern Home Insurance Company

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COUNSELING PROFESSIONAL LIABILITY COVERAGE

This endorsement modifies insurance provided under the following:

GENERAL LIABILITY COVERAGE FORM

SCHEDULE

LIMITS OF INSURANCE	
$1,000,000	Each Wrongful Act
$3,000,000	Aggregate

The following changes apply only to the coverage provided by this endorsement. **A.**

The following is added to Section **I** – Coverages:

COUNSELING PROFESSIONAL LIABILITY 1. Insuring Agreement

a. We will pay those sums that the insured becomes legally obligated to pay as damages because of “injury” arising out of a "wrongful act" of the insured or of any other person for whose acts the insured is legally liable, to which this insurance applies. We will have the right and duty to defend the insured against any “suit” seeking those damages. However, we will have no duty to defend any insured against any "suit" seeking damages to which this insurance does not apply. We may, at our discretion, investigate any report of a "wrongful act" and settle any claim or "suit" that may result. But:

(1) The amount we will pay for damages is limited as described in Paragraph **D.** of this endorsement; and

(2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages **A**, **B** And Counseling Professional Liability. **b.** This insurance applies to “injury” only if:

(1) The “injury” is caused by a "wrongful act" that takes place in the "coverage territory";

(2) The “injury” occurs during the policy period;

(3) Prior to the policy period, no insured listed under Paragraph **1.** of Section **II** – Who Is An Insured, and no “employee”, "professional counselor", "pastoral counselor" or "lay counselor" authorized by you to give or receive notice of a "wrongful act", knew that the "injury" had occurred, in whole or in part. If such an authorized “employee”, "professional counselor", "pastoral counselor" or "lay counselor" knew, prior to the policy period, that the "injury" occurred, then any continuation, change or resumption of such "injury" during or after the policy period will be deemed to have been known prior to the policy period; and

(4) The "wrongful act" constitutes, or arises directly out of, a professional counseling service undertaken on your behalf by a "professional counselor", "pastoral counselor" or "lay counselor".

Copyright 2020 Munich Re America . All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

c. “Injury” which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph **1.** of Section **II** – Who Is An Insured or any "employee" authorized by you to give or receive notice of a "wrongful act" or “claim”, includes any continuation, change or resumption of that “injury” after the end of the policy period.

d. “Injury” will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph **1.** of Section **II** – Who Is An Insured or any "employee" authorized by you to give or receive notice of a "wrongful act" or “claim”:

(1) Reports all, or any part, of the “injury” to us or any other insurer;

(2) Receives a written or verbal demand or “claim” for damages because of the “injury”; or

(3) Becomes aware by any other means that “injury” has occurred or has begun to occur.

e. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

2. Exclusions

This insurance does not apply to:

a. Actions Of Unauthorized Counselors

Loss of any kind arising out of the acts of any "employee", "volunteer worker", "professional counselor", "pastoral counselor" or "lay counselor" unless such person is authorized by you to engage in a professional counseling service covered by this endorsement. We will, however, cover your legal liability and the legal liability of your managers and “executive officers” in connection with the unauthorized professional counseling service if such service is otherwise covered by this endorsement.

b. Advertising Injury

"Personal and advertising injury" arising out of:

(1) The publication, in any manner, of material if done by or at the direction of the insured with knowledge of its falsity; or

(2) The publication, in any manner, of information through any advertising, publishing, broadcasting or telecasting business which is owned or operated by you.

c. Commitment To Psychiatric Hospital

Liability resulting from commitment of any person to a psychiatric hospital or mental health institution. **d.**

Contractual Liability

Liability assumed by the insured under any contract or agreement. This exclusion does not apply to liability for damages that:

(1) Are assumed by the insured in a written contract or agreement and arise out of professional counseling services the "professional counselor", "pastoral counselor" or "lay counselor" provided subsequent to the execution of the contract or agreement, provided that the contractually assumed liability results solely from the negligence of the insured; or

(2) The insured would have in the absence of the contract or agreement.

e. Custodial Care Or Responsibility

Liability resulting from accepting or undertaking custodial care or responsibility of any person pursuant to the request, instruction, authorization or direction of any governmental agency, authority, board or officer having such authority or responsibility.

f. Discrimination

Discrimination because of age, race, creed, color, sex, disability, national origin, marital status or sexual preference.

Copyright 2020 Munich Re America . All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

g. Employer's Liability "Bodily injury" to:

(1) An "employee", "volunteer worker", "professional counselor", "pastoral counselor" or "lay counselor" of the insured arising out of and in the course of:

(a) Employment by the insured; or

(b) Performing duties related to the conduct of the insured's business; or

(2) The spouse, child, parent, brother or sister of that "employee", "volunteer worker", "professional counselor", "pastoral counselor" or "lay counselor" as a consequence of Paragraph **(1)** above.

This exclusion applies whether the insured may be liable as an employer or in any other capacity and to any obligation to share damages with or repay someone else who must pay damages because of the "bodily injury". **h. Employment-Related Practices Liability** Any claim made by:

(1) A person because of any:

(a) Refusal to employ that person;

(b) Termination of that person's employment; or

(c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation or discrimination directed at that person; or

(2) The spouse, child, parent, brother, sister or any other legal relative or legal guardian of that person as a consequence of any damages or "injury" to that person against whom any of the employment-related practices described in Paragraphs **(a)**, **(b)** or **(c)** above is directed.

This exclusion applies:

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

(2) To any obligation to share damages with or repay someone else who must pay damages.

i. Fines Or Penalties

Fines or non-compensatory penalties, or any exemplary or punitive damages awarded in any legal proceeding if the legal proceeding is based in whole or in part upon any professional counseling service. Exemplary or punitive damages are only excluded in the jurisdictions where allowable by statute. **j. Fraud**

Any dishonest, fraudulent or criminal act or omission by or at the direction of any insured. **k. Intoxication**

Any claim for damages caused by any insured listed under Paragraph **1.** of Section **II** – Who Is An Insured while under the influence of intoxicants or narcotics.

l. Loss To Any Insured

Loss sustained by any insured or any person who is employed by you (or who has been hired by you) at the time that the "wrongful act" takes place.

m. Medical Professional Services

Liability resulting from the rendering of medical, radiological, surgical, dental or nursing treatments, including shock therapy, and the prescribing, utilization, furnishing or dispensing of drugs or medical, radiological, surgical, dental or nursing supplies or appliances, or any other professional services other than professional counseling services. This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "wrongful act" which caused the "injury" involved the rendering of or failure to render such professional services other than professional counseling services.

Copyright 2020 Munich Re America . All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

n. Molestation, Sexual Misconduct Or Abuse

Liability resulting from any actual, threatened or alleged molestation, sexual misconduct or abuse of any type. This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "wrongful act" which caused the “injury” involved the rendering of or failure to render professional counseling services. **o. Other Activities**

Any claim arising out of any "professional counselor’s", "pastoral counselor’s" or "lay counselor’s" acts or services as a member of a formal accreditation or similar professional board or committee of any hospital, mental health institution or professional society.

p. Professional Advice

Loss of any kind arising directly or indirectly out of the rendering of professional advice that is outside the scope of psychological or spiritual counseling.

q. Unrelated Injury

Any claim for damages because of "injury" not resulting from a "wrongful act". **r.**

Violation Of Statute

“Injury” arising out of willful violation of a penal statute or ordinance committed by or with the knowledge or consent of any insured.

s. Workers’ Compensation

Any obligation of the insured under a workers’ compensation, disability benefits or unemployment compensation law or any similar law.

B. The heading for Supplementary Payments, Coverages **A** And **B** under Section **I** – Coverages is amended to read Supplementary Payments, Coverages **A**, **B** And Counseling Professional Liability. **C.** Section **II** – Who Is An Insured is amended as follows:

1. Paragraph **2.** is replaced by the following:
2. Each of the following is also an insured:

   a. Your “volunteer workers” only while performing duties related to the conduct of your business, or your "employees", other than your “executive officers”, but only for acts within the scope of their employment by you or while performing duties related to the conduct of your organization;

   b. Your "professional counselors", "pastoral counselors" and your "lay counselors", but only for acts within the scope of their duties related to the conduct of your organization;

   c. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Form.

   However, no "employee", “volunteer worker”, “professional counselor”, “pastoral counselor” or “lay counselor” is an insured for:

   (1) “Bodily injury”:

   (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), or to a co-"employee", “professional counselor”, “pastoral counselor” or “lay counselor” while in the course of his or her employment or while performing duties related to the conduct of your organization, or to your other “volunteer workers” while performing duties related to the conduct of your business;

   (b) To the spouse, child, parent, brother or sister of that co-"employee", “volunteer worker” “professional counselor”, “pastoral counselor” or “lay counselor” as a consequence of Paragraph **(1)(a)** above; or

   (c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the "bodily injury" described in Paragraphs **(1)(a)** or **(1)(b)** above; or

Copyright 2020 Munich Re America . All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

(2) "Property damage" to property:

(a) Owned, occupied by, or used by; or

(b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by;

you or any of your "employees", "volunteer workers", "professional counselors", "pastoral counselors" or "lay counselors". **2.** The following is added to Paragraph **3.**:

d. Counseling Professional Liability Coverage does not apply to a "wrongful act" that occurred before you acquired or formed the organization.

D. Section **III** – Limits Of Insurance is replaced by the following:

SECTION III – LIMITS OF INSURANCE

1. The limits of insurance shown in the Schedule of this endorsement and the rules below fix the most we will pay regardless of the number of: **a.** Insureds;

b. Claims made or "suits" brought;

c. Persons or organizations making claims or bringing "suits".

2. The Aggregate limit shown in the Schedule of this endorsement is the most we will pay for the sum of all damages because of "injury" arising out of all "wrongful acts" during the policy period.

3. Subject to Paragraph **2.** above, the Each Wrongful Act limit shown in the Schedule of this endorsement is the most we will pay for the sum of all damages because of all "injury" arising out of any one "wrongful act" or "related wrongful acts".

4. The limits of insurance provided by this endorsement are in addition to the limits of insurance provided by the Commercial General Liability Coverage Form.

The limits of insurance of this endorsement apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the limits of insurance.

The coverage provided by the endorsement does not provide any duplication or overlap of coverage for the same claim or "suit". Two or more claims arising out of a single "wrongful act" or "related wrongful acts" shall be treated as a single claim. All such claims, whenever made, shall be considered to be first made on the date on which the earliest claim arising out of such "wrongful act" was first made. All such claims are subject to the same limit of insurance. All claims arising out of one "wrongful act" or "related wrongful acts" to the same person by one or more "professional counselor", "pastoral counselor" or "lay counselor" shall be deemed to be one claim and to have been made at the time the first of those claims is made against any "professional counselor", "pastoral counselor" or "lay counselor". **E.** Section **IV** – Commercial General Liability Conditions amended as follows:

1. The heading and Paragraph **a.** of Condition **2.** Duties In The Event Of Occurrence, Offense, Claim Or Suit are replaced by the following:

Duties In The Event Of A Wrongful Act, Claim Or Suit

a. You must see to it that we are notified as soon as practicable of a "wrongful act" which may result in a claim. To the extent possible, notice should include:

(1) How, when and where the "wrongful act" took place;

(2) The names and addresses of any injured persons and witnesses; and

(3) The nature and location of any "injury" arising out of the "wrongful act".

2. The following is added to Condition **4.** Other Insurance:

Counseling Professional Liability coverage is excess over any other insurance provided to any insured, whether such other insurance is provided on a primary, excess, contingent or any other basis, unless such other insurance is written to be specifically excess of this insurance.

Copyright 2020 Munich Re America . All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

3. The following Condition is added:

Two Or More Coverage Forms Or Policies Issued By Us

If the Coverage Form to which this endorsement is attached and any other Coverage Form or policy issued to you by us or any company affiliated with us applies to the same “claim” or “suit”, the aggregate maximum limit of insurance under all of the Coverage Forms or policies will not exceed the highest applicable limit of insurance under any one Coverage Form or policy. This condition does not apply to any Coverage Form or policy issued by us or an affiliated company specifically to apply as excess insurance over the coverage provided by this endorsement. **F.** The following definitions are added:

“Injury” means “bodily injury”, “property damage” and “personal and advertising injury”.

"Lay counselor" means your appointed person or your “employee” (other than a "pastoral counselor") who: **a.**

Has been trained to counsel others; and

b. Is specifically authorized by you or your managers or “executive officers” to engage in professional counseling services on behalf of your organization.

“Ordained” means an individual:

a. Officially invested with ministerial or priestly authority;

b. Officially authorized as a rabbi; or

c. Upon whom holy orders have been conferred by a church authority.

"Pastoral counselor" means an ordained person, or your appointed person or “employee” who:

a. Holds the position of pastor, minister, rabbi, or similar position within your organization; and

b. Is generally authorized by you or your managers or “executive officers” to engage in professional counseling services on behalf of your organization.

"Professional counselor" means your appointed person or your “employee” who:

a. Has been professionally trained through obtaining educational degrees to perform professional counseling services; and

b. Is generally authorized by you or your managers or “executive officers” to engage in professional counseling services on behalf of your organization.

“Related wrongful acts” means “wrongful acts” which are causally connected by reason of any common fact, circumstance, situation, transaction, casualty, event or decision.

"Wrongful act" means any actual or alleged negligent act, error or omission in the rendering of or failure to render professional counseling services.

All other terms and conditions remain unchanged.

Copyright 2020 Munich Re America . All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

GENERAL LIABILITY

AMERICAN SOUTHERN HOME INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SPECIFIC OPERATIONS AMENDMENT

This endorsement modifies insurance provided under the following:

GENERAL LIABILITY COVERAGE FORM

A. Paragraph **2.** Exclusions of Coverage **A** – Bodily Injury And Property Damage Liability and Coverage **B** – Personal And Advertising Injury Liability under Section **I** – Coverages is amended as follows:

Exclusion aa. **Specific Operations** of Coverage **A** – Bodily Injury And Property Damage Liability and Exclusion w. **Specific Operations** of Coverage **B** – Personal And Advertising Injury Liability are deleted and replaced by the following exclusion:

Specific Operations

"Bodily injury", "property damage", or "personal and advertising injury" arising out of the ownership, operation, maintenance, entrustment to others, or use of any:

(1) Hospital or medical clinic other than a dispensary, clinic, infirmary, student health center, athletic facility or other similar facility maintained by the "educational organization" principally for the use of its students or "employees";

(2) Nursing home, convalescent home, or home for the aged, handicapped or orphaned;

(3) Mental or psychiatric institution or institution for the restraint or treatment of substance abusers;

(4) Airport or similar facility;

(5) Port or similar facility;

(6) Public housing authority or project other than residential facilities owned or controlled by an "educational organization" to house students or employees of the "educational organization";

(7) Gas or electric generation facility other than facilities operated for the exclusive benefit of and located in educational institutions and owned, operated and maintained by the "educational organization"; or

(8) Sanitary landfill, dump, or other permanent waste disposal facility, other than sewer and waste facilities owned or controlled by the "educational organization" which exists only to service the "educational organization".

All other terms and conditions remain unchanged.

Copyright 2020 Munich Re America. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

AMERICAN SOUTHERN HOME INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – FIREARMS OR CONDUCTED ENERGY DEVICES

This endorsement modifies insurance provided under the following:

GENERAL LIABILITY COVERAGE FORM

A. The following is added to Paragraph **2.** Exclusions under Section **I** – Coverages, Coverage **A** – Bodily Injury And Property Damage Liability and Coverage **B** – Personal And Advertising Injury Liability:

This insurance does not apply to:

Firearms Or Conducted Energy Devices

"Bodily injury", "property damage" or "personal and advertising injury" arising out of, resulting from, or related to the carrying (whether or not concealed), use, misuse or discharge of, or the failure to use or discharge, a "firearm" or "conducted energy device" by any insured or the employee or contractor of any security or similar company. However, this exclusion does not apply to:

(1) "Bodily injury", "property damage", or "personal and advertising injury" arising out of, resulting from or related to the use or discharge of, or failure to use or discharge, a "firearm" or "conducted energy device" by a police officer in the regular course and scope of his or her employment for a law enforcement agency, but only if there is no other coverage for such police officer provided by this policy; or

(2) "Bodily injury", "property damage", or "personal and advertising injury" arising out of the use or discharge of a "firearm" by a participant or coaching staff solely in connection with such participant's or coaching staff's participation in a "firearm"-related sport sanctioned by the Named Insured.

B. The following definitions are added to Section V - Definitions:

"Conducted energy device" means a weapon primarily designed to disrupt a subject’s central nervous system by means of deploying electrical energy sufficient to cause uncontrolled muscle contractions and override an individual’s voluntary motor responses.

"Firearm" means any pistol, rifle, shotgun, or other device that uses gunpowder to launch projectiles.

All other terms and conditions remain unchanged.

Copyright 2020 Munich Re America. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

AMERICAN SOUTHERN HOME INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – STUDENTS MEDICAL PAYMENTS

This endorsement modifies insurance provided under the following:

GENERAL LIABILITY COVERAGE FORM

The following is added to Paragraph **2.** Exclusions under Section **I** – Coverages, Coverage **C** – Medical Payments:

We will not pay expenses for "bodily injury":

Students

To your students.

All other terms and conditions remain unchanged.

Copyright 2020 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission..

Named Insured: Motivated Youth Academy	Policy Number: 7NA6CP0002704-00 Policy Period: 07/01/2026-07/01/2027

EDUCATORS LEGAL LIABILITY COVERAGE PART DECLARATIONS

THIS IS A CLAIMS MADE AND REPORTED POLICY.

.

THIS IS A CLAIMS-MADE AND REPORTED POLICY. THE POLICY REQUIRES THAT A CLAIM BE MADE AGAINST THE INSURED DURING THE POLICY PERIOD OR ANY APPLICABLE EXTENDED REPORTING PERIOD AND REPORTED TO THE INSURER AS SOON AS PRACTICABLE, BUT NO LATER THAN 60 DAYS AFTER THE DATE OF EXPIRATION OF THE POLICY PERIOD, OR DURING THE EXTENDED REPORTING PERIOD, IF APPLICABLE.

LIMITS OF INSURANCE		
Coverage A	$ 1,000,000	Each Wrongful Act or Offense
Coverage A	$ 3,000,000	Aggregate
Coverage B	$ 100,000	Each Action
Coverage B	$ 300,000	Aggregate
Deductible – Coverage A Wrongful Acts	$25,000	Each Wrongful Act
Deductible – Coverage A Employment Practice Offense	$25,000	Each Employment Practice Offense
Deductible – Coverage B Injunctive or Declaratory Relief	$25,000	Each Action
Retroactive Date:	06/30/2017	

Estimated Coverage Part Premium: $9,039

Copyright 2020 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

Named Insured: Motivated Youth Academy	Policy Number: 7NA6CP0002704-00 Policy Period: 07/01/2026-07/01/2027

EDUCATORS LEGAL LIABILITY FORMS

This coverage part consists of the following forms:

Form Number	Title
See Schedule of Forms and Endorsements.	

Copyright 2020 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

EDUCATORS LEGAL LIABILITY
COVERAGE FORM
CLAIMS MADE

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

Throughout this coverage part the words “you” and “your” refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this coverage part. The words “we,” “us” and “our” refer to the company providing this insurance. The words “policy period” mean the term of duration of the policy shown in the Declarations.

The word “insured” means any person or organization qualifying as such under Section **III** - Who Is An Insured.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section **VIII** - Definitions**.**

SECTION I - COVERAGES

COVERAGE A - INSURING AGREEMENT - EDUCATORS LEGAL LIABILITY FOR MONETARY DAMAGES

1. We will pay those sums that the insured becomes legally obligated to pay as monetary damages arising out of a “wrongful act” or an “employment practices” offense, to which this insurance applies. We will have the right and duty to defend any “suit” seeking those damages. However, we will have no duty to defend the insured against any “suit” seeking damages for a “wrongful act” or an “employment practices” offense to which this insurance does not apply. We may, at our discretion, investigate any “wrongful act” or any “employment practices” offense and settle any “claim” or “suit” that may result. But:

a. The amount we will pay for damages is limited as described in Section **IV** - Limits Of Insurance; and

b. Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages **A** and **B**.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under **Supplementary Payments**.

2. This insurance applies to “wrongful acts” or offenses only if:

a. The “wrongful act” or offense takes place in the “coverage territory” on or after the retroactive date shown in the declarations and before the end of the policy period; and

b. A “claim” is first made against any insured in accordance with paragraph **3.** below, during the policy period or any Extended Reporting Period we provide according to Section **VII** - Extended Reporting Periods**.**

3. A “claim” will be deemed to have been made at the earliest of the following times:

a. When notice of such “claim” is received and recorded by any insured or by us, whichever comes first;

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

b. When we make settlement in accordance with paragraph **1.** above; or

c. When you become aware of a "wrongful act" or an offense which may subsequently give rise to a "claim" being made against any insured, and you give written notice to us, as described in Section **VI** - Conditions, of such circumstances as soon as practicable but no later than:

(1) The end of the policy period; or

(2) The end of any applicable Extended Reporting Period.

All "claims" based on or arising out of the same or related "wrongful acts" or offenses by one or more insureds shall be considered first made when the first of such "claims" is made. Related "wrongful acts" or offenses shall include "wrongful acts" or offenses which are the same, related or continuous, or which arise from a common nucleus of facts.

COVERAGE A - SUPPLEMENTARY PAYMENTS

We will pay, with respect to any "claim" we investigate or settle, or any "suit" against an insured we defend:

1. All expenses we incur.

2. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.

3. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the "claim" or "suit", including actual loss of earnings up to $500 a day because of time off from work.

4. All court costs taxed against the insured in the "suit". However, these payments do not include attorneys' fees or attorneys' expenses taxed against the insured.

5. 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 insurance, we will not pay any prejudgment interest based on that period of time after the offer.

6. All interest earned on that part of any judgment within our limit of insurance after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

COVERAGE B - INSURING AGREEMENT - DEFENSE EXPENSE FOR INJUNCTIVE OR DECLARATORY RELIEF

1. We will pay those reasonable sums the insured incurs as "defense expense" to defend against an action for "injunctive or declaratory relief" because of a "wrongful act" or an "employment practices" offense to which this insurance applies. However:

a. The amount we will pay for "defense expense" is limited as described in Section **IV** - Limits Of Insurance; and

b. We have no obligation to arrange or provide the defense for any action seeking "injunctive or declaratory relief".

No other obligation or liability to pay sums or perform acts or services is covered.

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

2. This insurance applies only if:

a. The action seeking “injunctive or declaratory relief” is brought in a legally authorized court or agency of the United States, any of its states or commonwealths, or any governmental subdivision of any of them;

b. Such action is filed during the policy period; and

c. The insured:

(1) First notifies us as soon as practicable after retaining counsel to respond to such action but in no case later than 60 days after the end of the policy period; and

(2) Is reasonably expedient in requesting us to pay the “defense expense”.

3. All actions based on or arising out of the same or related “wrongful acts” or offenses shall be considered one action for “injunctive or declaratory relief” regardless of the number of:

a. Insureds;

b. Plaintiffs;

c. Demands asserted; or

d. Injunctions, temporary restraining orders or prohibitive writs.

Related “wrongful acts” or offenses shall include “wrongful acts” or offenses which are the same, related or continuous, or which arise from a common nucleus of facts.

SECTION II - EXCLUSIONS

This insurance does not apply under either Coverage **A** or Coverage **B** to:

1. Other Applicable Coverage

Any “wrongful act” or offense which is insured by any other policy or policies except:

a. A policy purchased to apply in excess of this coverage part; or

b. That portion of monetary damages otherwise covered by this coverage part which exceeds the limits of liability of such other policy or policies, subject to the Other Insurance Condition in Section **VI** - Conditions**.**

2. Known Prior Acts

Any “wrongful act” or offense which takes place prior to the inception date of this coverage part if the insured knew or reasonably should have foreseen that such offense or “wrongful act” would give rise to a “claim”.

3. Prior Litigation

Damages, loss or expense based upon, attributed to, arising out of, in consequence of, or in any way related to litigation or administrative or regulatory proceedings otherwise covered by this coverage part if such litigation or administrative or regulatory proceedings were initiated prior to or were pending on the inception date of this coverage part.

4. Abuse or Molestation

a. The actual, attempted or alleged “abuse or molestation” of any person by another person; or

b. The negligent:

(1) Employment;

(2) Investigation;

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

(3) Supervision;

(4) Reporting to the proper authorities, or failing to so report;

(5) Retention; or

(6) Any other acts, errors omission, or offenses

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

This exclusion does not apply to “abuse or molestation” arising out of “discrimination”.

5. Administration of Employee Benefit Plans

Damages, loss or expense based upon, attributable to or arising out of a violation of your responsibilities, obligations or duties, including fiduciary responsibilities, obligations or duties, in regard to any pensions, profit sharing, health and welfare or other “employee benefit plan” or trust including but not limited to responsibilities, obligations or duties imposed by the Employee Retirement Income Security Act of 1974 and its amendments.

6. Asbestos

Any injury, damage, expense, cost, loss, liability or legal obligation arising out of or in any way related to asbestos or asbestos-containing materials, or exposure thereto, or for the costs of abatement, mitigation, removal, elimination or disposal of any of them.

7. Attorneys Fees and Court Costs

Any award of costs or fees which arises out of an action for “injunctive or declaratory relief”.

8. Bodily Injury, Property Damage or Personal and Advertising Injury

“Bodily injury”, “property damage”, or “personal and advertising injury” except when resulting from a covered “employment practices” offense or covered “abuse or molestation”.

9. Bonds

Any obligation related to a fidelity bond or a surety bond.

10. Claims Against Other Insureds

Any actions for “injunctive or declaratory relief” or “claims” arising out of an “employment practices” offense:

a. By a Named Insured against any other insured; or

b. By one Named Insured against another Named Insured.

11. Collective Bargaining Agreement

Damages, loss or expense incurred by any insured to comply with the requirements of a collective bargaining agreement.

12. Compliance with ADA Requirements

a. Costs or expenses incurred as a result of physical modifications made to accommodate persons with disabilities as required by:

b. The Americans with Disabilities Act of 1990; or

c. Any federal, state, or local disability “discrimination” or accommodation laws or regulations;

including subsequent amendments or any regulations promulgated thereunder.

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

13. Contracts

Any amount actually or allegedly due under the terms of any contract for the purchase of goods or services or any payment or performance contract, other than an employment contract.

14. Contractual Liability

Damages, loss or expense based upon, attributed to, arising out of, in consequence of, or in any way related to any contract or agreement to which the insured is a party or a third-party beneficiary, including, but not limited to, any representations made in anticipation of a contract or any interference with the performance of a contract.

15. Cost of Compliance

Cost of compliance due to an order for:

a. Injunctive relief; or

b. Declaratory judgment;

or a settlement of a “claim” for

(1) An individualized education program (IEP) required or alleged to be required under 20 U.S.C §1400-1487 (Individual with Disabilities Education Act – IDEA) or any similar state or federal statute or other law, administrative rule or regulation; or

(2) Any other accommodation or action under 20 U.S.C. §6301-7941 (no Child Left Behind Act), 29 U.S.C. §794 (§504 of the Rehabilitation Act), 42 U.S.C §12132 (Americans with Disabilities Act – ADA), 42 U.S.C §1983, or any similar state or federal statute or other law, administrative rule or regulation.

16. Criminal Acts

Damages, loss or expense arising out of or contributed to by any fraudulent, dishonest, criminal or malicious act of the insured (except for “abuse or molestation” which is excluded in the Abuse or Molestation exclusion above), or the willful violation of any statute, ordinance or regulation committed by or with the knowledge of the insured. However, we will defend the insured for covered civil action subject to the other terms of this coverage part until either a judgment or final adjudication establishes such an act, or the insured confirms such act.

17. Debt Financing

Damages, loss or expense arising out of or contributed to by any debt financing, including but not limited to bonds, notes, debentures and guarantees of debt.

18. Electronic Information Security Event

We will not pay for any loss resulting from any "claim" based upon, attributable to, or arising out of, an "electronic information security event".

19. Employment Contracts

Any amount actually or allegedly due under the terms of any contract of employment for a definite term, or as severance pay under any contract of employment.

20. Failure to Maintain Insurance

The failure to effect or maintain:

a. Insurance of any kind, including adequate limits of insurance; or

b. Suretyship or bonds.

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

21. Fines

Fines, penalties and taxes, including those imposed by the Internal Revenue Service code or any similar state or local code.

22. Fungi or Bacteria

a. Any liability, loss, injury or damage which would not have occurred or taken place, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, any "fungi" or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury or damage.

b. Any loss, cost or expenses arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.

23. Governmental Enforcement Action

Damages, loss or expense arising from an insured's willful violation of any federal, state, or local law, rule, or regulation.

24. Law Enforcement

Damages, loss, or expense arising out of any "law enforcement activity". This exclusion does not apply to an "employment practices" offense involving your law enforcement agency.

25. Lead, Electromagnetic Radiation Or Nuclear Material

a. Any injury, damage, expense, cost, loss, liability or legal obligation arising out of or in any way related to:

(1) The toxic properties of lead, or any material or substance containing lead; or

(2) Electromagnetic radiation;

or exposure thereto, or for the costs of abatement, mitigation, removal, elimination or disposal of any of them.

b. Any loss, cost or expense arising out of any actual, alleged or threatened injury or damage to any person or property from any radioactive matter or nuclear material.

26. Municipal Operations

Damages, loss or expense arising out of "municipal operations". This exclusion does not apply to an "employment practices" offense.

27. Outside Service

Damages, loss or expense arising out of services performed by any insured while acting on behalf of any organization other than an entity named in Item 1. of the Declarations.

28. Performance of Employee Benefit Plans

Any "employment practices" offense arising out of:

a. Failure of any investment program, individual securities or savings program to perform as held forth by or represented by an insured;

b. Advice given by an insured in connection with participation or non-participation in stock subscription plans, savings programs or any other "employee benefit plan";

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

c. Errors in providing or failing to provide information on past performance of investment vehicles;

d. Failure of the insured or any insurer, fiduciary, trustee or fiscal agent to perform any of their duties or obligations or to fulfill any of their guarantees with respect to the payment of benefits under "employee benefit plans" or the providing, handling or investment of funds;

e. The liability of others which is assumed by the insured under a contract or agreement, except to the extent the insured would have been liable in the absence of the contract or agreement;

f. Any "claim" for the return of compensation paid by the insured if a court determines that the payment was illegal; or

g. Any "claim" for benefits that are lawfully paid or payable to a beneficiary from the funds of an "employee benefit plan".

29. Pollution

a. Any injury, damage, expense, cost, loss, liability or legal obligation arising out of or in any way related to pollution, however caused. Pollution includes the actual, alleged, or potential presence in or introduction into the environment of any substance if such substance has, or is alleged to have, the effect of making the environment impure, harmful or dangerous. Environment includes any air, land, structure (or the air therein), watercourse or other body of water, including underground water.

b. This insurance does not apply to any loss, cost or expense arising out of any:

(1) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or

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

30. Preparation of Bid Specifications

Damages arising out of estimates of probable costs or cost estimates being exceeded or faulty preparation of bid specifications or plans including architectural plans**.**

31. Professional Health Care

Damages, loss or expense arising out of providing or failing to provide "professional health care services".

32. Professional Liability

a. Damages, loss or cost arising out of the rendering of or failure to render professional services by a lawyer, engineer, architect or surveyor, except that this exclusion will not apply to "claims" made against insureds while acting solely as public officials or "employees" and not in their professional capacities as a lawyer, engineer, architect or surveyor.

b. This exclusion does not apply to the professional services listed in **a.** that are provided to you by "employees" while acting within the scope of their duties on your behalf.

33. Profit, Advantage or Remuneration

Any loss, cost or expense based upon or attributable to the insured gaining any profit, advantage or remuneration to which the insured is not legally entitled.

34. Public Use of Property

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

Damages, loss or expense arising from any method or proceeding used to take control of private property for public use including condemnation, adverse possession, and dedication by adverse use or inverse condemnation.

35. Publications and Pronouncements

Damages, loss or expense based upon, attributable to, or arising out of "wrongful acts" resulting from:

a. Publications or pronouncements, including material placed on the Internet or on similar electronic means of communication, concerning any organization or business enterprise or their products or services made by or at the direction of the insured with the knowledge of its falsity; or

b. Printing of periodicals, advertising matter, or any or all jobs taken by any insured to be printed for a third party when the periodicals, advertising matter or other printing is not within the scope of the organization's own activities.

36. Specific Operations

"Wrongful act" or offense arising from the ownership, operation, maintenance, entrustment to others, or use of any:

a. Hospital or medical clinic;

b. Nursing home, convalescent home, or home for the aged, handicapped or orphaned;

c. Mental or psychiatric institution or institution for the restraint or treatment of substance abusers;

d. Airport or similar facility;

e. Port or similar facility;

f. Public housing authority or project;

g. Gas or electric generation facility; or

h. Sanitary landfill, dump, or other permanent waste disposal facility.

37. Strikes, Riot, Civil Commotion or Mob Action

Damages, loss or expense arising out of or contributed to by any lockout, strike, picket line, replacement or other similar actions resulting from labor disputes or labor negotiations or any act or omission in connection with the prevention or suppression of a riot, civil commotion or mob action.

38. Tax Assessments

Damages, loss or expense arising out of or contributed to by any tax assessments or adjustments, or the collection, refund, disbursement or application of any taxes. This exclusion does not apply to the use or prioritization of your operating funds.

39. Violation of Compensation Laws Applicable to Employers

Damages, loss or expense arising out of or contributed to by any insured's obligations under:

a. The Employee Retirement Income Security Act of 1974 (ERISA);

b. The Comprehensive Omnibus Budget Reconciliation Act (COBRA);

c. The Worker Adjustment and Retraining Notification Act (WARN);

d. The Fair Labor Standards Act other than the Equal Pay act; or

e. Any wage and hour law;

including subsequent amendments or rules or regulations promulgated pursuant to these laws, or similar provisions of any federal, state or local law.

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

40. **Water Or Wastewater Professional Activity**

Damages, loss, or expense arising out of an act, error or omission from your “water or wastewater professional activity” that also results in “bodily injury” or “property damage”.

41. Workers’ Compensation and Similar Laws

Any obligation of the insured under a workers’ compensation, disability benefits or unemployment compensation law, or any similar law.

SECTION III - WHO IS AN INSURED

1. If you are designated in the Declarations as:

a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.

b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business. However, if you are a public entity, you are insured as a partner in a partnership or as a joint venture in a joint venture, but only if the partnership or joint venture is between you and another governmental organization or non-profit entity. Coverage does not extend to a partnership or joint venture that operates, controls, or funds a, hospital or medical clinic, nursing home, airport, port, public housing, gas or electric generation facility.

c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.

d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your “executive officers” and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.

e. Your past or present school board, its trustees, directors or members, and your past or present elected or appointed official(s), but only while acting within the scope of their duties or obligations on your behalf or otherwise authorized by you.

f. A public entity, you are an insured. Your operating authorities, boards, commissions, districts or any other governmental units are insureds, provided that you operate, control, and fund the authority, board, commission, district, or other governmental unit. Coverage does not extend to an authority, board, commission, district, or other governmental unit that operates, controls, or funds a, hospital or medical clinic, nursing home, airport, port, public housing, gas or electric generation facility**.**

g. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

2. Each of the following is also an insured:

a. Elected or appointed officials. Your elected and appointed officials, including elected and appointed officials of your operating authorities, boards, commissions, districts, or other governmental units but only for acts within the course and scope of their duties for the insured public entity or its operating authorities, boards, commissions, districts or other governmental units.

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

b. Volunteer workers or employees. Your "volunteer workers" only while performing duties related to the conduct of your operations, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your operations.

c. Student teachers. Any of your student teachers who are teaching as part of their educational requirements are insureds, but only with respect to their duties in connection with their position as such.

d. Mutual Aid Agreements. Any persons or organizations providing service to you under any mutual aid or similar agreement.

e. Estates, Heirs and Legal Representatives. If an insured is deceased, the estates, heirs, legal representatives and assigns, but only for "claims" arising solely out of their status as such. In the event of the incompetency, insolvency or bankruptcy of an insured, the legal representative of such insured, but only for "claims" arising solely out of their status as legal representative.

f. Spouse. The spouse of an insured but only for "claims" arising solely out of his or her status as such.

3. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:

a. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier; and

b. Coverage does not apply to a "wrongful act" or an "employment practices" offense that took place before you acquired or formed the organization or of which you had notice or knowledge.

No person or organization is an insured with respect to the conduct of any current or past partnership or joint venture that is not shown as a Named Insured in the Declarations.

SECTION IV - LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:

a. Insureds;

b. "Claims" made or "suits" brought; or

c. Persons or organizations making "claims" or bringing "suits".

2. The Wrongful Act or Offense Aggregate Limit is the most we will pay for the sum of monetary damages under Coverage **A**.

3. Subject to **2.** above, the Each Wrongful Act or Offense limit is the most we will pay under Coverage **A** for the sum of all monetary damages arising out of the same or related offenses or "wrongful acts".

4. The Injunctive or Declaratory Relief Aggregate Limit is the most we will pay for "defense expense" under Coverage **B.**

5. Subject to **4.** above, the Each Action Limit is the most we will pay under Coverage **B** for all "defense expense" arising out of all actions or proceedings for "injunctive or declaratory relief" arising out of the same or related offenses or "wrongful acts".

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

6. The Aggregate Limits of this coverage part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

7. Our obligations under this coverage part end when the applicable Limit of Insurance available is exhausted. If we pay amounts for monetary damages or “defense expense” in excess of that Limit of Insurance, you agree to reimburse us for such amounts.

SECTION V - YOUR DEDUCTIBLE

Our obligation to pay damages and payments and/or “defense expense” on your behalf which are in excess of any Deductible Amount shown in the policy Declarations for each “wrongful act”, each “employment practices” offense, and each action for “injunctive or declaratory relief”.

1. Limits of Insurance applicable to each “wrongful act”, to each “employment practices” offense, and to each action for “injunctive or declaratory relief” will be reduced by the Deductible Amount. However, the policy aggregate limit will not be reduced by the application of the Deductible Amount.

2. The Deductible Amount applies to each “wrongful act”, to each “employment practices” offense, to each action for “injunctive or declaratory relief” and to applicable “loss adjustment expense” regardless of the number of insureds, persons, or organizations making “claims” or bringing "suits", initiating actions, or “claims” made or “suits” brought or actions initiated because of such “wrongful act” or “employment practices” offense.

3. The terms of this insurance, including those with respect to:

a. Our right and duty to defend any “suits” seeking those “damages”; and

b. Your duties in the event of a “wrongful act”, “claim”, “suit” or request to pay “defense expense” for “injunctive or declaratory relief”

apply irrespective of the application of the Deductible Amount.

4. We may pay any part or all of the Deductible Amount to effect settlement of any “claim”, “suit” or action for “injunctive or declaratory relief” and, upon notification of the action taken, you shall promptly reimburse us for such part of the Deductible Amount paid by us.

SECTION VI - CONDITIONS

The following conditions apply in addition to the Common Policy Conditions.

1. Bankruptcy

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this coverage part.

2. Duties in the Event of a Wrongful Act, Offense, Claim or Suit

a. You must see to it that we are notified as soon as practicable of a “wrongful act” or offense which may result in a “claim” or “suit”. To the extent possible, notice should include:

(1) How, when and where the “wrongful act” or offense took place; and

(2) The names and addresses of any persons seeking damages or of any witnesses.

If a “claim” is made or “suit” is brought against any insured, you must:

(1) Immediately record the specifics of the “claim” or “suit” and the date received; and

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

(2) Notify us as soon as practicable.

You must see to it that we receive written notice of the “claim” or “suit” as soon as practicable.

b. You and any other involved insured must:

(1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the “claim” or “suit”;

(2) Authorize us to obtain records and other information;

(3) Cooperate with us in the investigation, settlement or defense of the “claim” or “suit”; and

(4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of damages to which this insurance may also apply.

c. No insureds will, except at their own cost, voluntarily make a payment, assume any obligation, or incur any expense without our written consent.

d. Notice shall be deemed given as soon as practicable if it is given by any person to whom you have delegated such responsibility as soon as practicable after they become aware of a “wrongful act” or offense.

3. Duties in the Event of a Request to Pay Defense Expense for Injunctive or Declaratory Relief

a. You must see to it that we are notified as soon as practicable of an action or proceeding which may give rise to a request for us to respond for “defense expense”. To the extent possible, notice should include:

(1) The plaintiff in the action;

(2) The court or agency involved;

(3) The relief being sought; and

(4) The date of the action and any underlying demand.

b. You and any other involved insured must:

(1) Immediately send us copies of any legal papers received in connection with the action and any underlying demand;

(2) Cooperate with us in the determination of any “defense expense” which may be covered by this insurance; and

(3) Submit a request for us to pay any covered “defense expense”.

4. Legal Action Against Us

No person or organization has a right under this coverage part:

a. To join us as a party or otherwise bring us into a “suit” asking for damages or “defense expense” from an insured; or

b. To sue us on this coverage part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages or “defense expenses” that are not payable under the terms of this coverage part or that are in excess of the applicable Limit of Insurance. Under Coverage A, an agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

5. Other Insurance

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

If other valid and collectible insurance is available to the insured for a loss or “defense expense” we cover under this coverage part, this insurance is excess over any of the other insurance and its deductible or self-insured retention provisions, whether primary, excess, contingent or on any other basis.

6. Representations

By accepting this policy, you agree:

a. The information in the Declarations is accurate and complete;

b. That information is based upon representations you made to us in the application for this insurance. This application forms the basis of our obligations under this coverage part; and

c. This coverage part is void if any material fact or circumstance relating to this insurance is intentionally omitted or misrepresented in the application for this insurance.

7. Separation of Insureds

Except with respect to the Limit of Insurance as described in Section **IV**, and any rights or duties specifically assigned to the first Named Insured, this insurance applies:

a. As if each Named Insured were the only Named Insured; and

b. Separately to each insured against whom “claim” is made or “suit” is brought.

8. Transfer of Rights of Recovery Against Others to Us

If the insured has rights to recover all or part of any payment we have made under this coverage part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring “suit” or transfer those rights to us and help us enforce them.

9. When We Do Not Renew

If we decide not to renew this coverage part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of such non-renewal not less than 30 days before the expiration date. We will mail or deliver our notice to the first Named Insured's last mailing address known to us. If notice is mailed, proof of mailing will be sufficient proof of notice.

10. Your Right to Claim Information

Upon request, we will provide the first Named Insured shown in the Declarations the following information relating to this and any preceding coverage part we have issued to you during the previous three years:

a. A list or other record of each “wrongful act” or other offense not previously reported to any other insurer, of which we were notified in accordance with paragraph **2.a.** or paragraph **3.a.** of this section. We will include the date and a brief description of such “wrongful act” or offense if that information was in the notice we received.

b. A summary, by policy year, of payments made and amounts reserved.

Amounts reserved are based on our judgment. They are subject to change and should not be regarded as ultimate settlement values. You must not disclose this information to any claimant or any claimant's representative without our consent.

We compile claim and related information for our own business purposes and exercise reasonable care in doing so. In providing this information to the first Named Insured, we make no representations or warranties to insureds, insurers, or others to whom this information is furnished by or on behalf of any insured. Cancellation or non-renewal will be effective even if we inadvertently provide inaccurate information.

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

SECTION VII - EXTENDED REPORTING PERIODS (COVERAGE A ONLY)

With respect to Coverage **A** only:

1. We will provide one or more Extended Reporting Periods, as described in items **3.** and **4.** below, if:

a. This coverage part is cancelled or not renewed; or

b. We renew or replace this coverage part with insurance that does not apply to "wrongful acts" or offenses on a claims-made basis.

2. Extended Reporting Periods do not extend the policy period or change the scope of coverage provided. They apply only to "claims" arising out of "wrongful acts" or offenses that take place on or after the retroactive date shown in the Declarations and before the end of the policy period. Once in effect, Extended Reporting Periods may not be cancelled.

3. A Basic Extended Reporting Period is automatically provided without additional charge. This period starts with the end of the policy period and lasts for sixty days.

The Basic Extended Reporting Period does not apply to "claims" that are covered under any subsequent insurance you purchase, or that would be covered but for exhaustion of the amount of insurance applicable to such "claims".

4. A Supplemental Extended Reporting Period of five years is available, but only by an endorsement and for an extra charge. This supplemental period starts when the Basic Extended Reporting Period ends.

You must give us a written request for the endorsement within 60 days after the end of the policy period. The Supplemental Extended Reporting Period will not go into effect unless you pay the additional premium promptly when due.

We will determine the additional premium in accordance with our rules and rates. In doing so, we will take into account the following:

a. The exposures insured;

b. Previous types and amounts of insurance;

c. Limit of Insurance available under this coverage part; and

d. Other related factors.

The additional premium will not exceed 200% of the annual premium for this coverage part.

This endorsement shall set forth the terms, not inconsistent with this section, applicable to the Supplemental Extended Reporting Period, including a provision to the effect that the insurance afforded for "claims" received during such period is excess over any other valid and collectible insurance available under policies in force after the Supplemental Extended Reporting Period starts.

5. The Basic Extended Reporting Period does not reinstate or increase the Limit of Insurance.

6. If the Supplemental Extended Reporting Period is in effect, we will provide the separate Aggregate Limit of Insurance described below, but only for "claims" first received and recorded during the Supplemental Extended Reporting Period.

The separate Aggregate Limit of Insurance will be equal to the dollar amount shown in the Declarations in effect at the end of the policy period for the Aggregate Limit. The applicable Each "Wrongful Act" or Offense limit will continue to apply.

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

SECTION VIII - DEFINITIONS

1. "Abuse or molestation" means actual, attempted or alleged abuse or molestation, including acts of bullying, of any person by another person. This includes "sexual abuse". "Abuse or molestation" does not include "sexual harassment".

2. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death or mental anguish, mental injury, shock or fright resulting from any of these at any time.

3. "Claim" means written or oral notice, including "suit", from any party, that it is their intention to hold the insured responsible for monetary damages arising out of a "wrongful act" or offense by the insured.

4. "Coverage territory" means:

a. The United States of America (including its territories and possessions), Puerto Rico and Canada.

b. All parts of the world if:

(1) The injury arises out of activities of a person whose home is in the territory described in **a.** above, but is away for a short time on your business; and

(2) The insured's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in **a.** above or in a settlement we agree to.

5. "Computer system" means the following:

a. Computers, including Personal Digital Assistants (PDAs) and other transportable or hand held devices, electronic storage devices and related peripheral components;

b. Systems and applications software;

c. Communications networks (including the Internet, intranets, extranets or virtual private networks) to the extent used by the items in **a.** and **b.** above;

by which "electronic data" is collected, transmitted, processed, stored or retrieved; and

d. "Computer system" includes "electronic data" that is:

(1) Stored on any of the items described in item **a.** above; or

(2) Temporarily outside of the "computer system" for use by an insured or an employee of an entity that has such information under a formal agreement with you.

6. "Confidential corporate information" means any commercial trade secret, data, design, interpretation, forecast, formula, method, practice, process record, report or other item of information of a non-insured third party, and which is:

a. In your care, custody or control;

b. Not available to the general public; and

c. Either:

(1) Provided to you under a mutually agreed upon written confidentiality/non-disclosure agreement; or

(2) Marked confidential or otherwise specifically designated in writing as confidential by such third party.

7. "Corporate privacy event" means:

a. Unauthorized disclosure by you of "confidential corporate information" or your failure to protect "confidential corporate information" from misappropriation;

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

b. Failure by you to disclose or warn of an actual or potential disclosure or misappropriation of "confidential corporate information", but only if this policy applies to such disclosure or misappropriation and it resulted directly from **a.** above; or

c. Violation of any federal or state privacy statute addressing disclosure or misappropriation of "confidential corporate information", but only if:

(1) This policy applies to such disclosure or misappropriation and it resulted directly from **a.** or **b.** above; and

(2) The violation is not willful.

8. "Defense expense" means under Coverage **B**, fees or expenses incurred by the insured for:

a. Legal fees charged by the insured's attorney;

b. Court costs;

c. Expert witnesses; and

d. The cost of court bonds, but we do not have to furnish these bonds.

"Defense expense" does not include:

(1) Any salaries, charges or fees for any insured, insured's "volunteer workers" or "employees", or former "volunteer workers" or "employees"; or

(2) Any expenses other than **a., b., c.** and **d.** above.

9. "Discrimination" means violation of a person's civil rights with respect to such person's race, color, national origin, religion, gender, marital status, age, sexual orientation or preference, physical or mental condition, or any other protected class or characteristic established by any federal, state or local statutes, rules or regulation.

10. "Educational services" means:

a. Education, teaching, or other activities authorized by you for the operation of a school; and

b. The administration of a school by a Named Insured.

11. "Electronic data" means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment. This includes such information, facts or programs only while they are in an electronic format.

12. "Electronic information security event" means:

a. Transmission of malware from your "computer system" to a third party;

b. The inability of an authorized user to access your web site or your "computer system" because of a denial of service attack;

c. A "personal identity event", but this is limited to information that is obtained or released directly from:

(1) Your "computer system"; or

(2) The "computer system" of an entity that has such information under a formal agreement with you; or

d. A "corporate privacy event", but this is limited to information that is obtained or released directly from:

(1) Your "computer system"; or

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

(2) The "computer system" of an entity that has such information under a formal agreement with you.

As used in this definition, a denial of service attack means an intentional attack on a web site or a computer network that prevents or slows down access to the web site or computer network.

13. "Employee" includes "leased workers", substitute teachers, student teachers, and interns. "Employee" does not include a "temporary worker".

14. "Employee benefit plan" means group life insurance, group accident or health insurance, profit sharing plans, pension plans, "employee" stock subscription plans, "employee" travel, vacation, or savings plans, workers compensation, unemployment insurance, social security and disability benefits insurance, and any other similar benefit program applying to "employees" or "volunteer workers".

15. "Employment practices" means an actual or alleged improper employment-related practice, policy, act or omission involving an actual, prospective, or former "volunteer worker" or "employee", including:

a. Failing to hire or refusing to hire;

b. Wrongful dismissal, discharge, or termination of employment or membership, whether actual or constructive;

c. Wrongful deprivation of a career opportunity, or failure to promote;

d. Wrongful discipline of "volunteer workers" or "employees";

e. Negligent evaluation of "volunteer workers" or "employees";

f. Retaliation against "volunteer workers" or "employees" for the exercise of any legally protected right or for engaging in any legally protected activity;

g. Failure to adopt adequate workplace or employment-related policies and procedures;

h. Harassment, including "sexual harassment"; or

i. Violation of any federal, state or local laws (whether common law or statutory) concerning employment or "discrimination" in employment.

16. "Executive Officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.

17. "Fungi" means any type or form of fungus, including mold or mildew and any mycotoxins, spores, scents or by-products produced or released by "fungi".

18. "Injunctive or declaratory relief" means:

a. 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, an insured, including any "suit" regarding an individualized education program (IEP); or

b. Any request that a court make a finding of law or fact,

provided such action is filed during the policy period.

19. "Law enforcement activity" means the activities of any insured while acting as a law enforcement official, officer, auxiliary officer, "employee", or "volunteer worker" of the law enforcement agency or department of the Named Insured. "Law enforcement activity" also includes the activities of an armed school security "employee" or "volunteer worker" while performed on behalf of the insured. "Law enforcement activity" does not include:

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

a. Your operations related to any building, code, license, permit, health, sanitation, animal control, safety, planning or zoning enforcement; or

b. The activities of an unarmed school security “employee” or “volunteer worker”.

As used in this definition, armed means a person who possesses a firearm. Unarmed means a person who does not possess a firearm.

20. “Leased worker” means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. “Leased worker” does not include a “temporary worker”.

21. “Loss adjustment expense” means those expenses incurred to adjust a “claim” which includes fees paid to attorneys, experts, investigators or independent adjusters used to defend a “claim” and other court costs such as legal fees, etc. It does not include the cost of our salaried claims staff or their office expenses.

22. “Municipal operations” means your operations other than ”educational services”.

23. “Personal and advertising injury” means injury, including consequential “bodily injury”, arising out of one or more of the following offenses:

a. False arrest, detention or imprisonment;

b. Malicious prosecution;

c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, or any other interference with real property rights;

d. Oral or written publication in any manner of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;

e. Oral or written publication in any manner of material that violates a person's right of privacy;

f. The use of another's advertising idea in your advertisement; or

g. Infringing upon another's copyright, trade dress or slogan in your advertisement.

24. “Personal identity event” means:

a. Unauthorized disclosure by you of “personally identifiable information” or your failure to protect “personally identifiable information” from misappropriation.

b. Failure by you to disclose or warn of an actual or potential disclosure or misappropriation of “personally identifiable information”, but only if this policy applies to such disclosure or misappropriation and it resulted directly from **a.** above; or

c. Violation of any federal or state privacy statute addressing disclosure or misappropriation of “personally identifiable information”, but only if:

(1) This policy applies to such disclosure or misappropriation and it resulted directly from **a.** or **b.** above; and

(2) The violation is not willful.

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

26. “Professional health care services” means:

a. Providing medical or nursing services;

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

b. Providing professional services of any other health care professional, including emergency medical technicians and paramedics;

c. Furnishing or dispensing drugs or medical, surgical or dental supplies or appliances;

d. Handling of patients:

(1) From the place where they are accepted for movement into or onto the means of transport;

(2) During transport; and

(3) From the means of transport to the place where they are finally delivered;

e. Dispatching of, including the failure or refusal to dispatch, personnel to provide any of the above services;

f. Serving on, or carrying out the orders of, a health care accreditation board or similar professional board or committee; and

g. Establishing medical protocol, creating medical training curricula, providing medical training, conducting medical quality assurance programs, and carrying out similar duties.

27. "Property damage" means:

a. Physical injury to tangible property, including all resulting loss of use of that property; and

b. Loss of use of tangible property that is not physically injured but results from **a.** above.

28. "Sexual abuse" means any actual, attempted or alleged sexual conduct by a person, or by persons acting in concert, which causes injury. "Sexual abuse" includes sexual molestation, sexual assault, sexual exploitation or sexual injury, but does not include "sexual harassment".

29. "Sexual harassment" means any actual, attempted or alleged unwelcome sexual advances, requests for sexual favors, or other conduct of a sexual nature by a person, or by persons acting in concert, which causes injury, but only when:

a. Submission to or rejection of such conduct is made either explicitly or implicitly a condition of a person's employment, or a basis for employment decisions affecting a person; or

b. Such conduct has the purpose or effect of interfering with a person's work performance or creating an intimidating, hostile or offensive work environment.

30. "Suit" means a civil proceeding in which damages arising out of an offense or "wrongful act" to which this insurance applies are alleged. "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.

c. With respect to an "employment practices" offense only, "suit" also includes an administrative proceeding commenced with the Equal Employment Opportunity Commission, or its state equivalent.

But "suit" does not mean any ethical conduct review, disciplinary action or licensing action.

31. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions. A substitute teacher is not a "temporary worker."

32. "Volunteer worker" means a person who is not your "employee", and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

33. “Water or wastewater professional activity” means an act, error or omission which arises from your activities as a water or wastewater district, water utility, or any other entity whose primary duty is the treatment and distribution of “potable water”, or the collection and treatment of wastewater.

34. “Wrongful act” means any actual or alleged error, act, omission, neglect, misfeasance, nonfeasance, or breach of duty, including violation of any civil rights law, by any insured in discharge of their duties to perform “educational services” individually or collectively that results directly but unexpectedly and unintentionally in damages to others. A “wrongful act” does not include an “employment practices” offense.

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – TUITION AND RELATED COSTS

This endorsement modifies insurance provided under the following:

EDUCATORS LEGAL LIABILITY COVERAGE PART

The following is added to **Section II – Exclusions:**

The value of tuition or scholarships, books, fees associated with educational activities, employment related benefits, stock options, perquisites, deferred compensation or any other type of compensation earned in the course of employment or the equivalent value thereof;

Copyright 2020 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

CONSENT TO SETTLE CONDITION

This endorsement modifies insurance provided under the following:

EDUCATORS LEGAL LIABILITY COVERAGE PART

SCHEDULE

Percent of Damages:	80 %
Percentage of Expenses	80 %

[If no entry appears above, the information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.]

The following is added to **Section VI — Conditions:**

Consent To Settle

Except where otherwise stated or endorsed to this Policy, we shall not settle any "claim" without your consent. However, if you refuse to consent to the settlement of any "claim" recommended by us after receiving our request for consent to settle, and you elect to contest such "claim", thus requiring continued claims adjustment or legal proceedings relating to such "claim", the limit of liability to pay damages under this Policy will be the lesser of:

1. The Percentage Of Damages shown in the Schedule of this endorsement relative to the amount of damages in excess of the settlement amount set forth in our written request for your consent to settle the "claim";
2. The actual damages settlement amount; or
3. The Each Claim and Aggregate Limit Of Liability shown in the Declarations.

In addition, the Percentage Of Expenses shown in the Schedule of this endorsement relative to the continued claims adjustment or legal proceedings incurred after the date of your refusal to consent to settle shall be your sole responsibility.

Copyright 2019 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

AMENDMENT OF BREACH OF FIDUCIARY DUTY EXCLUSION WITH DEFENSE EXPENSES

This endorsement modifies insurance provided under the following:

EDUCATORS LEGAL LIABILITY COVERAGE PART

SCHEDULE

Aggregate Sublimit Of Liability	**$**100,000

The following exclusions of **Section II Exclusions** are replaced by the following:

5. Administration of Employee Benefit Plans

Damages, loss or expense based upon, attributable to or arising out of a violation of your responsibilities, obligations or duties, including fiduciary responsibilities, obligations or duties, in regard to any pensions, profit sharing, health and welfare or other “employee benefit plan” or trust including but not limited to responsibilities, obligations or duties imposed by the Employee Retirement Income Security Act of 1974 and its amendments.

However, we shall indemnify you for “defense expenses”, but only with respect to a “claim” that alleges a breach of fiduciary duty, responsibility or obligation in connection with an employee benefit or pension plan, or to any amount due under any fringe benefit or retirement program and subject to the policy period Aggregate Sublimit Of Liability shown in the Schedule of this endorsement. This sublimit shall be part of, and not in addition to, the Aggregate Limit Of Liability shown in the Declarations.

39. Violation of Compensation Laws Applicable to Employers

Damages, loss or expense arising out of or contributed to by any insured's obligations under:

a. The Employee Retirement Income Security Act of 1974 (ERISA);

b. The Comprehensive Omnibus Budget Reconciliation Act (COBRA);

c. The Worker Adjustment and Retraining Notification Act (WARN);

d. The Fair Labor Standards Act other than the Equal Pay act; or

e. Any wage and hour law;

including subsequent amendments or rules or regulations promulgated pursuant to these laws, or similar provisions of any federal, state or local law.

However, we shall indemnify you for “defense expenses”, but only with respect to:

(1) a “claim” that relates to:

(i) the Fair Labor Standards Act other than the Equal Pay Act; or

(ii) any wage and hour law; or

Copyright 2023 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

(2) any “claim” that alleges a breach of fiduciary duty, responsibility or obligation in connection with an employee benefit or pension plan, or to any amount due under any fringe benefit or retirement program.

Such “defense expenses” shall be subject to the policy period Aggregate Sublimit Of Liability shown in the Schedule of this endorsement. This sublimit shall be part of, and not in addition to, the Aggregate Limit Of Liability shown in the Declarations.

41. Workers’ Compensation and Similar Laws

Any obligation of the insured under a workers’ compensation, disability benefits or unemployment compensation law, or any similar law.

However, we shall indemnify you for “defense expenses”, but only with respect to a “claim” that alleges a breach of fiduciary duty, responsibility or obligation in connection with an employee benefit or pension plan, or to any amount due under any fringe benefit or retirement program and subject to the policy period Aggregate Sublimit Of Liability shown in the Schedule of this endorsement. This sublimit shall be part of, and not in addition to, the Aggregate Limit Of Liability shown in the Declarations.

Copyright 2023 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

HONOR ROLL ENHANCEMENT

This endorsement modifies insurance provided under the following:

EDUCATORS LEGAL LIABILITY COVERAGE PART

The following exclusion is added to **Section II – Exclusions**:

Outside Entity

An "insured educator" serving as an executive or employee of an "outside entity", if such "claim" is brought by the "outside entity" or by any "educational executive" or employee.

However this exclusion shall not apply to any matter claimed against any "insured educator" arising out of their services as directors, trustees, officers, regents, governors, or member of the Board of Managers of an "outside entity", but only if such service is at the request of the "educational organization" or any "subsidiary".

Paragraph **23. Governmental Enforcement Action** of **Section II – Exclusions** is replaced by the following:

23. Governmental Enforcement Action

Damages, loss or expense arising from an insured's willful violation of any federal, state, or local law, rule, or regulation.

This exclusion does not apply to any insured who did not participate in, acquiesce to, or remain passive after having personal knowledge of such conduct. However, this exclusion shall not apply unless it is finally adjudicated that such conduct occurred.

Paragraph **26. Municipal Operations** of **Section II – Exclusions** is replaced by the following:

26. Municipal Operations

Damages, loss or expense arising out of "municipal operations". This exclusion does not apply to an "employment practices" offense or "municipal operations" provided by the "educational organization".

Paragraph **31. Professional Health Care** of **Section II – Exclusions** is replaced by the following:

31. Professional Health Care

Damages, loss or expense arising out of providing or failing to provide "professional health care services", including "incidental medical malpractice".

Paragraph **35. Publication and Pronouncements** of **Section II – Exclusions** is replaced by the following:

Copyright, 2022 Munich Reinsurance America, Inc.
Includes copyrighted material of Insurance Services Office, Inc. with its permission

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

35. Publication and Pronouncements

Damages, loss or expense based upon, attributable to, or arising out of "wrongful acts" resulting from Publications or pronouncements, including material placed on the Internet or on similar electronic means of communication, concerning any organization or business enterprise or their products or services made by or at the direction of the insured with the knowledge of its falsity.

Section III – Who Is An Insured is replaced by the following:

A. The following is an insured:

1. The "educational organization" shown as the Named Insured in the Declarations;

2. Any "subsidiary";

3. The Board of Education, Board of Trustees, Board of Regents, Board of Directors or other similar governing board of the "educational organization" or any "subsidiary";

4. In the event of "financial insolvency", the resulting Debtor in Possession (or foreign equivalent status), if any;

5. All "insured educators"; and

6. Any board authorized or mandated by the charter or other similar governing documents of the "educational organization", including all members thereof, but solely with respect to his or her own duties as a member of such board.

B. Each of the following is also an insured:

1. The estate, heirs, legal representatives or assigns of any duly elected or appointed directors, officers, trustees or the functional equivalent of such in the event of that person's death, incompetency, insolvency or bankruptcy;

2. The spouse or legally recognized domestic partner of any duly elected or appointed directors, officers, trustees or the functional equivalent, for a "claim" arising solely out of his or her status as the spouse or domestic partner of such person, including a "claim" that seeks damages recoverable from assets jointly held by the spouse or domestic partner.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

Paragraph **2. Duties in the Event of a Wrongful Act, Offense, Claim or Suit** of **Section VI – Conditions** is replaced by the following:

2. Duties in the Event of a Wrongful Act, Offense, Claim or Suit

a. The insured shall, as a condition precedent to your rights to payment under this Policy only, give us written notice, to the address shown in the Declarations, of any "claim" made against you as soon as practicable after your General Counsel, Risk Manager, Human Resources Director, Chief Executive Officer, Chief Financial Officer, Chief Operations Officer, or Chief Academic Officer, or equivalent positions, first becomes aware of such "claim", but in no event later than:

i. 60 days after the expiration of the policy period; or

ii. The expiration of any applicable Basic Extended Reporting Period or, if elected, the Supplemental Extended Reporting Period, whichever is later

b. You and any other involved insured must:

Copyright, 2022 Munich Reinsurance America, Inc.
Includes copyrighted material of Insurance Services Office, Inc. with its permission

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

i. Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "claim" or “suit”;
ii. Authorize us to obtain records and other information;
iii. Cooperate with us in the investigation, defense or settlement of the "claim" or “suit”; and
iv. Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of a “wrongful act” to which this insurance may also apply.

c. No insured will, except at that insured’s own cost, voluntarily make a payment, assume any obligation, or incur any expense without our written consent.

d. If you have knowledge of a "wrongful act" for which a "claim" has not yet been received, you must notify us, in writing, at the address shown in the Declarations, as soon as practicable. Such notice must provide:
i. A description of the "wrongful act", including all relevant dates;
ii. The names of the persons involved in the "wrongful act", including names of the potential claimants;
iii. Particulars as to the reasons for anticipating a "claim" which may result from such "wrongful act";
iv. The nature of the alleged or potential damages arising from such "wrongful act"; and
v. The circumstances by which the insured first became aware of the "wrongful act".

Notice of a "wrongful act” is not notice of a “claim”.

For the purpose of this endorsement, the following definitions are added to **Section VIII - Definitions**

1. “Educational executive**”** means any natural person who was, now is or shall become a duly elected or appointed director, officer, trustee, manager, in-house general counsel, governor, duly constituted committee member, or the functional equivalent of such positions.
2. **“**Educational organization” means the entity listed as the Named Insured on the Declarations.
3. “Financial insolvency” means the “educational organization” becoming a Debtor in Possession, or the appointment of a receiver, conservator, liquidator, trustee, rehabilitator or similar official to control, supervise, manage or liquidate the “educational organization”
4. “Incidental medical malpractice” means injury arising out of emergency medical services rendered or which reasonably should have been rendered to any person or persons by any duly certified emergency medical technician, paramedic, or nurse who is:
   a. An “insured educator”; or
   b. Acting on behalf of the “educational organization” to provide such services, but is not employed, either full-time or part-time, at a hospital, clinic, or nursing home facility.
5. “Insured educators” means all persons who were, now are, or shall be directors, trustees, officers, regents, governors, members of the Board of Trustees (or similar board), employees, leased employees, temporary or seasonal employees, interns, student teachers, substitute teachers, teaching assistants, volunteers or staff members of the “educational organization” or any “subsidiary”, including any executive board members and committee members whether salaried or not but only for actions taken within the scope of their duties for the “educational organization”.
6. “Outside entity”means:
   a. For profit organization; or
   b. Not-for-profit corporation, community chest, fund or foundation that is not included in the definition of “educational organization” or “subsidiary” and that is exempt from federal income tax as an organization described in Section 501 (c)(3) of the Internal Revenue Code of 1986, as amended, and any other entity organized for religious or charitable purposes under any non-profit organization act or statute.
7. “Subsidiary” means:

Copyright, 2022 Munich Reinsurance America, Inc.
Includes copyrighted material of Insurance Services Office, Inc. with its permission

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

a. Any entity which qualifies as a not-for-profit organization under the Internal Revenue code, other than a political committee organized pursuant to Section 432 of the Federal Election Campaign Act of 1971 (and amendments thereto), and for which the "educational organization" has or controls the right to elect or appoint more than 50% of the Board of Directors or other governing body of such entity as of the inception date of this Policy;
b. Any similar entity which was created or acquired by the "educational organization" after the inception date of this Policy, if the entity's total assets do not exceed 35% of the total consolidated assets of the "educational organization" as of the inception date of this Policy; or
c. Any other entity added as a "subsidiary" by written endorsement to this Policy.

8. "IEP Claim" means a due process hearing:
a. Conducted at the written request of a student's parent(s), legal guardian or the "educational organization";
b. Which is presided over by an impartial arbiter;
c. Of which the subject is the special educational needs of a student; and

alleged to be required by the Individual with Disabilities Education Act or any similar law.

For the purpose of this endorsement, the following definitions are deleted and replaced in **Section VIII – Definitions:**

18. "Injunctive or declaratory relief" means:
a. 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, an insured, including any "suit" regarding an individualized education program (IEP); or
b. An "IEP claim"; or
c. Any request that a court make a finding of law or fact;

Provided such action or "IEP claim" is filed during the policy period.

Copyright, 2022 Munich Reinsurance America, Inc.
Includes copyrighted material of Insurance Services Office, Inc. with its permission

AMERICAN FAMILY HOME INSURANCE COMPANY
Administration Office: 555 College Road East, Princeton, NJ 08543-5241
800.305.4954
Statutory Office: 1301 Riverplace Blvd., Suite 1300 - Jacksonville, FL 32207
(a stock insurance company)

COMMON POLICY DECLARATIONS

POLICY NUMBER: 7NA5CA0001787-00 **PRIOR POLICY NUMBER:** NEW

COMPANY NAME	PRODUCER NAME
American Family Home Insurance Company 555 College Road East Princeton, NJ 08543-5241 (800) 305-4954	Wright Specialty Insurance 900 Stewart Avenue, Suite 600 Garden City, NY 11530-4869

NAMED INSURED: Motivated Youth Academy

MAILING ADDRESS: 500 La Terraza Blvd #150
Escondido, CA 92025

POLICY PERIOD: FROM 07/01/2026 **TO** 07/01/2027
AT 12:01 A.M. STANDARD TIME AT YOUR MAILING ADDRESS SHOWN ABOVE.

BUSINESS DESCRIPTION	Charter School

IN RETURN FOR THE PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL THE TERMS OF THIS POLICY, WE AGREE WITH YOU TO PROVIDE THE INSURANCE AS STATED IN THIS POLICY.

THIS POLICY CONSISTS OF THE FOLLOWING COVERAGE PARTS FOR WHICH A PREMIUM IS INDICATED. THIS PREMIUM MAY BE SUBJECT TO ADJUSTMENT.

	PREMIUM
COMMERCIAL AUTOMOBILE COVERAGE PART	$792.00
TOTAL:	$792.00

Copyright, American Alternative Insurance Corporation, 1998
Includes copyrighted material of Insurance Services Office, Inc., with its permission.
Copyright, Insurance Services Office, Inc., 1993

POLICY NUMBER: 7NA5CA0001787-00

FORMS APPLICABLE TO ALL COVERAGE PARTS (SHOW NUMBERS):
See Schedule of Forms and Endorsements.

Countersigned	By:
(Date)	(Authorized Representative)

Secretary

President

Copyright, American Alternative Insurance Corporation, 1998
Includes copyrighted material of Insurance Services Office, Inc., with its permission.
Copyright, Insurance Services Office, Inc., 1993

IMPORTANT INFORMATION

California Insurance Guarantee Association

Companies writing property and casualty insurance business in California are required to participate in the California Insurance Guarantee Association. If a company becomes insolvent the California Insurance Guarantee Association settles unpaid claims and assesses each insurance company for its fair share. California law requires all companies to surcharge policies to recover these assessments. If your policy is surcharged, "CA Surcharge" with an amount will be displayed on your premium notice.

VLCA03 04 10

SCHEDULE OF FORMS AND ENDORSEMENTS

POLICY NUMBER:	EFFECTIVE DATE:
7NA5CA0001787-00	07/01/2026

NUMBER	TITLE
AM CL 100 (11-09)	Common Policy Declarations
VLCA03 (04-10)	California Insurance Guarantee Association
IL 00 17 (11-98)	Common Policy Conditions
IL 00 21 (07-02)	Nuclear Energy Liability Exclusion Endorsement (Broad Form)
IL 02 70 (07-20)	California Changes - Cancellation And Nonrenewal
CA DS 03 (11-20)	Business Auto Declarations
CA 00 01 (11-20)	Business Auto Coverage Form
CA 23 84 (10-13)	Exclusion of Terrorism
PE AU 1023 (07-20)	Amended Exception - Who Is An Insured
CA 01 43 (05-17)	California Changes
AU 500 (10-21)	Schedule of Covered Autos You Own
AFH VL 101 (11-09)	Signature Endorsement

COMMON POLICY CONDITIONS

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

A. Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
   a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
   b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

B. Changes

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

C. Examination Of Your Books And Records

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

D. Inspections And Surveys

1. We have the right to:
   a. Make inspections and surveys at any time;
   b. Give you reports on the conditions we find; and
   c. Recommend changes.
2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
   a. Are safe or healthful; or
   b. Comply with laws, regulations, codes or standards.
3. Paragraphs **1.** and **2.** of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.
4. Paragraph **2.** of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

E. Premiums

The first Named Insured shown in the Declarations:

1. Is responsible for the payment of all premiums; and
2. Will be the payee for any return premiums we pay.

F. Transfer Of Your Rights And Duties Under This Policy

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

 Copyright, Insurance Services Office, Inc., 1998

Powered by BoardOnTrack

IL 00 21 07 02

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT

(Broad Form)

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
FARM COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
PROFESSIONAL LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK POLICY

1. The insurance does not apply:

A. Under any Liability Coverage, to "bodily injury" or "property damage":

(1) With respect to which an "insured" under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or

(2) Resulting from the "hazardous properties" of "nuclear material" and with respect to which **(a)** any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or **(b)** the "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

B. Under any Medical Payments coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization.

C. Under any Liability Coverage, to "bodily injury" or "property damage" resulting from "hazardous properties" of "nuclear material", if:

(1) The "nuclear material" **(a)** is at any "nuclear facility" owned by, or operated by or on behalf of, an "insured" or **(b)** has been discharged or dispersed therefrom;

(2) The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an "insured"; or

(3) The "bodily injury" or "property damage" arises out of the furnishing by an "insured" of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion **(3)** applies only to "property damage" to such "nuclear facility" and any property thereat.

© ISO Properties, Inc., 2001

Powered by BoardOnTrack

2. As used in this endorsement:

"Hazardous properties" includes radioactive, toxic or explosive properties.

"Nuclear material" means "source material", "Special nuclear material" or "by-product material".

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

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor".

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

"Nuclear facility" means:

(a) Any "nuclear reactor";

(b) Any equipment or device designed or used for **(1)** separating the isotopes of uranium or plutonium, **(2)** processing or utilizing "spent fuel", or **(3)** handling, processing or packaging "waste";

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

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

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

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

"Property damage" includes all forms of radioactive contamination of property.

© ISO Properties, Inc., 2001

IL 02 70 07 20

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CALIFORNIA CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
CRIME AND FIDELITY COVERAGE PART
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART
EQUIPMENT BREAKDOWN COVERAGE PART
FARM COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

A. Paragraphs **2.** and **3.** of the **Cancellation** Common Policy Condition are replaced by the following:

2. All Policies In Effect For 60 Days Or Less

If this policy has been in effect for 60 days or less, and is not a renewal of a policy we have previously issued, we may cancel this policy by mailing or delivering to the first Named Insured, at the mailing address shown in the policy, and to the producer of record, advance written notice of cancellation, stating the reason for cancellation, at least:

a. 10 days before the effective date of cancellation if we cancel for:

(1) Nonpayment of premium; or

(2) Discovery of fraud by:

(a) Any insured or his or her representative in obtaining this insurance; or

(b) You or your representative in pursuing a claim under this policy.

b. 30 days before the effective date of cancellation if we cancel for any other reason.

3. All Policies In Effect For More Than 60 Days

a. If this policy has been in effect for more than 60 days, or is a renewal of a policy we issued, we may cancel this policy only upon the occurrence, after the effective date of the policy, of one or more of the following:

(1) Nonpayment of premium, including payment due on a prior policy we issued and due during the current policy term covering the same risks.

(2) Discovery of fraud or material misrepresentation by:

(a) Any insured or his or her representative in obtaining this insurance; or

(b) You or your representative in pursuing a claim under this policy.

(3) A judgment by a court or an administrative tribunal that you have violated a California or Federal law, having as one of its necessary elements an act which materially increases any of the risks insured against.

 © Insurance Services Office, Inc., 2020

(4) Discovery of willful or grossly negligent acts or omissions, or of any violations of state laws or regulations establishing safety standards, by you or your representative, which materially increase any of the risks insured against.

(5) Failure by you or your representative to implement reasonable loss control requirements, agreed to by you as a condition of policy issuance, or which were conditions precedent to our use of a particular rate or rating plan, if that failure materially increases any of the risks insured against.

(6) A determination by the Commissioner of Insurance that the:

(a) Loss of, or changes in, our reinsurance covering all or part of the risk would threaten our financial integrity or solvency; or

(b) Continuation of the policy coverage would:

(i) Place us in violation of California law or the laws of the state where we are domiciled; or

(ii) Threaten our solvency.

(7) A change by you or your representative in the activities or property of the commercial or industrial enterprise, which results in a materially added, increased or changed risk, unless the added, increased or changed risk is included in the policy.

b. We will mail or deliver advance written notice of cancellation, stating the reason for cancellation, to the first Named Insured, at the mailing address shown in the policy, and to the producer of record, at least:

(1) 10 days before the effective date of cancellation if we cancel for nonpayment of premium or discovery of fraud; or

(2) 30 days before the effective date of cancellation if we cancel for any other reason listed in Paragraph **3.a.**

B. The following provision is added to the **Cancellation** Common Policy Condition:

7. Residential Property

This provision applies to coverage on real property which is used predominantly for residential purposes and consisting of not more than four dwelling units, and to coverage on tenants' household personal property in a residential unit, if such coverage is written under one of the following:

Commercial Property Coverage Part

Farm Coverage Part – Farm Property – Farm Dwellings, Appurtenant Structures And Household Personal Property Coverage Form

a. If such coverage has been in effect for 60 days or less, and is not a renewal of coverage we previously issued, we may cancel this coverage for any reason, except as provided in **b.** and **c.** below.

b. We may not cancel this policy solely because the first Named Insured has:

(1) Accepted an offer of earthquake coverage; or

(2) Cancelled or did not renew a policy issued by the California Earthquake Authority (CEA) that included an earthquake policy premium surcharge.

However, we shall cancel this policy if the first Named Insured has accepted a new or renewal policy issued by the CEA that includes an earthquake policy premium surcharge but fails to pay the earthquake policy premium surcharge authorized by the CEA.

c. We may not cancel such coverage solely because corrosive soil conditions exist on the premises. This restriction **(c.)** applies only if coverage is subject to one of the following, which exclude loss or damage caused by or resulting from corrosive soil conditions:

(1) Commercial Property Coverage Part – Causes Of Loss – Special Form; or

(2) Farm Coverage Part – Causes Of Loss Form – Farm Property, Paragraph **D.** Covered Causes Of Loss – Special.

© Insurance Services Office, Inc., 2020

d. If a state of emergency under California Law is declared and the residential property is located in any ZIP Code within or adjacent to the fire perimeter, as determined by California Law, we may not cancel this policy for one year, beginning from the date the state of emergency is declared, solely because the dwelling or other structure is located in an area in which a wildfire has occurred. However, we may cancel:

(1) When you have not paid the premium, at any time by letting you know at least 10 days before the date cancellation takes effect;

(2) If willful or grossly negligent acts or omissions by the Named Insured, or his or her representatives, are discovered that materially increase any of the risks insured against; or

(3) If there are physical changes in the property insured against, beyond the catastrophe-damaged condition of the structures and surface landscape, which result in the property becoming uninsurable.

C. The following is added and supersedes any provisions to the contrary:

Nonrenewal

1. Subject to the provisions of Paragraphs **C.2.** and **C.3.** below, if we elect not to renew this policy, we will mail or deliver written notice, stating the reason for nonrenewal, to the first Named Insured shown in the Declarations, and to the producer of record, at least 60 days, but not more than 120 days, before the expiration or anniversary date.

We will mail or deliver our notice to the first Named Insured, and to the producer of record, at the mailing address shown in the policy.

2. Residential Property

This provision applies to coverage on real property used predominantly for residential purposes and consisting of not more than four dwelling units, and to coverage on tenants' household property contained in a residential unit, if such coverage is written under one of the following:

Commercial Property Coverage Part

Farm Coverage Part – Farm Property – Farm Dwellings, Appurtenant Structures And Household Personal Property Coverage Form

a. If this policy provides coverage as described in the preceding paragraph, and we elect not to renew this policy, we will mail or deliver written notice, stating the reason for nonrenewal, to the first Named Insured shown in the Declarations, and to the producer of record, at the mailing address shown in the policy, at least 75 days, but not more than 120 days, before the expiration or anniversary date.

If we fail to give the first Named Insured shown in the Declarations notice of nonrenewal at least 75 days prior to the policy expiration, as required in the paragraph above, this policy, with no change in its terms and conditions, shall remain in effect for 75 days from the date that the notice of nonrenewal is delivered or mailed to the Named Insured. A notice to this effect shall be provided by us to the first Named Insured with the notice of nonrenewal.

b. We may elect not to renew such coverage for any reason, except as provided in Paragraphs **c., d.** and **e.** below.

c. We will not refuse to renew such coverage solely because the first Named Insured has accepted an offer of earthquake coverage.

However, the following applies only to insurers who are associate participating insurers as established by Cal. Ins. Code Section 10089.16. We may elect not to renew such coverage after the first Named Insured has accepted an offer of earthquake coverage, if one or more of the following reasons applies:

(1) The nonrenewal is based on sound underwriting principles that relate to the coverages provided by this policy and that are consistent with the approved rating plan and related documents filed with the Department of Insurance as required by existing law;

 © Insurance Services Office, Inc., 2020

(2) The Commissioner of Insurance finds that the exposure to potential losses will threaten our solvency or place us in a hazardous condition. A hazardous condition includes, but is not limited to, a condition in which we make claims payments for losses resulting from an earthquake that occurred within the preceding two years and that required a reduction in policyholder surplus of at least 25% for payment of those claims; or

(3) We have:

(a) Lost or experienced a substantial reduction in the availability or scope of reinsurance coverage; or

(b) Experienced a substantial increase in the premium charged for reinsurance coverage of our residential property insurance policies; and

the Commissioner has approved a plan for the nonrenewals that is fair and equitable, and that is responsive to the changes in our reinsurance position.

d. We will not refuse to renew such coverage solely because the first Named Insured has cancelled or did not renew a policy, issued by the California Earthquake Authority, that included an earthquake policy premium surcharge.

e. We will not refuse to renew such coverage solely because corrosive soil conditions exist on the premises. This restriction **(e.)** applies only if coverage is subject to one of the following, which exclude loss or damage caused by or resulting from corrosive soil conditions:

(1) Commercial Property Coverage Part – Causes Of Loss – Special Form; or

(2) Farm Coverage Part – Causes Of Loss Form – Farm Property, Paragraph **D.** Covered Causes Of Loss – Special.

f. If a state of emergency under California Law is declared and the residential property is located in any ZIP Code within or adjacent to the fire perimeter, as determined by California Law, we may not nonrenew this policy for one year, beginning from the date the state of emergency is declared, solely because the dwelling or other structure is located in an area in which a wildfire has occurred.

However, we may nonrenew:

(1) If willful or grossly negligent acts or omissions by the Named Insured, or his or her representatives, are discovered that materially increase any of the risks insured against;

(2) If losses unrelated to the postdisaster loss condition of the property have occurred that would collectively render the risk ineligible for renewal; or

(3) If there are physical changes in the property insured against, beyond the catastrophe-damaged condition of the structures and surface landscape, which result in the property becoming uninsurable.

3. We are not required to send notice of nonrenewal in the following situations:

a. If the transfer or renewal of a policy, without any changes in terms, conditions or rates, is between us and a member of our insurance group.

b. If the policy has been extended for 90 days or less, provided that notice has been given in accordance with Paragraph **C.1.**

c. If you have obtained replacement coverage, or if the first Named Insured has agreed, in writing, within 60 days of the termination of the policy, to obtain that coverage.

d. If the policy is for a period of no more than 60 days and you are notified at the time of issuance that it will not be renewed.

e. If the first Named Insured requests a change in the terms or conditions or risks covered by the policy within 60 days of the end of the policy period.

f. If we have made a written offer to the first Named Insured, in accordance with the timeframes shown in Paragraph **C.1.,** to renew the policy under changed terms or conditions or at an increased premium rate, when the increase exceeds 25%.

 © Insurance Services Office, Inc., 2020

BUSINESS AUTO DECLARATIONS

POLICY NUMBER: 7NA5CA0001787-00 PRIOR POLICY NUMBER: NEW

ITEM ONE

Company Name:	American Family Home Insurance Company 555 College Road East Princeton, NJ 08543-5241
Producer Name:	Wright Specialty Insurance 900 Stewart Avenue, Suite 600 Garden City, NY 11530-4869
Named Insured:	Motivated Youth Academy

Form Of Business:

☐ **Corporation** ☐ **Limited Liability Company (LLC)** ☐ **Individual**

☐ **Partnership** ☒ **Other:** Education

In return for the payment of the premium, and subject to all the terms of this Policy, we agree with you to provide the insurance as stated in this Policy.

Premium Shown Is Payable At Inception: $792.00

Audit Period (if applicable): ☐ **Annually** ☐ **Semiannually** ☐ **Quarterly** ☐ **Monthly**

Endorsements Attached To This Policy
IL 00 17 – Common Policy Conditions (**IL 01 46** in Washington)
IL 00 21 – Broad Form Nuclear Exclusion (not applicable in New York) (**IL 01 98** in Washington)
See Schedule of Forms and Endorsements.

 © Insurance Services Office, Inc., 2019

ITEM ONE (Cont'd)

Countersignature Of Authorized Representative
Name:
Title:
Signature:
Date:

Note

Officers' facsimile signatures may be inserted here, on the Policy cover or elsewhere at the company's option.

© Insurance Services Office, Inc., 2019

ITEM TWO

Schedule Of Coverages And Covered Autos

This Policy provides only those coverages where a charge is shown in the premium column below. Each of these coverages will apply only to those "autos" shown as covered "autos". **"Autos" are shown as covered "autos" for a particular coverage by the entry of one or more of the symbols from the Covered Autos section of the Business Auto Coverage Form next to the name of the coverage.**

Coverages	Covered Autos	Limit Or Deductible	Premium
Covered Autos Liability	8,9	$1,000,000	$742
Personal Injury Protection (Or Equivalent No-fault Coverage)		**Separately Stated In Each Personal Injury Protection Endorsement Minus Deductible**	
Added Personal Injury Protection (Or Equivalent Added No-fault Coverage)		**Separately Stated In Each Added Personal Injury Protection Endorsement**	
Property Protection Insurance (Michigan Only)		**Separately Stated In The Property Protection Insurance Endorsement Minus Deductible For Each Accident**	
Auto Medical Payments		**Each Insured**	
Medical Expense And Income Loss Benefits (Virginia Only)		**Separately Stated In The Medical Expense And Income Loss Benefits Endorsement**	
Uninsured Motorists			
Underinsured Motorists (When Not Included In Uninsured Motorists Coverage)			

 © Insurance Services Office, Inc., 2019

ITEM TWO

Schedule Of Coverages And Covered Autos (Cont'd)

Coverages	Covered Autos	Limit Or Deductible	Premium
Physical Damage Comprehensive Coverage	8	**Deductible** **For Each Covered Auto For Loss Caused By Theft Or Mischief Or Vandalism** (A maximum deductible may also apply. Refer to Coverage Form for details.) **OR** **Deductible** **For All Perils For Each Covered Auto** (A maximum deductible may also apply. Refer to Coverage Form for details.) See Item Four for Hired or Borrowed Autos.	$25
Physical Damage Specified Causes Of Loss Coverage		**Deductible** **For Each Covered Auto For Loss Caused By Theft Or Mischief Or Vandalism** (A maximum deductible may also apply. Refer to Coverage Form for details.) **OR** **Deductible** **For All Perils For Each Covered Auto** (A maximum deductible may also apply. Refer to Coverage Form for details.) See Item Four for Hired or Borrowed Autos.	
Physical Damage Collision Coverage	8	**Deductible** **For Each Covered Auto** See Item Four for Hired or Borrowed Autos.	$25

 © Insurance Services Office, Inc., 2019

ITEM TWO

Schedule Of Coverages And Covered Autos (Cont'd)

Physical Damage Towing And Labor		**For Each Disablement Of A Private Passenger Auto, Light Or Medium Truck**	
		Premium For Endorsements	
		Estimated Total Premium*	$792.00
*This Policy may be subject to final audit.			

ITEM THREE

Schedule Of Covered Autos You Own

Covered Auto Number:						
Town And State Where The Covered Auto Will Be Principally Garaged:						
Covered Auto Description						
Year: **Model:**			**Trade Name:**			
Body Type:			**Serial Number(s):**			
Vehicle Identification Number (VIN):						
Classification						
Original Cost New	**Radius Of Operation**	**Business Use s=service r=retail c=commercial**	**Size GVWR, GCW Or Vehicle Seating Capacity**	**Age Group**	**Secondary Rating Classification**	**Code**
Except For Towing And Labor, All Physical Damage Loss Is Payable To You And The Loss Payee Named Below According To Their Interests In The Auto At The Time Of The Loss:						

© Insurance Services Office, Inc., 2019

ITEM THREE

Schedule Of Covered Autos You Own (Cont'd)

Coverages – Premiums, Limits And Deductibles (Absence of a deductible or limit entry in any column below means that the limit or deductible entry in the corresponding Item Two column applies instead.)		
Coverages	**Limit Or Deductible**	**Premium**
Covered Autos Liability		
Personal Injury Protection	**Stated In Each Personal Injury Protection Endorsement Minus Deductible**	
Added Personal Injury Protection	**Stated In Each Added Personal Injury Protection Endorsement**	
Property Protection Insurance (Michigan Only)	**Stated In The Property Protection Insurance Endorsement Minus Deductible**	
Auto Medical Payments	**Each Insured**	
Medical Expense And Income Loss Benefits (Virginia Only)	**Stated In The Medical Expense And Income Loss Benefits Endorsement For Each Person**	
Uninsured Motorist		
Underinsured Motorist		
Comprehensive	**Deductible For Loss Caused By Theft Or Mischief Or Vandalism** (A maximum deductible may also apply. Refer to Coverage Form for details.) **OR** **Deductible For All Perils** (A maximum deductible may also apply. Refer to Coverage Form for details.)	
Specified Causes Of Loss	**Deductible For Loss Caused By Theft Or Mischief Or Vandalism** (A maximum deductible may also apply. Refer to Coverage Form for details.) **OR** **Deductible For All Perils** (A maximum deductible may also apply. Refer to Coverage Form for details.)	
Collision	**Deductible**	
Towing And Labor	**Per Disablement**	

ITEM THREE

Schedule Of Covered Autos You Own (Cont'd)

Total Premiums	
Covered Autos Liability	
Personal Injury Protection	
Added Personal Injury Protection	
Property Protection Insurance (Michigan Only)	
Auto Medical Payments	
Medical Expense And Income Loss Benefits (Virginia Only)	
Uninsured Motorist	
Underinsured Motorist	
Comprehensive	
Specified Causes Of Loss	
Collision	
Towing And Labor	

ITEM FOUR

Schedule Of Hired Or Borrowed Covered Auto Coverage And Premiums

Covered Autos Liability Coverage – Cost Of Hire Rating Basis For Autos Used In Your Motor Carrier Operations (Other Than Mobile Or Farm Equipment)		
Covered Autos Liability Coverage	**Estimated Annual Cost Of Hire For All States**	**Premium**
Primary Coverage		
Excess Coverage		
	Total Hired Auto Premium	**$**

For "autos" used in your motor carrier operations, cost of hire means:

1. The total dollar amount of costs you incurred for the hire of automobiles (includes "trailers" and semitrailers) and, if not included therein,
2. The total remunerations of all operators and drivers' helpers, of hired automobiles, whether hired with a driver by lessor or an "employee" of the lessee, or any other third party, and
3. The total dollar amount of any other costs (e.g., repair, maintenance, fuel, etc.) directly associated with operating the hired automobiles, whether such costs are absorbed by the "insured", paid to the lessor or owner, or paid to others.

ITEM FOUR

Schedule Of Hired Or Borrowed Covered Auto Coverage And Premiums (Cont'd)

Covered Autos Liability Coverage – Cost Of Hire Rating Basis For Autos NOT Used In Your Motor Carrier Operations (Other Than Mobile Or Farm Equipment)

Covered Autos Liability Coverage	State	Estimated Annual Cost Of Hire For Each State	Premium
Primary Coverage	CA	If Any	$50
Excess Coverage			
Total Hired Auto Premium			$50

For "autos" **NOT** used in your motor carrier operations, cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for services performed by motor carriers of property or passengers.

Physical Damage Coverages – Cost Of Hire Rating Basis For All Autos (Other Than Mobile Or Farm Equipment)

Coverage	State	Deductible	Estimated Annual Cost Of Hire For Each State (Excluding Autos Hired With A Driver)	Premium
Comprehensive	CA	$100 **Deductible** **For Each Covered Auto For Loss Caused By Theft Or Mischief Or Vandalism** (A maximum deductible may also apply. Refer to Coverage Form for details.)	If Any	$25
Specified Causes Of Loss		**Deductible** **For Each Covered Auto For Loss Caused By Theft Or Mischief Or Vandalism** (A maximum deductible may also apply. Refer to Coverage Form for details.)		
Collision	CA	$500 **Deductible** **For Each Covered Auto**	If Any	$25
			Total Hired Auto Premium	$50

For Physical Damage Coverages, cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for any "auto" that is leased, hired, rented or borrowed with a driver.

ITEM FOUR

Schedule Of Hired Or Borrowed Covered Auto Coverage And Premiums (Cont'd)

Cost Of Hire Rating Basis For Mobile Or Farm Equipment – Other Than Physical Damage Coverages					
		Estimated Annual Cost Of Hire For Each State		Premium	
Coverage	State	Mobile Equipment	Farm Equipment	Mobile Equipment	Farm Equipment
Covered Autos Liability – Primary Coverage					
Covered Autos Liability – Excess Coverage					
Personal Injury Protection					
Medical Expense Benefits (Virginia Only)	VA				
Income Loss Benefits (Virginia Only)	VA				
Auto Medical Payments					
			Total Hired Auto Premiums		

Cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for services performed by motor carriers of property or passengers.

 © Insurance Services Office, Inc., 2019

Powered by BoardOnTrack

ITEM FOUR

Schedule Of Hired Or Borrowed Covered Auto Coverage And Premiums (Cont'd)

Cost Of Hire Rating Basis For Mobile Or Farm Equipment – Physical Damage Coverages						
			Estimated Annual Cost Of Hire For Each State (Excluding Autos Hired With A Driver)		Premium	
Coverage	**State**	**Deductible**	**Mobile Equipment**	**Farm Equipment**	**Mobile Equipment**	**Farm Equipment**
Compre-hensive		**Deductible** **For Each Covered Auto For Loss Caused By Theft Or Mischief Or Vandalism** (A maximum deductible may also apply. Refer to Coverage Form for details.)				
Specified Causes Of Loss		**Deductible** **For Each Covered Auto For Loss Caused By Theft Or Mischief Or Vandalism** (A maximum deductible may also apply. Refer to Coverage Form for details.)				
Collision		**Deductible** **For Each Covered Auto**				
				Total Hired Auto Premiums		
For Physical Damage Coverages, cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for any auto that is leased, hired, rented or borrowed with a driver.						

 © Insurance Services Office, Inc., 2019

ITEM FOUR

Schedule Of Hired Or Borrowed Covered Auto Coverage And Premiums (Cont'd)

Rental Period Rating Basis For Mobile Or Farm Equipment					
		Estimated Number Of Days Equipment Will Be Rented		Premium	
Coverage	Town And State Where The Job Site Is Located	Mobile Equipment	Farm Equipment	Mobile Equipment	Farm Equipment
Covered Autos Liability – Primary Coverage					
Covered Autos Liability – Excess Coverage					
Personal Injury Protection					
Medical Expense Benefits (Virginia Only)					
Income Loss Benefits (Virginia Only)					
Auto Medical Payments					
Total Hired Auto Premiums					

© Insurance Services Office, Inc., 2019

Powered by BoardOnTrack

ITEM FIVE

Schedule For Non-ownership Covered Autos Liability

Named Insured's Business	Rating Basis	Number	Premium
Other Than Auto Service Operations, Partnerships Or LLCs	**Number Of Employees**	48	Included
	Number Of Volunteers	0	Included
Auto Service Operations	**Number Of Employees Whose Principal Duty Involves The Operation Of Autos**		
	Number Of Volunteers		
	Number Of Partners (Active And Inactive) Or LLC Members		
Partnerships Or LLCs	**Number Of Employees**		
	Number Of Volunteers		
	Number Of Partners (Active And Inactive) Or LLC Members		
Total Non-ownership Covered Autos Liability Premium			$692

© Insurance Services Office, Inc., 2019

ITEM SIX

Schedule For Gross Receipts Or Mileage Basis

Address Of Business Headquarters Location:		
Type Of Risk (Check one):	☐ **Public Autos**	☐ **Leasing Or Rental Concerns**
Rating Basis (Check one):	☐ **Gross Receipts (Per $100)**	☐ **Mileage (Per Mile)**
Estimated Yearly (Gross Receipts Or Mileage):		

Premiums	
Covered Autos Liability	
Personal Injury Protection	
Added Personal Injury Protection	
Property Protection Insurance (Michigan Only)	
Auto Medical Payments	
Medical Expense And Income Loss Benefits (Virginia Only)	
Comprehensive	
Specified Causes Of Loss	
Collision	
Towing And Labor	

When used as a premium basis:

FOR PUBLIC AUTOS

Gross receipts means the total amount earned by the named insured for transporting passengers, mail and merchandise.

Gross receipts does not include:

1. Amounts paid to air, sea or land carriers operating under their own permits.
2. Advertising revenue.
3. Taxes collected as a separate item and paid directly to the government.
4. C.O.D. collections for cost of mail or merchandise including collection fees.

Mileage means the total live and dead mileage of all revenue producing "autos" during the policy period.

FOR RENTAL OR LEASING CONCERNS

Gross receipts means the total amount earned by the named insured for the leasing or renting of "autos" to others without drivers.

Mileage means the total live and dead mileage of all "autos" you leased or rented to others without drivers.

 © Insurance Services Office, Inc., 2019

COMMERCIAL AUTO
CA 00 01 11 20

BUSINESS AUTO COVERAGE FORM

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

Throughout this Policy, the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section **V** – Definitions.

SECTION I – COVERED AUTOS

Item Two of the Declarations shows the "autos" that are covered "autos" for each of your coverages. The following numerical symbols describe the "autos" that may be covered "autos". The symbols entered next to a coverage on the Declarations designate the only "autos" that are covered "autos".

A. Description Of Covered Auto Designation Symbols

Symbol	Description Of Covered Auto Designation Symbols	
1	Any "Auto"	
2	Owned "Autos" Only	Only those "autos" you own (and for Covered Autos 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 Covered Autos 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.
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 Covered Autos 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	Non-owned "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.

 © Insurance Services Office, Inc., 2019

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.

B. Owned Autos

1. If Symbols **1, 2, 3, 4, 5, 6** or **19** are entered next to a coverage in Item Two of the Declarations, then you have coverage for "autos" that you acquire after the policy period begins of the type described for the remainder of the policy period.

2. But, if Symbol **7** is entered next to a coverage in Item Two of the Declarations, an "auto" you acquire after the policy period begins will be a covered "auto" for that coverage only if:

a. We already cover all "autos" that you own for that coverage or it replaces an "auto" you previously owned that had that coverage; and

b. You tell us within 30 days after you acquire it that you want us to cover it for that coverage.

3. An "auto" that is leased or rented to you without a driver, under a written agreement for a continuous period of at least six months that requires you to provide primary insurance covering such "auto", will be considered a covered "auto" you own.

C. Certain Trailers, Mobile Equipment And Temporary Substitute Autos

If Covered Autos Liability Coverage is provided by this Coverage Form, the following types of vehicles are also covered "autos" for Covered Autos Liability Coverage:

1. "Trailers" with a registered Gross Vehicle Weight Rating of 3,000 pounds or less designed primarily for travel on public roads.

2. "Mobile equipment" while being carried or towed by a covered "auto".

3. Any "auto" you do not own while used with the permission of its owner as a temporary substitute for a covered "auto" you own that is out of service because of its:

a. Breakdown;

b. Repair;

c. Servicing;

d. "Loss"; or

e. Destruction.

SECTION II – COVERED AUTOS LIABILITY COVERAGE

A. Coverage

We will pay all sums an "insured" legally must pay as damages because of "bodily injury" or "property damage" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of a covered "auto".

We will also pay all sums an "insured" legally must pay as a "covered pollution cost or expense" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of covered "autos". However, we will only pay for the "covered pollution cost or expense" if there is either "bodily injury" or "property damage" to which this insurance applies that is caused by the same "accident".

We have the right and duty to defend any "insured" against a "suit" asking for such damages or a "covered pollution cost or expense". However, we have no duty to defend any "insured" against a "suit" seeking damages for "bodily injury" or "property damage" or a "covered pollution cost or expense" to which this insurance does not apply. We may investigate and settle any claim or "suit" as we consider appropriate. Our duty to defend or settle ends when the Covered Autos Liability Coverage Limit of Insurance has been exhausted by payment of judgments or settlements.

1. Who Is An Insured

The following are "insureds":

a. You for any covered "auto".

b. Anyone else while using with your permission a covered "auto" you own, hire or borrow except:

(1) The owner or anyone else from whom you hire or borrow a covered "auto".

 © Insurance Services Office, Inc., 2019

This exception does not apply if the covered "auto" is a "trailer" connected to a covered "auto" you own.

(2) Your "employee" if the covered "auto" is owned by that "employee" or a member of his or her household.

(3) Someone using a covered "auto" while he or she is working in a business of selling, servicing, repairing, parking or storing "autos" unless that business is yours.

(4) Anyone other than your "employees", partners (if you are a partnership), members (if you are a limited liability company) or a lessee or borrower or any of their "employees", while moving property to or from a covered "auto".

(5) A partner (if you are a partnership) or a member (if you are a limited liability company) for a covered "auto" owned by him or her or a member of his or her household.

c. Anyone liable for the conduct of an "insured" described above but only to the extent of that liability.

2. Coverage Extensions

a. Supplementary Payments

We will pay for the "insured":

(1) All expenses we incur.

(2) Up to $2,000 for cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.

(3) The cost of bonds to release attachments in any "suit" against the "insured" we defend, but only for bond amounts within our Limit of Insurance.

(4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to $250 a day because of time off from work.

(5) All court costs taxed against the "insured" in any "suit" against the "insured" we defend. However, these payments do not include attorneys' fees or attorneys' expenses taxed against the "insured".

(6) All interest on the full amount of any judgment that accrues after entry of the judgment in any "suit" against the "insured" we defend, but our duty to pay interest ends when we have paid, offered to pay or deposited in court the part of the judgment that is within our Limit of Insurance.

These payments will not reduce the Limit of Insurance.

b. Out-of-state Coverage Extensions

While a covered "auto" is away from the state where it is licensed, we will:

(1) Increase the Limit of Insurance for Covered Autos Liability Coverage to meet the limits specified by a compulsory or financial responsibility law of the jurisdiction where the covered "auto" is being used. This extension does not apply to the limit or limits specified by any law governing motor carriers of passengers or property.

(2) Provide the minimum amounts and types of other coverages, such as no-fault, required of out-of-state vehicles by the jurisdiction where the covered "auto" is being used.

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

B. Exclusions

This insurance does not apply to any of the following:

1. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the "insured".

2. Contractual

Liability assumed under any contract or agreement.

But this exclusion does not apply to liability for damages:

a. Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement; or

b. That the "insured" would have in the absence of the contract or agreement.

3. Workers' Compensation

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

4. Employee Indemnification And Employer's Liability

"Bodily injury" to:

a. An "employee" of the "insured" arising out of and in the course of:

(1) Employment by the "insured"; or

(2) Performing the duties related to the conduct of the "insured's" business; or

b. The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph **a.** above.

This exclusion applies:

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

(2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

But this exclusion does not apply to "bodily injury" to domestic "employees" not entitled to workers' compensation benefits or to liability assumed by the "insured" under an "insured contract". For the purposes of the Coverage Form, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.

5. Fellow Employee

"Bodily injury" to:

a. Any fellow "employee" of the "insured" arising out of and in the course of the fellow "employee's" employment or while performing duties related to the conduct of your business; or

b. The spouse, child, parent, brother or sister of that fellow "employee" as a consequence of Paragraph **a.** above.

6. Care, Custody Or Control

"Property damage" to or "covered pollution cost or expense" involving property owned or transported by the "insured" or in the "insured's" care, custody or control. But this exclusion does not apply to liability assumed under a sidetrack agreement.

7. Handling Of Property

"Bodily injury" or "property damage" resulting from the handling of property:

a. Before it is moved from the place where it is accepted by the "insured" for movement into or onto the covered "auto"; or

b. After it is moved from the covered "auto" to the place where it is finally delivered by the "insured".

8. Movement Of Property By Mechanical Device

"Bodily injury" or "property damage" resulting from the movement of property by a mechanical device (other than a hand truck) unless the device is attached to the covered "auto".

9. Operations

"Bodily injury" or "property damage" arising out of the operation of:

a. Any equipment listed in Paragraphs **6.b.** and **6.c.** of the definition of "mobile equipment"; or

b. Machinery or equipment that is on, attached to or part of a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

10. Completed Operations

"Bodily injury" or "property damage" arising out of your work after that work has been completed or abandoned.

In this exclusion, your work means:

a. Work or operations performed by you or on your behalf; and

b. Materials, parts or equipment furnished in connection with such work or operations.

Your work includes warranties or representations made at any time with respect to the fitness, quality, durability or performance of any of the items included in Paragraph **a.** or **b.** above.

Your work will be deemed completed at the earliest of the following times:

(1) When all of the work called for in your contract has been completed;

(2) When all of the work to be done at the site has been completed if your contract calls for work at more than one site; or

 © Insurance Services Office, Inc., 2019

(3) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

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

11. Pollution

"Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

a. That are, or that are contained in any property that is:

(1) Being transported or towed by, handled or handled for movement into, onto or from the covered "auto";

(2) Otherwise in the course of transit by or on behalf of the "insured"; or

(3) Being stored, disposed of, treated or processed in or upon the covered "auto";

b. Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto the covered "auto"; or

c. After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

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

(1) The "pollutants" escape, seep, migrate or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and

(2) The "bodily injury", "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in Paragraphs **6.b.** and **6.c.** of the definition of "mobile equipment".

Paragraphs **b.** and **c.** above of this exclusion do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

(a) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and

(b) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

12. War

"Bodily injury" or "property damage" 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.

13. Racing

Covered "autos" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. This insurance also does not apply while that covered "auto" is being prepared for such a contest or activity.

14. Unmanned Aircraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance or use of "unmanned aircraft".

C. Limit Of Insurance

Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for the total of all damages and "covered pollution cost or expense" combined resulting from any one "accident" is the Limit Of Insurance for Covered Autos Liability Coverage shown in the Declarations.

All "bodily injury", "property damage" and "covered pollution cost or expense" resulting from continuous or repeated exposure to substantially the same conditions will be considered as resulting from one "accident".

No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage Form and any Medical Payments Coverage endorsement, Uninsured Motorists Coverage endorsement or Underinsured Motorists Coverage endorsement attached to this Coverage Part.

SECTION III – PHYSICAL DAMAGE COVERAGE

A. Coverage

1. We will pay for "loss" to a covered "auto" or its equipment under:

a. Comprehensive Coverage

From any cause except:

(1) The covered "auto's" collision with another object; or

(2) The covered "auto's" overturn.

b. Specified Causes Of Loss Coverage

Caused by:

(1) Fire, lightning or explosion;

(2) Theft;

(3) Windstorm, hail or earthquake;

(4) Flood;

(5) Mischief or vandalism; or

(6) The sinking, burning, collision or derailment of any conveyance transporting the covered "auto".

c. Collision Coverage

Caused by:

(1) The covered "auto's" collision with another object; or

(2) The covered "auto's" overturn.

2. Towing And Labor

We will pay up to the limit shown in the Declarations for towing and labor costs incurred each time a covered "auto" that is a private passenger type, light truck or medium truck is disabled. However, the labor must be performed at the place of disablement.

3. Glass Breakage – Hitting A Bird Or Animal – Falling Objects Or Missiles

If you carry Comprehensive Coverage for the damaged covered "auto", we will pay for the following under Comprehensive Coverage:

a. Glass breakage;

b. "Loss" caused by hitting a bird or animal; and

c. "Loss" caused by falling objects or missiles.

However, you have the option of having glass breakage caused by a covered "auto's" collision or overturn considered a "loss" under Collision Coverage.

4. Coverage Extensions

a. Transportation Expenses

We will pay up to $30 per day, to a maximum of $900, for temporary transportation expense incurred by you because of the total theft of a covered "auto" of the private passenger type. We will pay only for those covered "autos" for which you carry either Comprehensive or Specified Causes Of Loss Coverage. We will pay for temporary transportation expenses incurred during the period beginning 48 hours after the theft and ending, regardless of the Policy's expiration, when the covered "auto" is returned to use or we pay for its "loss".

b. Loss Of Use Expenses

For Hired Auto Physical Damage, we will pay expenses for which an "insured" becomes legally responsible to pay for loss of use of a vehicle rented or hired without a driver under a written rental contract or agreement. We will pay for loss of use expenses if caused by:

(1) Other than collision only if the Declarations indicates that Comprehensive Coverage is provided for any covered "auto";

(2) Specified Causes of Loss only if the Declarations indicates that Specified Causes Of Loss Coverage is provided for any covered "auto"; or

 © Insurance Services Office, Inc., 2019

(3) Collision only if the Declarations indicates that Collision Coverage is provided for any covered "auto".

However, the most we will pay for any expenses for loss of use is $30 per day, to a maximum of $900.

B. Exclusions

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

a. Nuclear Hazard

(1) The explosion of any weapon employing atomic fission or fusion; or

(2) Nuclear reaction or radiation, or radioactive contamination, however caused.

b. War Or Military Action

(1) War, including undeclared or civil war;

(2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

(3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

2. We will not pay for "loss" to any covered "auto" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. We will also not pay for "loss" to any covered "auto" while that covered "auto" is being prepared for such a contest or activity.

3. We will not pay for "loss" due and confined to:

a. Wear and tear, freezing, mechanical or electrical breakdown.

b. Blowouts, punctures or other road damage to tires.

This exclusion does not apply to such "loss" resulting from the total theft of a covered "auto".

4. We will not pay for "loss" to any of the following:

a. Tapes, records, discs or other similar audio, visual or data electronic devices designed for use with audio, visual or data electronic equipment.

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

c. Any electronic equipment, without regard to whether this equipment is permanently installed, that reproduces, receives or transmits audio, visual or data signals.

d. Any accessories used with the electronic equipment described in Paragraph **c.** above.

5. Exclusions **4.c.** and **4.d.** do not apply to equipment designed to be operated solely by use of the power from the "auto's" electrical system that, at the time of "loss", is:

a. Permanently installed in or upon the covered "auto";

b. Removable from a housing unit which is permanently installed in or upon the covered "auto";

c. An integral part of the same unit housing any electronic equipment described in Paragraphs **a.** and **b.** above; or

d. Necessary for the normal operation of the covered "auto" or the monitoring of the covered "auto's" operating system.

6. We will not pay for "loss" to a covered "auto" due to "diminution in value".

C. Limits Of Insurance

1. The most we will pay for:

a. "Loss" to any one covered "auto" is the lesser of:

(1) The actual cash value of the damaged or stolen property as of the time of the "loss"; or

(2) The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality.

b. All electronic equipment that reproduces, receives or transmits audio, visual or data signals in any one "loss" is $1,000, if, at the time of "loss", such electronic equipment is:

(1) Permanently installed in or upon the covered "auto" in a housing, opening or other location that is not normally used by the "auto" manufacturer for the installation of such equipment;

(2) Removable from a permanently installed housing unit as described in Paragraph **b.(1)** above; or

(3) An integral part of such equipment as described in Paragraphs **b.(1)** and **b.(2)** above.

2. An adjustment for depreciation and physical condition will be made in determining actual cash value in the event of a total "loss".

3. If a repair or replacement results in better than like kind or quality, we will not pay for the amount of the betterment.

D. Deductible

For each covered "auto", our obligation to pay for, repair, return or replace damaged or stolen property will be reduced by the applicable deductible shown in the Declarations prior to the application of the Limit Of Insurance, provided that:

1. The Comprehensive or Specified Causes Of Loss Coverage deductible applies only to "loss" caused by:

a. Theft or mischief or vandalism; or

b. All perils.

2. Regardless of the number of covered "autos" damaged or stolen, the maximum deductible applicable for all "loss" in any one event caused by:

a. Theft or mischief or vandalism; or

b. All perils,

will be equal to five times the highest deductible applicable to any one covered "auto" on the Policy for Comprehensive or Specified Causes Of Loss Coverage. The application of the highest deductible used to calculate the maximum deductible will be made regardless of which covered "autos" were damaged or stolen in the "loss".

SECTION IV – BUSINESS AUTO CONDITIONS

The following conditions apply in addition to the Common Policy Conditions:

A. Loss Conditions

1. Appraisal For Physical Damage Loss

If you and we disagree on the amount of "loss", either may demand an appraisal of the "loss". In this event, each party will select a competent appraiser. The two appraisers will select a competent and impartial umpire. The appraisers will state separately the actual cash value and amount of "loss". If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

a. Pay its chosen appraiser; and

b. Bear the other expenses of the appraisal and umpire equally.

If we submit to an appraisal, we will still retain our right to deny the claim.

2. Duties In The Event Of Accident, Claim, Suit Or Loss

We have no duty to provide coverage under this Policy unless there has been full compliance with the following duties:

a. In the event of "accident", claim, "suit" or "loss", you must give us or our authorized representative prompt notice of the "accident" or "loss". Include:

(1) How, when and where the "accident" or "loss" occurred;

(2) The "insured's" name and address; and

(3) To the extent possible, the names and addresses of any injured persons and witnesses.

b. Additionally, you and any other involved "insured" must:

(1) Assume no obligation, make no payment or incur no expense without our consent, except at the "insured's" own cost.

(2) Immediately send us copies of any request, demand, order, notice, summons or legal paper received concerning the claim or "suit".

 © Insurance Services Office, Inc., 2019

(3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit".

(4) Authorize us to obtain medical records or other pertinent information.

(5) Submit to examination, at our expense, by physicians of our choice, as often as we reasonably require.

c. If there is "loss" to a covered "auto" or its equipment, you must also do the following:

(1) Promptly notify the police if the covered "auto" or any of its equipment is stolen.

(2) Take all reasonable steps to protect the covered "auto" from further damage. Also keep a record of your expenses for consideration in the settlement of the claim.

(3) Permit us to inspect the covered "auto" and records proving the "loss" before its repair or disposition.

(4) Agree to examinations under oath at our request and give us a signed statement of your answers.

3. Legal Action Against Us

No one may bring a legal action against us under this Coverage Form until:

a. There has been full compliance with all the terms of this Coverage Form; and

b. Under Covered Autos Liability Coverage, we agree in writing that the "insured" has an obligation to pay or until the amount of that obligation has finally been determined by judgment after trial. No one has the right under this Policy to bring us into an action to determine the "insured's" liability.

4. Loss Payment – Physical Damage Coverages

At our option, we may:

a. Pay for, repair or replace damaged or stolen property;

b. Return the stolen property, at our expense. We will pay for any damage that results to the "auto" from the theft; or

c. Take all or any part of the damaged or stolen property at an agreed or appraised value.

If we pay for the "loss", our payment will include the applicable sales tax for the damaged or stolen property.

5. Transfer Of Rights Of Recovery Against Others To Us

If any person or organization to or for whom we make payment under this Coverage Form has rights to recover damages from another, those rights are transferred to us. That person or organization must do everything necessary to secure our rights and must do nothing after "accident" or "loss" to impair them.

B. General Conditions

1. Bankruptcy

Bankruptcy or insolvency of the "insured" or the "insured's" estate will not relieve us of any obligations under this Coverage Form.

2. Concealment, Misrepresentation Or Fraud

This Coverage Form is void in any case of fraud by you at any time as it relates to this Coverage Form. It is also void if you or any other "insured", at any time, intentionally conceals or misrepresents a material fact concerning:

a. This Coverage Form;

b. The covered "auto";

c. Your interest in the covered "auto"; or

d. A claim under this Coverage Form.

3. Liberalization

If we revise this Coverage Form to provide more coverage without additional premium charge, your policy will automatically provide the additional coverage as of the day the revision is effective in your state.

4. No Benefit To Bailee – Physical Damage Coverages

We will not recognize any assignment or grant any coverage for the benefit of any person or organization holding, storing or transporting property for a fee regardless of any other provision of this Coverage Form.

5. Other Insurance

a. For any covered "auto" you own, this Coverage Form provides primary insurance. For any covered "auto" you don't own, the insurance provided by this Coverage Form is excess over any other collectible insurance. However, while a covered "auto" which is a "trailer" is connected to another vehicle, the Covered Autos Liability Coverage this Coverage Form provides for the "trailer" is:

(1) Excess while it is connected to a motor vehicle you do not own; or

(2) Primary while it is connected to a covered "auto" you own.

b. For Hired Auto Physical Damage Coverage, any covered "auto" you lease, hire, rent or borrow is deemed to be a covered "auto" you own. However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".

c. Regardless of the provisions of Paragraph **a.** above, this Coverage Form's Covered Autos Liability Coverage is primary for any liability assumed under an "insured contract".

d. When this Coverage Form and any other Coverage Form or policy covers on the same basis, either excess or primary, we will pay only our share. Our share is the proportion that the Limit of Insurance of our Coverage Form bears to the total of the limits of all the Coverage Forms and policies covering on the same basis.

6. Premium Audit

a. The estimated premium for this Coverage Form is based on the exposures you told us you would have when this Policy began. We will compute the final premium due when we determine your actual exposures. The estimated total premium will be credited against the final premium due and the first Named Insured will be billed for the balance, if any. The due date for the final premium or retrospective premium is the date shown as the due date on the bill. If the estimated total premium exceeds the final premium due, the first Named Insured will get a refund.

b. If this Policy is issued for more than one year, the premium for this Coverage Form will be computed annually based on our rates or premiums in effect at the beginning of each year of the Policy.

7. Policy Period, Coverage Territory

Under this Coverage Form, we cover "accidents" and "losses" occurring:

a. During the policy period shown in the Declarations; and

b. Within the coverage territory.

The coverage territory is:

(1) The United States of America;

(2) The territories and possessions of the United States of America;

(3) Puerto Rico;

(4) Canada; and

(5) Anywhere else in the world if a covered "auto" of the private passenger type is leased, hired, rented or borrowed without a driver for a period of 30 days or less,

provided that the "insured's" responsibility to pay damages is determined in a "suit" on the merits, in the United States of America, the territories and possessions of the United States of America, Puerto Rico or Canada, or in a settlement we agree to.

We also cover "loss" to, or "accidents" involving, a covered "auto" while being transported between any of these places.

8. Two Or More Coverage Forms Or Policies Issued By Us

If this Coverage Form and any other Coverage Form or policy issued to you by us or any company affiliated with us applies to the same "accident", the aggregate maximum Limit of Insurance under all the Coverage Forms or policies shall not exceed the highest applicable Limit of Insurance under any one Coverage Form or policy. This condition does not apply to any Coverage Form or policy issued by us or an affiliated company specifically to apply as excess insurance over this Coverage Form.

SECTION V – DEFINITIONS

A. "Accident" includes continuous or repeated exposure to the same conditions resulting in "bodily injury" or "property damage".

B. "Auto" means:

1. A land motor vehicle, "trailer" or semitrailer designed for travel on public roads; or

2. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

C. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these.

D. "Covered pollution cost or expense" means any cost or expense arising out of:

1. Any request, demand, order or statutory or regulatory requirement that any "insured" 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

 © Insurance Services Office, Inc., 2019

2. Any claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

"Covered pollution cost or expense" does not include any cost or expense arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

a. That are, or that are contained in any property that is:

(1) Being transported or towed by, handled or handled for movement into, onto or from the covered "auto";

(2) Otherwise in the course of transit by or on behalf of the "insured"; or

(3) Being stored, disposed of, treated or processed in or upon the covered "auto";

b. Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto the covered "auto"; or

c. After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

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

(1) The "pollutants" escape, seep, migrate or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and

(2) The "bodily injury", "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in Paragraph **6.b.** or **6.c.** of the definition of "mobile equipment".

Paragraphs **b.** and **c.** above do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

(a) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and

(b) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

E. "Diminution in value" means the actual or perceived loss in market value or resale value which results from a direct and accidental "loss".

F. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".

G. "Insured" means any person or organization qualifying as an insured in the Who Is An Insured provision of the applicable coverage. Except with respect to the Limit of Insurance, the coverage afforded applies separately to each insured who is seeking coverage or against whom a claim or "suit" is brought.

H. "Insured contract" means:

1. A lease of premises;

2. A sidetrack agreement;

3. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;

4. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;

5. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another to pay for "bodily injury" or "property damage" to a third party or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement; or

6. That part of any contract or agreement entered into, as part of your business, pertaining to the rental or lease, by you or any of your "employees", of any "auto". However, such contract or agreement shall not be considered an "insured contract" to the extent that it obligates you or any of your "employees" to pay for "property damage" to any "auto" rented or leased by you or any of your "employees".

An "insured contract" does not include that part of any contract or agreement:

a. That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing;

b. That pertains to the loan, lease or rental of an "auto" to you or any of your "employees", if the "auto" is loaned, leased or rented with a driver; or

c. That holds a person or organization engaged in the business of transporting property by "auto" for hire harmless for your use of a covered "auto" over a route or territory that person or organization is authorized to serve by public authority.

I. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".

J. "Loss" means direct and accidental loss or damage.

K. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

1. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;

2. Vehicles maintained for use solely on or next to premises you own or rent;

3. Vehicles that travel on crawler treads;

4. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:

a. Power cranes, shovels, loaders, diggers or drills; or

b. Road construction or resurfacing equipment such as graders, scrapers or rollers;

5. Vehicles not described in Paragraph **1., 2., 3.** or **4.** above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:

a. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well-servicing equipment; or

b. Cherry pickers and similar devices used to raise or lower workers; or

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

a. Equipment designed primarily for:

(1) Snow removal;

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

(3) Street cleaning;

b. Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and

c. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting or well-servicing equipment.

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

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

M. "Property damage" means damage to or loss of use of tangible property.

N. "Suit" means a civil proceeding in which:

1. Damages because of "bodily injury" or "property damage"; or

2. A "covered pollution cost or expense";

to which this insurance applies, are alleged.

 © Insurance Services Office, Inc., 2019

"Suit" includes:

a. An arbitration proceeding in which such damages or "covered pollution costs or expenses" 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 or "covered pollution costs or expenses" are claimed and to which the insured submits with our consent.

O. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.

P. "Trailer" includes semitrailer.

Q. "Unmanned aircraft" means an aircraft that is not:

1. Designed;

2. Manufactured; or

3. Modified after manufacture;

to be controlled directly by a person from within or on the aircraft.

 © Insurance Services Office, Inc., 2019

COMMERCIAL AUTO
CA 23 84 10 13

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF TERRORISM

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
SINGLE INTEREST AUTOMOBILE PHYSICAL DAMAGE INSURANCE POLICY

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. The following definitions are added and apply under this endorsement wherever the term terrorism, or the phrase any injury, damage, loss or expense, is enclosed in quotation marks:

1. "Terrorism" means activities against persons, organizations or property of any nature:

a. That involve the following or preparation for the following:

(1) Use or threat of force or violence; or

(2) Commission or threat of a dangerous act; or

(3) Commission or threat of an act that interferes with or disrupts an electronic, communication, information or mechanical system; and

b. When one or both of the following apply:

(1) The effect is to intimidate or coerce a government or the civilian population or any segment thereof, or to disrupt any segment of the economy; or

(2) It appears that the intent is to intimidate or coerce a government, or to further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology.

2. "Any injury, damage, loss or expense" means any injury, damage, loss or expense covered under any Coverage Form or Policy to which this endorsement is applicable, and includes but is not limited to "bodily injury", "property damage", "personal and advertising injury", "loss", loss of use, rental reimbursement after "loss" or "covered pollution cost or expense", as may be defined under this Coverage Form, Policy or any applicable endorsement.

B. Except with respect to Physical Damage Coverage, Trailer Interchange Coverage, Garagekeepers Coverage, Garagekeepers Coverage – Customers' Sound Receiving Equipment or the Single Interest Automobile Physical Damage Insurance Policy, the following exclusion is added:

Exclusion Of Terrorism

We will not pay for "any injury, damage, loss or expense" caused directly or indirectly by "terrorism", including action in hindering or defending against an actual or expected incident of "terrorism". "Any injury, damage, loss or expense" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to such injury, damage, loss or expense. **But this exclusion applies only when one or more of the following are attributed to an incident of "terrorism":**

1. The "terrorism" is carried out by means of the dispersal or application of radioactive material, or through the use of a nuclear weapon or device that involves or produces a nuclear reaction, nuclear radiation or radioactive contamination; or

 © Insurance Services Office, Inc., 2013

2. Radioactive material is released, and it appears that one purpose of the "terrorism" was to release such material; or

3. The "terrorism" is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or

4. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the "terrorism" was to release such materials; or

5. The total of insured damage to all types of property exceeds $25,000,000. In determining whether the $25,000,000 threshold is exceeded, we will include all insured damage sustained by property of all persons and entities affected by the "terrorism" and business interruption losses sustained by owners or occupants of the damaged property. For the purpose of this provision, insured damage means damage that is covered by any insurance plus damage that would be covered by any insurance but for the application of any terrorism exclusions; or

6. Fifty or more persons sustain death or serious physical injury. For the purposes of this provision, serious physical injury means:

a. Physical injury that involves a substantial risk of death; or

b. Protracted and obvious physical disfigurement; or

c. Protracted loss of or impairment of the function of a bodily member or organ.

Multiple incidents of "terrorism" which occur within a 72-hour period and appear to be carried out in concert or to have a related purpose or common leadership will be deemed to be one incident, for the purpose of determining whether the thresholds in Paragraphs **B.5.** and **B.6.** are exceeded.

With respect to this exclusion, Paragraphs **B.5.** and **B.6.** describe the thresholds used to measure the magnitude of an incident of "terrorism" and the circumstances in which the threshold will apply, for the purpose of determining whether this exclusion will apply to that incident. When the exclusion applies to an incident of "terrorism", there is no coverage under this Coverage Form, Policy or any applicable endorsement.

C. With respect to Physical Damage Coverage, Trailer Interchange Coverage, Garagekeepers Coverage, Garagekeepers Coverage – Customers' Sound Receiving Equipment or the Single Interest Automobile Physical Damage Insurance Policy, the following exclusion is added:

Exclusion Of Terrorism

We will not pay for any "loss", loss of use or rental reimbursement after "loss" caused directly or indirectly by "terrorism", including action in hindering or defending against an actual or expected incident of "terrorism". **But this exclusion applies only when one or more of the following are attributed to an incident of "terrorism":**

1. The "terrorism" is carried out by means of the dispersal or application of radioactive material, or through the use of a nuclear weapon or device that involves or produces a nuclear reaction, nuclear radiation or radioactive contamination; or

2. Radioactive material is released, and it appears that one purpose of the "terrorism" was to release such material; or

3. The "terrorism" is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or

4. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the "terrorism" was to release such materials; or

5. The total of insured damage to all types of property exceeds $25,000,000. In determining whether the $25,000,000 threshold is exceeded, we will include all insured damage sustained by property of all persons and entities affected by the "terrorism" and business interruption losses sustained by owners or occupants of the damaged property. For the purpose of this provision, insured damage means damage that is covered by any insurance plus damage that would be covered by any insurance but for the application of any terrorism exclusions.

Multiple incidents of "terrorism" which occur within a 72-hour period and appear to be carried out in concert or to have a related purpose or common leadership will be deemed to be one incident, for the purpose of determining whether the threshold in Paragraph **C.5.** is exceeded.

 © Insurance Services Office, Inc., 2013

With respect to this exclusion, Paragraph **C.5.** describes the threshold used to measure the magnitude of an incident of "terrorism" and the circumstances in which the threshold will apply, for the purpose of determining whether this exclusion will apply to that incident. When the exclusion applies to an incident of "terrorism", there is no coverage under this Coverage Form, Policy or any applicable endorsement.

D. In the event of any incident of "terrorism" that is not subject to the exclusion in Paragraph **B.** or **C.,** coverage does not apply to "any injury, damage, loss or expense" that is otherwise excluded under this Coverage Form, Policy or any applicable endorsement.

© Insurance Services Office, Inc., 2013

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMENDED EXCEPTION – WHO IS AN INSURED

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

Paragraph **b.(1)** under Section **II** – Covered Autos Liability Coverage, **A.1.** Who Is An Insured is replaced by the following:

b. Anyone else while using with your permission a covered "auto" you own, hire or borrow except:

(1) The owner or anyone else from whom you hire or borrow a covered “auto”, directly or indirectly, including any employee, agent, or driver of either.

This exception does not apply if the covered “auto” is a “trailer” connected to a covered “auto” you own.

All other terms and conditions remain unchanged.

Copyright 2020 Munich Reinsurance America, Inc. All rights reserved. Includes copyrighted material of the Insurance Services Office, Inc. with its permission.

COMMERCIAL AUTO
CA 01 43 05 17

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CALIFORNIA CHANGES

For a covered "auto" licensed or principally garaged in, or "auto dealer operations" conducted in, California, this endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. The following are added to the **Other Insurance** Condition in the Auto Dealers and Business Auto Coverage Forms and the **Other Insurance – Primary And Excess Insurance Provisions** Condition in the Motor Carrier Coverage Form and supersede any provisions to the contrary:

1. When this Coverage Form and any other Coverage Form or policy providing liability coverage apply to an "auto" and:

a. One provides coverage to a Named Insured engaged in the business of selling, repairing, servicing, delivering, testing or road-testing "autos"; and

b. The other provides coverage to a person not engaged in that business; and

c. At the time of an "accident", a person described in Paragraph **1.b.** is operating an "auto" owned by the business described in Paragraph **1.a.,** then that person's liability coverage is primary and the Coverage Form issued to a business described in Paragraph **1.a.** is excess over any coverage available to that person.

2. When this Coverage Form and any other Coverage Form or policy providing liability coverage apply to an "auto" and:

a. One provides coverage to a Named Insured engaged in the business of selling, repairing, servicing, delivering, testing or road-testing "autos"; and

b. The other provides coverage to a person not engaged in that business; and

c. At the time of an "accident", an "insured" under the Coverage Form described in Paragraph **2.a.** is operating an "auto" owned by a person described in Paragraph **2.b.,** then the Coverage Form issued to the business described in Paragraph **2.a.** is primary and the liability coverage issued to a person described in Paragraph **2.b.** is excess over any coverage available to the business.

3. When this Coverage Form and any other Coverage Form or policy providing liability coverage apply to a "commercial vehicle" and:

a. One provides coverage to a Named Insured, who in the course of business, rents or leases "commercial vehicles" without operators; and

b. The other provides coverage to a person other than as described in Paragraph **3.a.;** and

c. At the time of an "accident", a person who is not the Named Insured of the Policy described in Paragraph **3.a.,** and who is not the agent or "employee" of such Named Insured, is operating a "commercial vehicle" provided by the business covered by the Coverage Form or policy described in Paragraph **3.a.,** then the liability coverage provided by the Coverage Form or policy described in Paragraph **3.b.** is primary, and the liability coverage provided by the Coverage Form or policy described in Paragraph **3.a.** is excess over any coverage available to that person.

 © Insurance Services Office, Inc., 2016

4. Notwithstanding Paragraph **A.3.,** when this Coverage Form and any other Coverage Form or policy providing liability coverage apply to a power unit and any connected "trailer" or "trailers" and:

a. One provides coverage to a Named Insured engaged in the business of transporting property by "auto" for hire; and

b. The other provides coverage to a Named Insured not engaged in that business; and

c. At the time of an "accident", a power unit is being operated by a person insured under the Coverage Form or policy described in Paragraph **4.a.,** then that Coverage Form or policy is primary for both the power unit and any connected "trailer" or "trailers" and the Coverage Form or policy described in Paragraph **4.b.** is excess over any other coverage available to such power unit and attached "trailer" or "trailers".

B. As used in this endorsement:

"Commercial vehicle" means an "auto" subject to registration or identification under California law which is:

1. Used or maintained for the transportation of persons for hire, compensation or profit;

2. Designed, used or maintained primarily for the transportation of property; or

3. Leased for a period of six months or more.

© Insurance Services Office, Inc., 2016

COMMERCIAL AUTO
AU 500 10 21

SCHEDULE OF COVERED AUTOS YOU OWN

POLICY NUMBER: 7NA5CA0001787-00

Named Insured: Motivated Youth Academy

Policy Period: 07/01/2026 to 07/01/2027

Covered Auto No.	DESCRIPTION	PURCHASED		TERRITORY
	Year, Model, Trade Name, Body Type Serial Number (S) Vehicle Identification Number (VIN)	Original Cost New	Actual Cost & NEW (N) USED (U)	Town & State Where The Covered Auto Will Be Principally Garaged

Covered Auto No.	CLASSIFICATION								
	Radius Of Operation	Business Use s=service r=retail c=commercial	Size GVW, GCW Or Vehicle Seating Capacity	Age Group	Primary Rating Factor		Secondary Rating Factor	Code	EXCEPT For Towing, All Physical Damage Loss Is Payable To You And The Loss Payee Named Below As Interests May Appear At the Time Of The Loss.
					Liab.	Phy. Dam.			

Covered Auto No.	COVERAGES – PREMIUMS, LIMITS AND DEDUCTIBLES (Absence of a deductible or limit entry in any column below means that the limit or deductible entry in the corresponding ITEM TWO column applies instead.)						
	COVERED AUTOS LIABILITY		PERSONAL INJURY PROTECTION		ADDED P.I.P.	PROPERTY PROTECTION (Michigan Only)	
	Limit	Premium	Limit Stated In Each P.I.P. End. Minus Deductible Shown Below	Premium	Limit Stated In Each Added P.I.P. End. Premium	Limit Stated In P.P.I. End. Minus Deductible Shown Below	Premium
Total Premium							

Copyright, 2021 Munich Reinsurance America, Inc. All rights reserved
Includes copyrighted material of the Insurance Services Office, Inc., with its permission.

Powered by BoardOnTrack

SCHEDULE OF COVERED AUTOS YOU OWN (Cont'd)

Covered Auto No.	COVERAGES – PREMIUMS, LIMITS AND DEDUCTIBLES (Absence of a deductible or limit entry in any column below means that the limit or deductible entry in the corresponding ITEM TWO column applies instead.)			
	AUTO MEDICAL PAYMENTS		MEDICAL EXPENSE AND INCOME LOSS BENEFITS (Virginia Only)	
	Limit	Premium	Limit Stated In Each Medical Expense and Income Loss Endorsement For Each Person	Premium
Total Premium				

Covered Auto No.	COVERAGES – PREMIUMS, LIMITS AND DEDUCTIBLES (Absence of a deductible or limit entry in any column below means that the limit or deductible entry in the corresponding ITEM TWO column applies instead.)			
	UNINSURED MOTORISTS		SUPPLEMENTAL UNINSURED/ UNDERINSURED MOTORISTS	
	Limit	Premium	Limit	Premium
Total Premium				

Covered Auto No.	COVERAGES – PREMIUMS, LIMITS AND DEDUCTIBLES (Absence of a deductible or limit entry in any column below means that the limit or deductible entry in the corresponding ITEM TWO column applies instead.)			
	COMPREHENSIVE Theft Or Mischief Or Vandalism		COMPREHENSIVE All Perils For Each Covered Auto	
	Limit Stated In ITEM TWO Minus Deductible Shown Below	Premium	Limit Stated In ITEM TWO Minus Deductible Shown Below	Premium
Total Premium				

Copyright, 2021 Munich Reinsurance America, Inc. All rights reserved
Includes copyrighted material of the Insurance Services Office, Inc., with its permission.

Powered by BoardOnTrack

SCHEDULE OF COVERED AUTOS YOU OWN (Cont'd)

Covered Auto No.	COVERAGES – PREMIUMS, LIMITS AND DEDUCTIBLES (Absence of a deductible or limit entry in any column below means that the limit or deductible entry in the corresponding ITEM TWO column applies instead.)			
	SPECIFIED CAUSES OF LOSS Theft Or Mischief Or Vandalism		SPECIFIED CAUSES OF LOSS All Perils For Each Covered Auto	
	Limit Stated In ITEM TWO Minus Deductible Shown Below	Premium	Limit Stated In ITEM TWO Minus Deductible Shown Below	Premium
Total Premium				

Covered Auto No.	COVERAGES – PREMIUMS, LIMITS AND DEDUCTIBLES (Absence of a deductible or limit entry in any column below means that the limit or deductible entry in the corresponding ITEM TWO column applies instead.)			
	COLLISION		TOWING & LABOR	
	Limit Stated In ITEM TWO Minus Deductible Shown Below	Premium	Limit Stated In ITEM TWO Minus Deductible Shown Below	Premium
Total Premium				

Copyright, 2021 Munich Reinsurance America, Inc. All rights reserved.
Includes copyrighted material of the Insurance Services Office, Inc., with its permission.

IL N 119 10 15

CALIFORNIA AUTO BODY REPAIR CONSUMER BILL OF RIGHTS

(This form was developed by the California Department of Insurance.)

A CONSUMER IS ENTITLED TO:

1. SELECT THE AUTO BODY REPAIR SHOP TO REPAIR AUTO BODY DAMAGE COVERED BY THE INSURANCE COMPANY. AN INSURANCE COMPANY SHALL NOT REQUIRE THE REPAIRS TO BE DONE AT A SPECIFIC AUTO BODY REPAIR SHOP.
2. AN ITEMIZED WRITTEN ESTIMATE FOR AUTO BODY REPAIRS AND, UPON COMPLETION OF REPAIRS, A DETAILED INVOICE. THE ESTIMATE AND THE INVOICE MUST INCLUDE AN ITEMIZED LIST OF PARTS AND LABOR ALONG WITH THE TOTAL PRICE FOR THE WORK PERFORMED. THE ESTIMATE AND INVOICE MUST ALSO IDENTIFY ALL PARTS AS NEW, USED, AFTERMARKET, RECONDITIONED, OR REBUILT.
3. BE INFORMED ABOUT COVERAGE FOR TOWING AND STORAGE SERVICES.
4. BE INFORMED ABOUT THE EXTENT OF COVERAGE, IF ANY, FOR A REPLACEMENT RENTAL VEHICLE WHILE A DAMAGED VEHICLE IS BEING REPAIRED.
5. BE INFORMED OF WHERE TO REPORT SUSPECTED FRAUD OR OTHER COMPLAINTS AND CONCERNS ABOUT AUTO BODY REPAIRS.
6. SEEK AND OBTAIN AN INDEPENDENT REPAIR ESTIMATE DIRECTLY FROM A REGISTERED AUTO BODY REPAIR SHOP FOR REPAIR OF A DAMAGED VEHICLE, EVEN WHEN PURSUING AN INSURANCE CLAIM FOR REPAIR OF THE VEHICLE.

COMPLAINTS WITHIN THE JURISDICTION OF THE BUREAU OF AUTOMOTIVE REPAIR

Complaints concerning the repair of a vehicle by an auto body repair shop should be directed to:

Toll Free (866) 799-3811

Bureau of Automotive Repair
10949 North Mather Blvd.
Rancho Cordova, CA 95670

The Bureau of Automotive Repair can also accept complaints over its web site at: www.autorepair.ca.gov.

COMPLAINTS WITHIN THE JURISDICTION OF THE CALIFORNIA INSURANCE COMMISSIONER

Any concerns regarding how an auto insurance claim is being handled should be submitted to the California Department of Insurance at:

(800) 927-4357 or (213) 897-8921

California Department of Insurance
Consumer Services Division
300 South Spring Street
Los Angeles, CA 90013

The California Department of Insurance can also accept complaints over its web site at: www.insurance.ca.gov.

© Insurance Services Office, Inc., 2015

U.S. TREASURY DEPARTMENT'S OFFICE OF FOREIGN ASSETS CONTROL ("OFAC") ADVISORY NOTICE TO POLICYHOLDERS

No coverage is provided by this Policyholder Notice nor can it be construed to replace any provisions of your policy. You should read your policy and review your Declarations page for complete information on the coverages you are provided.

This Notice provides information concerning possible impact on your insurance coverage due to directives issued by OFAC. **Please read this Notice carefully.**

The Office of Foreign Assets Control (OFAC) administers and enforces sanctions policy, based on Presidential declarations of "national emergency". OFAC has identified and listed numerous:

- Foreign agents;
- Front organizations;
- Terrorists;
- Terrorist organizations; and
- Narcotics traffickers;

as "Specially Designated Nationals and Blocked Persons". This list can be located on the United States Treasury's web site – http//www.treas.gov/ofac.

In accordance with OFAC regulations, if it is determined that you or any other insured, or any person or entity claiming the benefits of this insurance has violated U.S. sanctions law or is a Specially Designated National and Blocked Person, as identified by OFAC, this insurance will be considered a blocked or frozen contract and all provisions of this insurance are immediately subject to OFAC. When an insurance policy is considered to be such a blocked or frozen contract, no payments nor premium refunds may be made without authorization from OFAC. Other limitations on the premiums and payments also apply.

© ISO Properties, Inc., 2004

Powered by BoardOnTrack

SIGNATURE ENDORSEMENT

Named Insured	Endorsement Number
Policy Number	Endorsement Effective
Countersigned by (Authorized Representative)	

The above is required to be completed only when this endorsement is issued subsequent to the preparation of the policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

The Company has caused this policy to be signed by its President and Secretary, but this policy shall not be valid unless countersigned by an authorized representative of the Company, where required.

American Family Home Insurance Company

Secretary

President

AFH VL 101 11 09 Copyright, American Alternative Insurance Corporation, 1996

All Other Terms and Conditions Remain Unchanged.

Coversheet

Consent - Policy Development

Section: VIII. Consent
Item: D. Consent - Policy Development
Purpose:
Submitted by: Bill Dobson
Related Material:
MYA 1025 UCP Policy and Complaint Form - Redlined - 2026.08.27.pdf
MYA 1025 UCP Policy and Complaint Form - For Board Approval - 2026.08.27.pdf

BACKGROUND:

Motivated Youth Academy is seeking Board approval of the proposed revisions to Community Relations Policy **1025-MYA, Uniform Complaint Policy, and the corresponding Uniform Complaint Procedure Form**. The redlined revisions update the list of state and federal programs covered under the Uniform Complaint Procedures (UCP), including programs related to Adult Education, Career Technical Education and Training, Child Care and Development, Consolidated Categorical Aid, students in Foster Care and experiencing homelessness, the Every Student Succeeds Act, Migrant Education, Regional Occupational Centers and Programs, and School Safety Plans. The revisions also update the designated Compliance Officer from Gigi Lenz, Operations and Program Manager, to Zuleima Correa, Administrative and Human Resources Coordinator, and make a corresponding update to the complaint submission information on the UCP form. In addition, the policy revision date has been updated to reflect the current Board adoption/revision cycle. Lastly a change was made to the following statement: "Should a complaint be filed against the Director, the compliance officer for that case shall be the President of the Board of Directors.". The addition of, "or the President's designee." to the end of the previous statement.

RECOMMENDATION:

Approval of MYA 1025 - UCP Policy and Complaint Form

It is recommended that the Board approve the proposed revisions to MYA 1025 - UCP Policy and Complaint Form for Motivated Youth Academy (#1628).

Fiscal Impact: None

UNIFORM COMPLAINT POLICY

It is the policy of Motivated Youth Academy ("MYA" or "School") to comply with applicable federal and state laws and regulations. The School is the local agency primarily responsible for compliance with federal and state laws and regulations governing educational programs. Pursuant to this policy, persons responsible for compliance and/or conducting investigations shall be knowledgeable about the laws and programs which they are assigned to investigate. This complaint procedure is adopted to provide a uniform system of complaint processing ("UCP") for the following types of complaints:

1. Complaints alleging unlawful discrimination, harassment, intimidation or bullying against any protected group on the basis of the actual or perceived characteristics of age, ancestry, color, mental disability, physical disability, ethnic group identification, immigration status, citizenship, gender expression, gender identity, gender, genetic information, nationality, national origin, race or ethnicity (including traits historically associated with race, including, but not limited to, hair texture and protected hairstyles such as braids, locks, and twists), religion, medical condition, marital status, sex, or sexual orientation, or on the basis of a person's association with a person or group with one or more of these actual or perceived characteristics in any School program or activity.
2. Complaints alleging a violation of state or federal law or regulations governing the following programs:
    a. Accommodations for Pregnant, Parenting or Lactating Students;
    b. Adult Education;
    c. Career Technical and Technical Education;
    d. Career Technical and Technical Training;
    e. Child Care and Development Programs;
    f. Consolidated Categorical Aid;
    g. Education of Students in Foster Care, Students who are Homeless, former Juvenile Court Students now enrolled in a public school, Migratory Children and Children of Military Families;
    h. Every Student Succeeds Act;
    i. Migrant Education Programs;
    j. Regional Occupational Centers and Programs; and/or
    k. School Safety Plans.
3. Complaints alleging that a pupil enrolled in a public school was required to pay a pupil fee for participation in an educational activity as those terms are defined below.
    a. "Educational activity" means an activity offered by a school, school district, charter school or county office of education that constitutes an integral fundamental part of elementary and secondary education, including, but not limited to, curricular and extracurricular activities.
    b. "Pupil fee" means a fee, deposit or other charge imposed on pupils, or a pupil's Educational Rights Holders, in violation of Education Code section 49011 and Section 5 of Article IX of the California Constitution, which require educational activities to be provided free of charge to all pupils without regard to their families' ability or willingness to pay fees or request special waivers, as provided for in *Hartzell v. Connell* (1984) 35 Cal.3d 899. A pupil fee includes, but is not limited to, all of the following:
        i. A fee charged to a pupil as a condition for registering for school or classes, or as a condition for participation in a class or an extracurricular activity, regardless of

whether the class or activity is elective or compulsory or is for credit.

ii. A security deposit, or other payment, that a pupil is required to make to obtain a lock, locker, book, class apparatus, musical instrument, uniform or other materials or equipment.

iii. A purchase that a pupil is required to make to obtain materials, supplies, equipment or uniforms associated with an educational activity.

c. A pupil fees complaint and complaints regarding local control and accountability plans ("LCAP") only, may be filed anonymously (without an identifying signature), if the complaint provides evidence or information leading to evidence to support an allegation of noncompliance with Education Code sections 52060 - 52077, including an allegation of a violation of Education Code sections 47606.5 or 47607.3, as referenced in Education Code section 52075, regarding local control and accountability plans.

d. If the School finds merit in a pupil fees complaint, or the California Department of Education ("CDE") finds merit in an appeal, the School shall provide a remedy to all affected pupils, and Educational Rights Holders,that, where applicable, includes reasonable efforts by the School to ensure full reimbursement to all affected pupils, and Educational Rights Holders, subject to procedures established through regulations adopted by the state board.

e. Nothing in this policy shall be interpreted to prohibit solicitation of voluntary donations of funds or property, voluntary participation in fundraising activities, or the School and other entities from providing pupils prizes or other recognition for voluntarily participating in fundraising activities.

4. Complaints alleging noncompliance with the requirements governing the Local Control Funding Formula ("LCFF"), LCAP under Education Code sections 47606.5 and 47607.3, as applicable. If the School adopts a School Plan for Student Achievement in addition to its LCAP, complaints of noncompliance with the requirements of the School Plan for Student Achievement under Education Code sections 64000, 64001, 65000, and 65001 shall also fall under this Policy.

Complaints alleging noncompliance regarding child nutrition programs established pursuant to Education Code sections 49490-49590 are governed by Title 7, Code of Federal Regulations ("C.F.R.") sections 210.19(a)(4), 215.1(a), 220.13(c), 225.11(b), 226.6(n), and 250.15(d) and Title 5, California Code of Regulations ("C.C.R.") sections 15580 - 15584.

Complaints alleging noncompliance regarding special education programs established pursuant to Education Code sections 56000-56865 and 59000-59300 are governed by the procedures set forth in 5 C.C.R. sections 3200-3205 and 34 C.F.R. sections 300.151-300.153.

The School acknowledges and respects every individual's rights to privacy. Unlawful discrimination, harassment, intimidation or bullying complaints shall be investigated in a manner that protects (to the greatest extent reasonably possible and as permitted by law) the confidentiality of the parties, including but not limited to the identity of the complainant, and maintains the integrity of the process. The School cannot guarantee anonymity of the complainant. This includes keeping the identity of the complainant confidential. However, the School will attempt to do so as appropriate. The School may find it necessary to disclose information regarding the complaint/complainant to the extent required by law or necessary to carry out the investigation or proceedings, as determined by the Director of Human Resources or designee on a case-by-case basis. The School shall ensure that complainants are protected

from retaliation.

Compliance Officer(s)

The Board of Directors designates the following compliance officer(s) to receive and investigate complaints and to ensure the School's compliance with law:

Zuleima Correa~~Gigi Lenz~~
Administrative and Human Resources Coordinator~~Operations and Program Manager~~
500 La Terraza Blvd, Ste 150
Escondido, CA 92025

The Director, or designee shall ensure that the compliance officer(s) designated to investigate complaints are knowledgeable about the laws and programs for which they are responsible. The compliance officer may have access to legal counsel as determined by the Director, or designee.

Should a complaint be filed against the Director, the compliance officer for that case shall be the President of the Board of Directors, or the President's designee.

Notifications

The Director or designee shall make available copies of this Policy free of charge. The annual notice of this Policy may be made available on the School's website.

The School shall annually provide written notification of the School's UCP to employees, students, Educational Rights Holders, advisory committees, private school officials or representatives, and other interested parties as applicable.

The annual notice shall be in English. When necessary under Education Code section 48985, if fifteen (15) percent or more of the pupils enrolled in the School speak a single primary language other than English, this annual notice will also be provided to the Educational Rights Holder of any such students in their primary language.

The annual notice shall include the following:

(a) A list of the types of complaints that fall under the scope of the UCP and the state and federal provisions that govern complaints regarding child nutrition programs and special education programs.
(b) A statement clearly identifying any California State preschool programs that the School is operating as exempt from licensing pursuant to Health and Safety Code section 1596.792(o) and corresponding Title 5 health and safety regulations, and any California State preschool programs that the School is operating pursuant to Title 22 licensing requirements.
(c) A statement that the School is primarily responsible for compliance with federal and state laws and

regulations.
(d) A statement that a pupil enrolled in a public school shall not be required to pay a pupil fee for participation in an educational activity.
(e) A statement identifying the title of the compliance officer, and the identity(ies) of the person(s) currently occupying that position, if known.
(f) A statement that if a UCP complaint is filed directly with the CDE and the CDE determines that it merits direct intervention, the CDE shall complete an investigation and provide a written decision to the complainant within sixty (60) calendar days of receipt of the complaint, unless the parties have agreed to extend the timeline or the CDE documents exceptional circumstances and informs the complainant.
(g) A statement that the complainant has a right to appeal the School's decision to the CDE by filing a written appeal within thirty (30) calendar days of the date of the School's decision, except if the School has used its UCP to address a complaint that is not subject to the UCP requirements.
(h) A statement that a complainant who appeals the School's decision on a UCP complaint to the CDE shall receive a written appeal decision within sixty (60) calendar days of the CDE's receipt of the appeal, unless extended by written agreement with the complainant or the CDE documents exceptional circumstances and informs the complainant.
(i) A statement that if the School finds merit in a UCP complaint, or the CDE finds merit in an appeal, the School shall take corrective actions consistent with the requirements of existing law that will provide a remedy to the affected student and/or Educational Rights Holder as applicable.
(j) A statement advising the complainant of any civil law remedies that may be available under state or federal discrimination, harassment, intimidation or bullying laws, if applicable, and of the appeal pursuant to Education Code §262.3.
(k) A statement that copies of the School's UCP shall be available free of charge.

Procedures

The following procedures shall be used to address all complaints which allege that the School has violated federal or state laws or regulations enumerated in the section "Scope," above The compliance officer shall maintain a record of each complaint and subsequent related actions for at least three (3) calendar years.

All parties named shall be notified when a complaint is filed, when a complaint meeting or hearing is scheduled, and when a decision or ruling is made.

Step 1: Filing of Complaint

Any individual, including a person's duly authorized representative or an interested third party, public agency, or organization may file a written complaint of alleged noncompliance or unlawful discrimination, harassment, intimidation or bullying pursuant to this Policy.

A complaint of unlawful discrimination, harassment, intimidation or bullying may be filed by an individual who alleges that that individual has personally suffered unlawful discrimination, harassment, intimidation or bullying or by one who believes any specific class of individuals has been subjected to unlawful discrimination, harassment, intimidation or bullying, or by a duly authorized representative who alleges that an individual student has been subjected to discrimination, harassment, intimidation,

or bullying. An investigation of alleged unlawful discrimination, harassment, intimidation or bullying shall be initiated by filing a complaint no later than six (6) months from the date the alleged discrimination, harassment, intimidation or bullying occurred, or the complainant first obtained knowledge of the facts of the alleged discrimination, harassment, intimidation or bullying unless the time for filing is extended by the Director of Human Resources or designee, upon written request by the complainant setting forth the reasons for the extension. Such extension by the Director of Human Resources or designee shall be made in writing. The period for filing may be extended by the Director of Human Resources or designee for good cause for a period not to exceed ninety (90) calendar days following the expiration of the six-month time period. The Human Resources Manager shall respond immediately upon a receipt of a request for extension.

All other complaints under this Policy shall be filed not later than one (1) year from the date the alleged violation occurred. For complaints relating to the LCAP, the date of the alleged violation is the date on which the School Board of Directors approved the LCAP or the annual update was adopted by the School.

The complaint shall be presented to the compliance officer who shall maintain a log of complaints received, providing each with a code number and date stamp.

Complaints filed pursuant to this Policy must be in writing and signed. A signature may be handwritten, typed (including in an email) or electronically generated. Only complaints regarding pupil fees or LCAP compliance may be filed anonymously as set forth in this Policy. If a complainant is unable to put a complaint in writing due to conditions such as a disability or illiteracy, the School staff shall assist the complainant in the filing of the complaint.

Step 2: Mediation

Within three (3) business days of receiving the complaint, the compliance officer may informally discuss with the complainant the possibility of using mediation. If the complainant agrees to mediation, the compliance officer shall make arrangements for this process.

Before initiating the mediation of an unlawful discrimination, harassment, intimidation or bullying complaint, the compliance officer shall ensure that all parties agree to make the mediator a party to related confidential information.

If the mediation process does not resolve the complaint to the satisfaction of the complainant, the compliance officer shall proceed with the investigation of the complaint.

The use of mediation shall not extend the School's timelines for investigating and resolving the complaint unless the complainant agrees in writing to such an extension of time.

Step 3: Investigation of Complaint

The compliance officer is encouraged to hold an investigative meeting within five (5) business days of receiving the complaint or an unsuccessful attempt to mediate the complaint. This meeting shall

provide an opportunity for the complainant and/or the complainant's representative to repeat the complaint orally.

The complainant and/or the complainant's representative shall have an opportunity to present evidence or information leading to evidence to support the allegations in the complaint.

A complainant's refusal to provide the compliance officer with documents or other evidence related to the allegations in the complaint, or a complainant's failure or refusal to cooperate in the investigation or the complainant's engagement in any other obstruction of the investigation, may result in the dismissal of the complaint because of a lack of evidence to support the allegation.

The School's refusal to provide the compliance officer with access to records and/or other information related to the allegation in the complaint, or its failure or refusal to cooperate in the investigation or its engagement in any other obstruction of the investigation, may result in a finding, based on evidence collected, that a violation has occurred and may result in the imposition of a remedy in favor of the complainant.

Step 4: Final Written Decision

The School shall issue an investigation report (the "Decision") based on the evidence. The School's Decision shall be in writing and sent to the complainant within sixty (60) calendar days of the School's receipt unless the timeframe is extended with the written agreement of the complainant. The School's Decision shall be written in English and in the language of the complainant whenever feasible or as required by law.

The Decision shall include:

1. The findings of fact based on evidence gathered.
2. The conclusion providing a clear determination for each allegation as to whether the School is in compliance with the relevant law.
3. Corrective actions, if the School finds merit in the complaint and any are warranted or required by law.
4. Notice of the complainant's right to appeal the School's Decision within thirty (30) calendar days to the CDE, except when the School has used its UCP to address complaints that are not subject to the UCP requirements.
5. Procedures to be followed for initiating such an appeal.

If an employee is disciplined as a result of the complaint, the Decision shall simply state that effective action was taken and that the employee was informed of the School's expectations. The Decision shall not give any further information as to the nature of the disciplinary action except as required by applicable law.

Appeals to the CDE

If dissatisfied with the Decision, the complainant may appeal in writing to the CDE within thirty (30)

calendar days of receiving the School's Decision. The appeal shall be accompanied by a copy of the complaint filed with the School and a copy of the Decision. When appealing to the CDE, the complainant must specify and explain the basis for the appeal, including at least one of the following:

1. The School failed to follow its complaint procedures.
2. Relative to the allegations of the complaint, the School's Decision lacks material findings of fact necessary to reach a conclusion of law.
3. The material findings of fact in the School's Decision are not supported by substantial evidence.
4. The legal conclusion in the School's Decision is inconsistent with the law.
5. In a case in which the School's Decision found noncompliance, the corrective actions fail to provide a proper remedy.

Upon notification by the CDE that the complainant has appealed the School's Decision, the Director of Human Resources or designee shall forward the following documents to the CDE within ten (10) calendar days of the date of notification:

1. A copy of the original complaint.
2. A copy of the Decision.
3. A copy of the investigation file, including but not limited to all notes, interviews, and documents submitted by the parties or gathered by the investigator.
4. A report of any action taken to resolve the complaint.
5. A copy of the School's complaint procedures.
6. Other relevant information requested by the CDE.

If the CDE determines the appeal raises issues not contained in the local complaint, the CDE will refer those new issues back to the School for resolution as a new complaint. If the CDE notifies the School that its Decision failed to address an allegation raised by the complaint and subject to the UCP process, the School will investigate and address such allegation(s) in accordance with the UCP requirements and provide the CDE and the appellant with an amended Decision addressing such allegation(s) within twenty (20) calendar days of the CDE's notification. The amended Decision will inform the appellant of the right to separately appeal the amended Decision with respect to the complaint allegation(s) not addressed in the original Decision.

Within thirty (30) calendar days of the date of the CDE's appeal Decision pursuant to 5 C.C.R. section 4633(f)(2) or (3), either party may request reconsideration by the State Superintendent of Public Instruction ("SSPI") or the SSPI's designee. The request for reconsideration shall specify and explain the reason(s) for contesting the findings of fact, conclusions of law, or corrective actions in the CDE's appeal Decision. The SSPI will not consider any information not previously submitted to the CDE by a party during the appeal unless such information was unknown to the party at the time of the appeal and, with due diligence, could not have become known to the party. Pending the SSPI's response to a request for reconsideration, the CDE appeal Decision remains in effect and enforceable, unless stayed by a court.

The CDE may directly intervene in the complaint without waiting for action by the School when one of the conditions listed in Title 5, California Code of Regulations, Section 4650 exists, including but not

limited to cases in which through no fault of the complainant, the School has not taken action within sixty (60) calendar days of the date the complaint was filed with the School.

Civil Law Remedies

A complainant may pursue available civil law remedies outside of the School's complaint procedures. Complainants may seek assistance from mediation centers or public/private interest attorneys. Civil law remedies that may be imposed by a court include, but are not limited to, injunctions and restraining orders. For unlawful discrimination complaints arising under state law, however, a complainant must wait until sixty (60) calendar days have elapsed from the filing of an appeal with the CDE before pursuing civil law remedies. The moratorium does not apply to injunctive relief and is applicable only if the School has appropriately, and in a timely manner, apprised the complainant of their right to file a complaint.

UNIFORM COMPLAINT POLICY

UNIFORM COMPLAINT PROCEDURE FORM

Last Name: _____ First Name/MI: _____

Student Name (if applicable):_____ Grade: ___ Date of Birth: _____

Street Address/Apt. #: _____

City: _____ State:_____ Zip Code: _____

Home Phone: _____ Cell Phone: _____ Work Phone: _____

School/Office of alleged violation:

_____

For allegation(s) of noncompliance, please check the program or activity referred to in your complaint, if applicable:

- Adult Education
- Career Technical and Technical Education/Career Technical and Technical Training
- Child Care and Development
- Consolidated Categorical Aid Programs
- Education of Students in Foster Care, Students who are Homeless, former Juvenile Court Students now enrolled in a Public School, Migratory Children and Children of Military Families
- Every Student Succeeds Act
- Local Control Funding Formula/ Local Control and Accountability Plan
- Migrant Education Programs
- Regional Occupational Centers and Programs
- School Plans for School Achievement
- School Safety Plan
- Pupil Fees
- Pregnant, Parenting or Lactating Student

UNIFORM COMPLAINT POLICY

For allegation(s) of unlawful discrimination, harassment, intimidation or bullying, please check the basis of the unlawful discrimination, harassment, intimidation or bullying described in your complaint, if applicable:

- ☐ Age
- ☐ Ancestry
- ☐ Color
- ☐ Disability (Mental or Physical)
- ☐ Ethnic Group Identification
- ☐ Medical Condition
- ☐ Immigration Status / Citizenship
- ☐ Gender / Gender Expression / Gender Identity
- ☐ Genetic Information
- ☐ Nationality/ National Origin
- ☐ Race or Ethnicity
- ☐ Religion
- ☐ Sex (Actual or Perceived)
- ☐ Sexual Orientation (Actual or Perceived)
- ☐ Based on association with a person or group with one or more of these actual or perceived characteristics
- ☐ Marital Status

1. Please give facts about the complaint. Provide details such as the names of those involved, dates, whether witnesses were present, etc., that may be helpful to the complaint investigator.

UNIFORM COMPLAINT POLICY

2. Have you discussed your complaint or brought your complaint to any School personnel? If you have, to whom did you take the complaint, and what was the result?

Powered by BoardOnTrack

UNIFORM COMPLAINT POLICY

_____

_____

_____

_____

_____

_____

_____

_____

_____

3. Please provide copies of any written documents that may be relevant or supportive of your complaint. I have attached supporting documents. ☐ Yes ☐ No

Signature: _____ Date: _____

Mail complaint and any relevant documents to:

Zuleima Correa~~Gigi Lenz~~
Administrative and Human Resources Coordinator~~Operations and Program Manager~~
500 La Terraza Blvd, Ste 150
Escondido, CA 92025

Powered by BoardOnTrack

UNIFORM COMPLAINT POLICY

It is the policy of Motivated Youth Academy ("MYA" or "School") to comply with applicable federal and state laws and regulations. The School is the local agency primarily responsible for compliance with federal and state laws and regulations governing educational programs. Pursuant to this policy, persons responsible for compliance and/or conducting investigations shall be knowledgeable about the laws and programs which they are assigned to investigate. This complaint procedure is adopted to provide a uniform system of complaint processing ("UCP") for the following types of complaints:

1. Complaints alleging unlawful discrimination, harassment, intimidation or bullying against any protected group on the basis of the actual or perceived characteristics of age, ancestry, color, mental disability, physical disability, ethnic group identification, immigration status, citizenship, gender expression, gender identity, gender, genetic information, nationality, national origin, race or ethnicity (including traits historically associated with race, including, but not limited to, hair texture and protected hairstyles such as braids, locks, and twists), religion, medical condition, marital status, sex, or sexual orientation, or on the basis of a person's association with a person or group with one or more of these actual or perceived characteristics in any School program or activity.
2. Complaints alleging a violation of state or federal law or regulations governing the following programs:
    a. Accommodations for Pregnant, Parenting or Lactating Students;
    b. Adult Education;
    c. Career Technical and Technical Education;
    d. Career Technical and Technical Training;
    e. Child Care and Development Programs;
    f. Consolidated Categorical Aid;
    g. Education of Students in Foster Care, Students who are Homeless, former Juvenile Court Students now enrolled in a public school, Migratory Children and Children of Military Families;
    h. Every Student Succeeds Act;
    i. Migrant Education Programs;
    j. Regional Occupational Centers and Programs; and/or
    k. School Safety Plans.
3. Complaints alleging that a pupil enrolled in a public school was required to pay a pupil fee for participation in an educational activity as those terms are defined below.
    a. "Educational activity" means an activity offered by a school, school district, charter school or county office of education that constitutes an integral fundamental part of elementary and secondary education, including, but not limited to, curricular and extracurricular activities.
    b. "Pupil fee" means a fee, deposit or other charge imposed on pupils, or a pupil's Educational Rights Holders, in violation of Education Code section 49011 and Section 5 of Article IX of the California Constitution, which require educational activities to be provided free of charge to all pupils without regard to their families' ability or willingness to pay fees or request special waivers, as provided for in *Hartzell v. Connell* (1984) 35 Cal.3d 899. A pupil fee includes, but is not limited to, all of the following:
        i. A fee charged to a pupil as a condition for registering for school or classes, or as a condition for participation in a class or an extracurricular activity, regardless of

Powered by BoardOnTrack

whether the class or activity is elective or compulsory or is for credit.

ii. A security deposit, or other payment, that a pupil is required to make to obtain a lock, locker, book, class apparatus, musical instrument, uniform or other materials or equipment.

iii. A purchase that a pupil is required to make to obtain materials, supplies, equipment or uniforms associated with an educational activity.

c. A pupil fees complaint and complaints regarding local control and accountability plans ("LCAP") only, may be filed anonymously (without an identifying signature), if the complaint provides evidence or information leading to evidence to support an allegation of noncompliance with Education Code sections 52060 - 52077, including an allegation of a violation of Education Code sections 47606.5 or 47607.3, as referenced in Education Code section 52075, regarding local control and accountability plans.

d. If the School finds merit in a pupil fees complaint, or the California Department of Education ("CDE") finds merit in an appeal, the School shall provide a remedy to all affected pupils, and Educational Rights Holders,that, where applicable, includes reasonable efforts by the School to ensure full reimbursement to all affected pupils, and Educational Rights Holders, subject to procedures established through regulations adopted by the state board.

e. Nothing in this policy shall be interpreted to prohibit solicitation of voluntary donations of funds or property, voluntary participation in fundraising activities, or the School and other entities from providing pupils prizes or other recognition for voluntarily participating in fundraising activities.

4. Complaints alleging noncompliance with the requirements governing the Local Control Funding Formula ("LCFF"), LCAP under Education Code sections 47606.5 and 47607.3, as applicable. If the School adopts a School Plan for Student Achievement in addition to its LCAP, complaints of noncompliance with the requirements of the School Plan for Student Achievement under Education Code sections 64000, 64001, 65000, and 65001 shall also fall under this Policy.

Complaints alleging noncompliance regarding child nutrition programs established pursuant to Education Code sections 49490-49590 are governed by Title 7, Code of Federal Regulations ("C.F.R.") sections 210.19(a)(4), 215.1(a), 220.13(c), 225.11(b), 226.6(n), and 250.15(d) and Title 5, California Code of Regulations ("C.C.R.") sections 15580 - 15584.

Complaints alleging noncompliance regarding special education programs established pursuant to Education Code sections 56000-56865 and 59000-59300 are governed by the procedures set forth in 5 C.C.R. sections 3200-3205 and 34 C.F.R. sections 300.151-300.153.

The School acknowledges and respects every individual's rights to privacy. Unlawful discrimination, harassment, intimidation or bullying complaints shall be investigated in a manner that protects (to the greatest extent reasonably possible and as permitted by law) the confidentiality of the parties, including but not limited to the identity of the complainant, and maintains the integrity of the process. The School cannot guarantee anonymity of the complainant. This includes keeping the identity of the complainant confidential. However, the School will attempt to do so as appropriate. The School may find it necessary to disclose information regarding the complaint/complainant to the extent required by law or necessary to carry out the investigation or proceedings, as determined by the Director of Human Resources or designee on a case-by-case basis. The School shall ensure that complainants are protected

from retaliation.

Compliance Officer(s)

The Board of Directors designates the following compliance officer(s) to receive and investigate complaints and to ensure the School's compliance with law:

Zuleima Correa
Administrative and Human Resources Coordinator
500 La Terraza Blvd, Ste 150
Escondido, CA 92025

The Director, or designee shall ensure that the compliance officer(s) designated to investigate complaints are knowledgeable about the laws and programs for which they are responsible. The compliance officer may have access to legal counsel as determined by the Director, or designee.

Should a complaint be filed against the Director, the compliance officer for that case shall be the President of the Board of Directors, or the President's designee.

Notifications

The Director or designee shall make available copies of this Policy free of charge. The annual notice of this Policy may be made available on the School's website.

The School shall annually provide written notification of the School's UCP to employees, students, Educational Rights Holders, advisory committees, private school officials or representatives, and other interested parties as applicable.

The annual notice shall be in English. When necessary under Education Code section 48985, if fifteen (15) percent or more of the pupils enrolled in the School speak a single primary language other than English, this annual notice will also be provided to the Educational Rights Holder of any such students in their primary language.

<u>The annual notice shall include the following:</u>

(a) A list of the types of complaints that fall under the scope of the UCP and the state and federal provisions that govern complaints regarding child nutrition programs and special education programs.
(b) A statement clearly identifying any California State preschool programs that the School is operating as exempt from licensing pursuant to Health and Safety Code section 1596.792(o) and corresponding Title 5 health and safety regulations, and any California State preschool programs that the School is operating pursuant to Title 22 licensing requirements.
(c) A statement that the School is primarily responsible for compliance with federal and state laws and regulations.
(d) A statement that a pupil enrolled in a public school shall not be required to pay a pupil fee for

participation in an educational activity.
(e) A statement identifying the title of the compliance officer, and the identity(ies) of the person(s) currently occupying that position, if known.
(f) A statement that if a UCP complaint is filed directly with the CDE and the CDE determines that it merits direct intervention, the CDE shall complete an investigation and provide a written decision to the complainant within sixty (60) calendar days of receipt of the complaint, unless the parties have agreed to extend the timeline or the CDE documents exceptional circumstances and informs the complainant.
(g) A statement that the complainant has a right to appeal the School's decision to the CDE by filing a written appeal within thirty (30) calendar days of the date of the School's decision, except if the School has used its UCP to address a complaint that is not subject to the UCP requirements.
(h) A statement that a complainant who appeals the School's decision on a UCP complaint to the CDE shall receive a written appeal decision within sixty (60) calendar days of the CDE's receipt of the appeal, unless extended by written agreement with the complainant or the CDE documents exceptional circumstances and informs the complainant.
(i) A statement that if the School finds merit in a UCP complaint, or the CDE finds merit in an appeal, the School shall take corrective actions consistent with the requirements of existing law that will provide a remedy to the affected student and/or Educational Rights Holder as applicable.
(j) A statement advising the complainant of any civil law remedies that may be available under state or federal discrimination, harassment, intimidation or bullying laws, if applicable, and of the appeal pursuant to Education Code §262.3.
(k) A statement that copies of the School's UCP shall be available free of charge.

Procedures

The following procedures shall be used to address all complaints which allege that the School has violated federal or state laws or regulations enumerated in the section "Scope," above The compliance officer shall maintain a record of each complaint and subsequent related actions for at least three (3) calendar years.

All parties named shall be notified when a complaint is filed, when a complaint meeting or hearing is scheduled, and when a decision or ruling is made.

Step 1: Filing of Complaint

Any individual, including a person's duly authorized representative or an interested third party, public agency, or organization may file a written complaint of alleged noncompliance or unlawful discrimination, harassment, intimidation or bullying pursuant to this Policy.

A complaint of unlawful discrimination, harassment, intimidation or bullying may be filed by an individual who alleges that that individual has personally suffered unlawful discrimination, harassment, intimidation or bullying or by one who believes any specific class of individuals has been subjected to unlawful discrimination, harassment, intimidation or bullying, or by a duly authorized representative who alleges that an individual student has been subjected to discrimination, harassment, intimidation, or bullying. An investigation of alleged unlawful discrimination, harassment, intimidation or bullying shall be initiated by filing a complaint no later than six (6) months from the date the alleged

discrimination, harassment, intimidation or bullying occurred, or the complainant first obtained knowledge of the facts of the alleged discrimination, harassment, intimidation or bullying unless the time for filing is extended by the Director of Human Resources or designee, upon written request by the complainant setting forth the reasons for the extension. Such extension by the Director of Human Resources or designee shall be made in writing. The period for filing may be extended by the Director of Human Resources or designee for good cause for a period not to exceed ninety (90) calendar days following the expiration of the six-month time period. The Human Resources Manager shall respond immediately upon a receipt of a request for extension.

All other complaints under this Policy shall be filed not later than one (1) year from the date the alleged violation occurred. For complaints relating to the LCAP, the date of the alleged violation is the date on which the School Board of Directors approved the LCAP or the annual update was adopted by the School.

The complaint shall be presented to the compliance officer who shall maintain a log of complaints received, providing each with a code number and date stamp.

Complaints filed pursuant to this Policy must be in writing and signed. A signature may be handwritten, typed (including in an email) or electronically generated. Only complaints regarding pupil fees or LCAP compliance may be filed anonymously as set forth in this Policy. If a complainant is unable to put a complaint in writing due to conditions such as a disability or illiteracy, the School staff shall assist the complainant in the filing of the complaint.

Step 2: Mediation

Within three (3) business days of receiving the complaint, the compliance officer may informally discuss with the complainant the possibility of using mediation. If the complainant agrees to mediation, the compliance officer shall make arrangements for this process.

Before initiating the mediation of an unlawful discrimination, harassment, intimidation or bullying complaint, the compliance officer shall ensure that all parties agree to make the mediator a party to related confidential information.

If the mediation process does not resolve the complaint to the satisfaction of the complainant, the compliance officer shall proceed with the investigation of the complaint.

The use of mediation shall not extend the School's timelines for investigating and resolving the complaint unless the complainant agrees in writing to such an extension of time.

Step 3: Investigation of Complaint

The compliance officer is encouraged to hold an investigative meeting within five (5) business days of receiving the complaint or an unsuccessful attempt to mediate the complaint. This meeting shall provide an opportunity for the complainant and/or the complainant's representative to repeat the complaint orally.

The complainant and/or the complainant's representative shall have an opportunity to present evidence or information leading to evidence to support the allegations in the complaint.

A complainant's refusal to provide the compliance officer with documents or other evidence related to the allegations in the complaint, or a complainant's failure or refusal to cooperate in the investigation or the complainant's engagement in any other obstruction of the investigation, may result in the dismissal of the complaint because of a lack of evidence to support the allegation.

The School's refusal to provide the compliance officer with access to records and/or other information related to the allegation in the complaint, or its failure or refusal to cooperate in the investigation or its engagement in any other obstruction of the investigation, may result in a finding, based on evidence collected, that a violation has occurred and may result in the imposition of a remedy in favor of the complainant.

Step 4: Final Written Decision

The School shall issue an investigation report (the "Decision") based on the evidence. The School's Decision shall be in writing and sent to the complainant within sixty (60) calendar days of the School's receipt unless the timeframe is extended with the written agreement of the complainant. The School's Decision shall be written in English and in the language of the complainant whenever feasible or as required by law.

The Decision shall include:

1. The findings of fact based on evidence gathered.
2. The conclusion providing a clear determination for each allegation as to whether the School is in compliance with the relevant law.
3. Corrective actions, if the School finds merit in the complaint and any are warranted or required by law.
4. Notice of the complainant's right to appeal the School's Decision within thirty (30) calendar days to the CDE, except when the School has used its UCP to address complaints that are not subject to the UCP requirements.
5. Procedures to be followed for initiating such an appeal.

If an employee is disciplined as a result of the complaint, the Decision shall simply state that effective action was taken and that the employee was informed of the School's expectations. The Decision shall not give any further information as to the nature of the disciplinary action except as required by applicable law.

Appeals to the CDE

If dissatisfied with the Decision, the complainant may appeal in writing to the CDE within thirty (30) calendar days of receiving the School's Decision. The appeal shall be accompanied by a copy of the complaint filed with the School and a copy of the Decision. When appealing to the CDE, the complainant must specify and explain the basis for the appeal, including at least one of the following:

1. The School failed to follow its complaint procedures.
2. Relative to the allegations of the complaint, the School's Decision lacks material findings of fact necessary to reach a conclusion of law.
3. The material findings of fact in the School's Decision are not supported by substantial evidence.
4. The legal conclusion in the School's Decision is inconsistent with the law.
5. In a case in which the School's Decision found noncompliance, the corrective actions fail to provide a proper remedy.

Upon notification by the CDE that the complainant has appealed the School's Decision, the Director of Human Resources or designee shall forward the following documents to the CDE within ten (10) calendar days of the date of notification:

1. A copy of the original complaint.
2. A copy of the Decision.
3. A copy of the investigation file, including but not limited to all notes, interviews, and documents submitted by the parties or gathered by the investigator.
4. A report of any action taken to resolve the complaint.
5. A copy of the School's complaint procedures.
6. Other relevant information requested by the CDE.

If the CDE determines the appeal raises issues not contained in the local complaint, the CDE will refer those new issues back to the School for resolution as a new complaint. If the CDE notifies the School that its Decision failed to address an allegation raised by the complaint and subject to the UCP process, the School will investigate and address such allegation(s) in accordance with the UCP requirements and provide the CDE and the appellant with an amended Decision addressing such allegation(s) within twenty (20) calendar days of the CDE's notification. The amended Decision will inform the appellant of the right to separately appeal the amended Decision with respect to the complaint allegation(s) not addressed in the original Decision.

Within thirty (30) calendar days of the date of the CDE's appeal Decision pursuant to 5 C.C.R. section 4633(f)(2) or (3), either party may request reconsideration by the State Superintendent of Public Instruction ("SSPI") or the SSPI's designee. The request for reconsideration shall specify and explain the reason(s) for contesting the findings of fact, conclusions of law, or corrective actions in the CDE's appeal Decision. The SSPI will not consider any information not previously submitted to the CDE by a party during the appeal unless such information was unknown to the party at the time of the appeal and, with due diligence, could not have become known to the party. Pending the SSPI's response to a request for reconsideration, the CDE appeal Decision remains in effect and enforceable, unless stayed by a court.

The CDE may directly intervene in the complaint without waiting for action by the School when one of the conditions listed in Title 5, California Code of Regulations, Section 4650 exists, including but not limited to cases in which through no fault of the complainant, the School has not taken action within sixty (60) calendar days of the date the complaint was filed with the School.

Civil Law Remedies

UNIFORM COMPLAINT POLICY

A complainant may pursue available civil law remedies outside of the School's complaint procedures. Complainants may seek assistance from mediation centers or public/private interest attorneys. Civil law remedies that may be imposed by a court include, but are not limited to, injunctions and restraining orders. For unlawful discrimination complaints arising under state law, however, a complainant must wait until sixty (60) calendar days have elapsed from the filing of an appeal with the CDE before pursuing civil law remedies. The moratorium does not apply to injunctive relief and is applicable only if the School has appropriately, and in a timely manner, apprised the complainant of their right to file a complaint.

UNIFORM COMPLAINT POLICY

UNIFORM COMPLAINT PROCEDURE FORM

Last Name: _____ First Name/MI: _____

Student Name (if applicable):_____ Grade: ___ Date of Birth: _____

Street Address/Apt. #: _____

City: _____ State:_____ Zip Code: _____

Home Phone: _____ Cell Phone: _____ Work Phone: _____

School/Office of alleged violation:

_____

For allegation(s) of noncompliance, please check the program or activity referred to in your complaint, if applicable:

- ☐ Adult Education
- ☐ Career Technical and Technical Education/Career Technical and Technical Training
- ☐ Child Care and Development
- ☐ Consolidated Categorical Aid Programs
- ☐ Education of Students in Foster Care, Students who are Homeless, former Juvenile Court Students now enrolled in a Public School, Migratory Children and Children of Military Families
- ☐ Every Student Succeeds Act
- ☐ Local Control Funding Formula/ Local Control and Accountability Plan
- ☐ Migrant Education Programs
- ☐ Regional Occupational Centers and Programs
- ☐ School Plans for School Achievement
- ☐ School Safety Plan
- ☐ Pupil Fees
- ☐ Pregnant, Parenting or Lactating Student

UNIFORM COMPLAINT POLICY

For allegation(s) of unlawful discrimination, harassment, intimidation or bullying, please check the basis of the unlawful discrimination, harassment, intimidation or bullying described in your complaint, if applicable:

- ☐ Age
- ☐ Ancestry
- ☐ Color
- ☐ Disability (Mental or Physical)
- ☐ Ethnic Group Identification
- ☐ Medical Condition
- ☐ Immigration Status / Citizenship
- ☐ Gender / Gender Expression / Gender Identity
- ☐ Genetic Information
- ☐ Nationality/ National Origin
- ☐ Race or Ethnicity
- ☐ Religion
- ☐ Sex (Actual or Perceived)
- ☐ Sexual Orientation (Actual or Perceived)
- ☐ Based on association with a person or group with one or more of these actual or perceived characteristics
- ☐ Marital Status

1. Please give facts about the complaint. Provide details such as the names of those involved, dates, whether witnesses were present, etc., that may be helpful to the complaint investigator.

UNIFORM COMPLAINT POLICY

2. Have you discussed your complaint or brought your complaint to any School personnel? If you have, to whom did you take the complaint, and what was the result?

UNIFORM COMPLAINT POLICY

_____

_____

_____

_____

_____

_____

_____

_____

_____

3. Please provide copies of any written documents that may be relevant or supportive of your complaint. I have attached supporting documents. ☐ Yes ☐ No

Signature: _____ Date: _____

Mail complaint and any relevant documents to:

Gigi Lenz
Operations and Program Manager
500 La Terraza Blvd, Ste 150
Escondido, CA 92025

Powered by BoardOnTrack

Coversheet

(Action) Election of Motivated Youth Academy Corporate Officer

Section: IX. Board Governance
Item: A. (Action) Election of Motivated Youth Academy Corporate Officer
Purpose: Vote
Submitted by: Bill Dobson

BACKGROUND:

In accordance with Article VIII, Section 8.01(c) of the Fifth Amended and Restated Bylaws of Motivated Youth Academy, the Corporation is required to appoint a Secretary responsible for maintaining a complete record of Board proceedings, providing required notices, and maintaining the Corporation's official minute books and records. The Board is being asked to appoint Kierra Matchette as Corporate Secretary of Motivated Youth Academy, effective immediately. Upon appointment, Kierra will perform the duties of the office as prescribed by applicable law and the Corporation's Bylaws and will be identified as Secretary on the Corporation's required Statement of Information filed with the California Secretary of State.

RECOMMENDATION:

It is recommended that the Board appoint and elect Kierra Matchette to the office of **Secretary** for Motivated Youth Academy (#1628).

Fiscal Impact: None

Coversheet

(Action) Approval of the 2025-2026 Annual Board Evaluation

Section: IX. Board Governance
Item: B. (Action) Approval of the 2025-2026 Annual Board Evaluation
Purpose: Vote
Submitted by: Bill Dobson
Related Material: 2025-2026 Annual Board Evaluation.pdf

BACKGROUND:

On August 13, 2026, the Board of Directors conducted its **Annual Board Evaluation** for the 2025–2026 academic year. Participating members included Bill Hall, Larry Alvarado, Mike Humphrey, and Pete Matz. Steve Fraire was not in attendance.

All participating members voted unanimously that every evaluated operational, legal, financial, personnel, and instructional area is Complete.

RECOMMENDATION:

Approval of the 2025-2026 Annual Board Evaluation

It is recommended that the Board approve the 2025-2026 Annual Board Evaluation for Motivated Youth Academy (#1628).

Fiscal Impact: None

Annual Board Evaluation
2025-2026
August 13, 2026

Board Members: During the meeting, we will cut and paste your name in the column corresponding to your response.

Issue/Concept	Complete	In Progress	Little/No Progress	Not Applicable	Not Present
A Solid Foundation					
The school has a well drafted charter contract with the sponsoring agency.	**Bill Larry Mike Pete**				**Steve**
School has well-drafted articles and bylaws.	**Bill Larry Mike Pete**				**Steve**
The school's legal and financial status are clear and well understood.	**Bill Larry Mike Pete**				**Steve**
Appropriate liability insurance and risk management practices are maintained at all times.	**Bill Larry Mike Pete**				**Steve**
School has developed a long-term/strategic plan such as a WASC report that is reviewed and revised on an annual basis.	**Bill Larry Mike Pete**				**Steve**
Long-term plans are translated into annual action plans/goals in a document such as the LCAP.	**Bill Larry Mike Pete**				**Steve**
Board Operations/Relations					

August 2026

Board members understand their legal and ethical responsibilities (duty of care/loyalty, conflict of interest).	**Bill** **Larry** **Mike** **Pete**				**Steve**
New board members are oriented and fully briefed prior to being seated.	**Bill** **Larry** **Mike** **Pete**				**Steve**
Board is composed of individuals with a broad and appropriate range of expertise and experience. The Board seeks outside counsel for matters beyond its expertise.	**Bill** **Larry** **Mike** **Pete**				**Steve**
Board member selection process ensures a broad and appropriate range of expertise and experience.	**Bill** **Larry** **Mike** **Pete**				**Steve**
The Board conducts annual self-evaluation.	**Bill** **Larry** **Mike** **Pete**				**Steve**
Meetings are well planned with clear agendas focused on appropriate policy and action items.	**Bill** **Larry** **Mike** **Pete**				**Steve**
The Board president is a strong, capable meeting facilitator.	**Bill** **Larry** **Mike** **Pete**				**Steve**
The Board president has developed meeting norms.	**Bill** **Larry** **Mike** **Pete**				**Steve**
Meetings are conducted pursuant to common ground rules (eg. Robert's Rules) that are well understood by all members.	**Bill** **Larry** **Mike** **Pete**				**Steve**
Individual board members prepare for meetings and participate constructively.	**Bill** **Larry** **Mike** **Pete**				**Steve**

August 2026

Meeting minutes record each board meeting and are distributed promptly on the school's website after each meeting.	**Bill Larry Mike Pete**				**Steve**
Relationship w/CEO					
The Board develops performance goals and evaluates CEO performance each year.	**Bill Larry Mike Pete**				**Steve**
The Board has clear understanding with staff regarding where board responsibility should be to support and maximize the functioning of the schools.	**Bill Larry Mike Pete**				**Steve**
The Board has established a plan for succession in the event the CEO leaves/retires.	**Bill Larry Mike Pete**				**Steve**
Personnel and Staffing					
The Board has adopted/approved a comprehensive set of personnel policies that are in line with all applicable state/federal laws & regulations. Policies are updated and an annual review will be conducted.	**Bill Larry Mike Pete**				**Steve**
Clear job descriptions and staffing plans are in place.	**Bill Larry Mike Pete**				**Steve**
Budget and Finance					
The Board adopts an annual budget that maximizes the school's resources in support of mission/vision.	**Bill Larry Mike Pete**				**Steve**
The Board monitors the budget throughout the year via monthly updates, first interim budget and second interim budget.	**Bill Larry Mike Pete**				**Steve**
The Board contracts with an independent auditor each year, reviews the audit report, and takes any needed follow-up action.	**Bill Larry Mike Pete**				**Steve**

The Board has adopted a three year financial plan in coordination with the school's overall three year plan (WASC, LCAP).	**Bill Larry Mike Pete**				**Steve**
The Board has adopted a comprehensive set of fiscal management and control policies.	**Bill Larry Mike Pete**				**Steve**
The Board has adopted/approved the school's curriculum and instructional programs.	**Bill Larry Mike Pete**				**Steve**
The Board has adopted/approved student achievement goals/standards.	**Bill Larry Mike Pete**				**Steve**
A broad based assessment system is in place to measure progress toward instructional goals/standards.	**Bill Larry Mike Pete**				**Steve**
The instructional program is in alignment with the state requirements and terms of charter.	**Bill Larry Mike Pete**				**Steve**
Student assessment data is assembled in a comprehensive, coherent fashion, presented to the board, and reviewed and analyzed in-depth on a regular basis.	**Bill Larry Mike Pete**				**Steve**
The school reports on student achievement to charter granting agencies on a regular basis as part of the ongoing oversight and renewal process.	**Bill Larry Mike Pete**				**Steve**

Board Member Comments on Strengths:

Bill -

Larry - Singular focus on helping children. Provide support through policy.

Mike - No comment.

Pete - Focus on ensuring students will receive the individualized program that will guide them to educational and emotional success.

August 2026

Steve - Not present.

Board Member Comments on Areas of Growth and Future Needs:

Bill - Always in process, growing, and adapting.

Larry - Thankful for Mike getting on the Zoom smoothly.

Mike - All areas are covered especially the succession of board members.

Pete - Ensure kids have a safe experience with this new AI technology.

Steve - Not present.

Coversheet

(Action) Approval of 2025-2026 Unaudited Actuals Financial Report

Section: X. Business/Financial Services
Item: A. (Action) Approval of 2025-2026 Unaudited Actuals Financial Report
Purpose: Vote
Submitted by: Bill Dobson
Related Material: 2025-2026 Unaudited Actuals Financial Report.pdf

BACKGROUND:

All charter schools in California must submit their “Unaudited Actuals” for the prior year by September 15th. The Unaudited Actuals represent the complete prior fiscal year’s financial activities following all year-end closing activities. The set of unaudited financial statements is then reviewed by the School’s independent CPAs, and together with any adjustments recommended by the auditors becomes the school’s audited financial statements for that fiscal year. The audited financial statements are then submitted to the authorizer by December 15th.

The Unaudited Actuals provide historical data necessary in forecasting to make informed estimates in determining how to allocate the budgets or plan for anticipated expenses for an upcoming period of time. The Unaudited Actuals also provide the beginning balance for budgeting for the current year followed by any adjustments needed per the auditors as the actuals become finalized.

RECOMMENDATION:

Approval of 2025-2026 Unaudited Actuals Financial Report

It is recommended the Board approve as presented the 2025-2026 Unaudited Actuals Financial Report for Motivated Youth Academy (#1628).

Fiscal Impact: None

CHARTER IMPACT

BOARD FINANCIALS

Motivated Youth Academy

Unaudited Actuals Report

MY Academy - Highlights

- Year End completed in line with expectations.
- ADA is unchanged at 316.56 and aligns with the official P-2 Data.
- The Days cash on hand was 161 days.
- Revenues increased $155K vs May projections.
- Expenses decreased $143K vs May projections.
- The year-end surplus is forecasting at $1.24K.

MY Academy - Revenue

- Revenues are now forecasting at $6.62M, an increase of $155K.
- LCFF increased by 90K. UPP was projected at 77%, when it was 80%.
- Federal Revenues reduced by $25K, driven by CSI funding.
- Other State Revenue increased by $72K, driven by CYBHI.
- Other Local Revenue increased $500.

	Annual/Full Year		
	Forecast	**Budget**	**Fav/(Unf)**
Revenue			
State Aid-Rev Limit	$ 5,262,786	$ 4,377,821	$ 884,965
Federal Revenue	563,287	584,581	(21,294)
Other State Revenue	773,085	676,944	96,141
Other Local Revenue	15,374	6,450	8,924
Total Revenue	**$ 6,614,532**	**$ 5,645,796**	**$ 968,736**

MY Academy - Expenses

- Expenses are forecasting at $5.37M, a decrease of $143K vs May projections.
- Personnel costs came in $80K lower.
- Books & Supplies were $30K lower.
- Services finished $34K lower.

	Annual/Full Year		
	Forecast	**Budget**	**Fav/(Unf)**
Expenses			
Certificated Salaries	$ 2,277,593	$ 2,334,805	$ 57,212
Classified Salaries	939,806	782,950	(156,856)
Benefits	972,920	1,095,942	123,022
Books and Supplies	313,148	276,386	(36,762)
Subagreement Services	74,470	215,274	140,804
Operations	140,329	161,500	21,171
Facilities	36,134	43,800	7,666
Professional Services	619,975	625,363	5,388
Total Expenses	**$ 5,374,376**	**$ 5,536,021**	**$ 161,646**

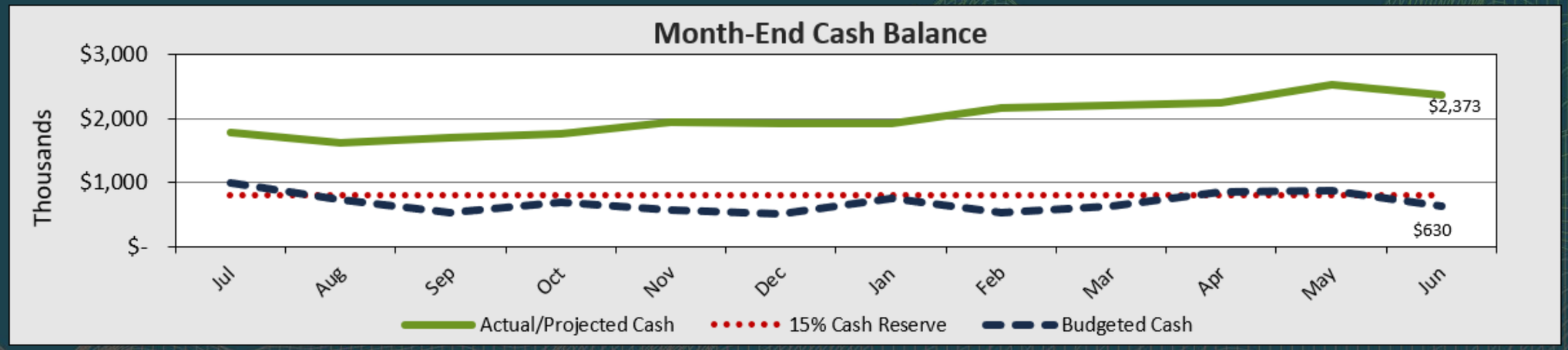
MY Academy - Fund Balance

- The fund balance came in at 49.5% of annual expenses.
- LEA's financials completed positive & healthy for the year.

	Annual/Full Year		
	Forecast	**Budget**	**Fav/(Unf)**
Total Surplus(Deficit)	**$ 1,240,156**	**$ 109,775**	**$ 1,130,382**
Beginning Fund Balance	1,422,277	1,422,277	
Ending Fund Balance	**$ 2,662,433**	**$ 1,532,052**	
As a % of Annual Expenses	*49.5%*	*27.7%*	

MY Academy - Cash Balance

- Cash balance is stable and healthy.
  - No projected borrowing needed now or in the future.



MY Academy - Appendix

- Unaudited Actuals Report
- Monthly Cash Flow / Forecast 25-26
- Budget vs. Actual
- Statement of Financial Position
- Statement of Cash Flows
- Check Register
- Aging Items

Charter School Certification - July 1, 2025 to June 30, 2026

County: San Diego

Charter Number: 1628

Note: An Alternative Form submitted to the California Department of Education will not be considered a valid submission if the following information is missing:

For information regarding this report, please contact:

For County Fiscal Contact:	For Approving Entity:	For Charter School:
Name: Roxanna Travers	**Name:** Alyssa Stoffel	**Name:** Jason Sitomer
Title: Roxanna Travers	**Title:** Accounting Specialist	**Title:** Charter Impact
Telephone: 858-295-6700	**Telephone:** 619-473-9022 x128	**Telephone:** 888-474-0322
Email address: roxanna.travers@sdcoe.net	**Email address:** alyssa.stoffel@meusd.org	**Email address:** Jsitomer@charterimpact.com

To the Entity that Approved the Charter School:

2025–26 Charter School Unaudited Actuals Financial Report — Alternative Form:

☒ ***(Selected)*** *This report has been approved, and is hereby filed by the charter school pursuant to Education Code Section 42100(b).*

Charter School Official:

Signature *(Original Signature Required):* _____

Date (MM/DD/YYYY):

Printed Name: Bill Dobson

Title: CEO

To the County Superintendent of Schools:

2025–26 Charter School Unaudited Actuals Financial Report — Alternative Form:

☐ (Unselected) This report is hereby filed with the County Superintendent pursuant to *Education Code* Section 42100(a).

Authorized Representative of Charter Approving Entity:

Signature *(Original Signature Required):* _____

Date (MM/DD/YYYY):

Printed Name:

Title:

To the Superintendent of Public Instruction:

2025–26 Charter School Unaudited Actuals Financial Report — Alternative Form:

☐ (Unselected) This report has been verified for mathematical accuracy by the County Superintendent of Schools pursuant to *Education Code* Section 42100(a).

County Superintendent/Designee:

Signature *(Original Signature Required):* _____

Date (MM/DD/YYYY):

Alternative Form - July 1, 2025 to June 30, 2026

County: San Diego

Charter Number: 1628

This charter school uses the following basis of accounting: (Select one)

(X) ***(Selected)*** *Accrual Basis (Applicable Capital Assets/Interest on Long-Term Debt/Long-Term Liabilities/Net Position objects are 6900–6920, 7438, 9400–9489, 9660–9669, 9796, and 9797)*

( ) (Unselected) Modified Accrual Basis (Applicable Capital Outlay/Debt Service/Fund Balance objects are 6100–6170, 6200–6700, 7438, 7439, and 9711–9789)

Description	Object Codes	Unrestricted	Restricted	Total
A. Revenues				
1. Local Control Funding Formula (LCFF) Sources	-	-	-	-
State Aid - Current Year	8011	4,403,715.00	-	**4,403,715.00**
Education Protection Account State Aid - Current Year	8012	63,312.00	-	**63,312.00**
State Aid - Prior Years	8019	1,687.00	-	**1,687.00**
Transfers to Charter Schools in Lieu of Property Taxes	8096	794,072.07	-	**794,072.07**
Other LCFF Transfers	8091, 8097			**0.00**
Total, LCFF Sources		**5,262,786.07**	**0.00**	**5,262,786.07**
2. Federal Revenues (See note in Section L)	-	-	-	-
Every Student Succeeds Act	8290	-	80,884.00	**80,884.00**
Special Education - Federal	8181, 8182	-	41,527.00	**41,527.00**
Child Nutrition - Federal	8220	-		**0.00**
Donated Food Commodities	8221	-		**0.00**
Other Federal Revenues	8110, 8260–8299	440,875.25		**440,875.25**
Total, Federal Revenues		**440,875.25**	**122,411.00**	**563,286.25**
3. Other State Revenues (StateRev)	-	-	-	-
Special Education (SE) - State	StateRevSE	-	290,453.00	**290,453.00**
All Other (AO) State Revenues	StateRevAO	72,126.12	410,506.88	**482,633.00**
Total, Other State Revenues		**72,126.12**	**700,959.88**	**773,086.00**
4. Other Local Revenues (LocalRev)	-	-	-	-
All Other Local Revenues	LocalRevAO	15,373.73		**15,373.73**
Total, Local Revenues		**15,373.73**	**0.00**	**15,373.73**
5. Total Revenues		**5,791,161.17**	**823,370.88**	**6,614,532.05**
B. Expenditures (See note in Section L)				
1. Certificated Salaries	-	-	-	-
Certificated Teachers' Salaries	1100	1,217,505.94	412,068.14	**1,629,574.08**
Certificated Pupil Support Salaries	1200	128,255.79	198,830.80	**327,086.59**

Description	Object Codes	Unrestricted	Restricted	Total
Certificated Supervisors' and Administrators' Salaries	1300	288,955.01	31,977.18	**320,932.19**
Other Certificated Salaries	1900			**0.00**
Total, Certificated Salaries		**1,634,716.74**	**642,876.12**	**2,277,592.86**
2. Noncertificated Salaries	-	-	-	-
Noncertificated Instructional Salaries	2100	442,240.35	35,564.21	**477,804.56**
Noncertificated Support Salaries	2200	404,478.23		**404,478.23**
Noncertificated Supervisors' and Administrators' Salaries	2300			**0.00**
Clerical, Technical and Office Salaries	2400	57,523.41		**57,523.41**
Other Noncertificated Salaries	2900			**0.00**
Total, Noncertificated Salaries		**904,241.99**	**35,564.21**	**939,806.20**
3. Employee Benefits	-	-	-	-
State Teachers' Retirement System (STRS)	3101–3102	241,730.77	153,902.65	**395,633.42**
Public Employees' Retirement System (PERS)	3201–3202			**0.00**
Social Security Taxes (OASDI)/Medicare/Alternative	3301–3302	97,273.60	12,988.38	**110,261.98**
Health and Welfare Benefits	3401–3402	331,769.54	77,472.39	**409,241.93**
Unemployment Insurance	3501–3502	3,841.82	851.32	**4,693.14**
Workers' Compensation Insurance	3601–3602	22,204.00	746.00	**22,950.00**
Postemployment Benefits Other Than Pension (OPEB), Allocated	3701–3702			**0.00**
OPEB, Active Employees	3751–3752			**0.00**
Other Employee Benefits	3901–3902	29,155.90	984.00	**30,139.90**
Total, Employee Benefits		**725,975.63**	**246,944.74**	**972,920.37**
4. Books and Supplies	-	-	-	-
Approved Textbooks and Core Curricula Materials	4100			**0.00**
Books and Other Reference Materials	4200			**0.00**
Materials and Supplies	4300	222,281.94	1,235.00	**223,516.94**
Noncapitalized Equipment	4400	77,094.44		**77,094.44**
Food	4700	12,536.46		**12,536.46**
Total, Books and Supplies		**311,912.84**	**1,235.00**	**313,147.84**
5. Services and Other Operating Expenditures	-	-	-	-
Subagreements for Services	5100	1,348.03	73,121.90	**74,469.93**
Travel and Conferences	5200	27,409.46		**27,409.46**
Dues and Memberships	5300	7,540.00		**7,540.00**
Insurance	5400	23,661.84		**23,661.84**
Operations and Housekeeping Services	5500			**0.00**
Rentals, Leases, Repairs, and Noncapitalized Improvements	5600	36,134.23		**36,134.23**
Transfers of Direct Costs	5700–5799	209,278.09	(209,278.09)	**0.00**

Description	Object Codes	Unrestricted	Restricted	Total
Professional/Consulting Services and Operating Expenditures	5800	587,068.47	32,907.00	**619,975.47**
Communications	5900	81,717.47		**81,717.47**
Total, Services and Other Operating Expenditures		**974,157.59**	**(103,249.19)**	**870,908.40**
6. Capital Outlay (Objects 6100–6170, 6200–6700 modified accrual basis only)	-	-	-	-
Land and Land Improvements	6100–6170	-	-	**0.00**
Buildings and Improvements of Buildings	6200	-	-	**0.00**
Books and Media for New School Libraries or Major Expansion of School Libraries	6300	-	-	**0.00**
Equipment	6400	-	-	**0.00**
Equipment Replacement	6500	-	-	**0.00**
Lease Assets	6600	-	-	**0.00**
Subscription Assets	6700	-	-	**0.00**
Depreciation Expense (Accrual basis only)	6900			**0.00**
Amortization Expense - Lease Assets (Accrual basis only)	6910			**0.00**
Amortization Expense - Subscription Assets (Accrual basis only)	6920			**0.00**
Total, Capital Outlay		**0.00**	**0.00**	**0.00**
7. Other Outgo	-	-	-	-
Tuition to Other Schools	7110–7143			**0.00**
Transfers of Pass-Through Revenues to Other Local Educational Agencies (LEAs)	7211–7213			**0.00**
Transfers of Apportionments to Other LEAs - Special Education	7221–7223SE	-		**0.00**
Transfers of Apportionments to Other LEAs - All Other	7221–7223AO			**0.00**
All Other Transfers	7281–7299			**0.00**
Transfers of Indirect Costs	7300–7399			**0.00**
Debt Service:	-	-	-	-
Interest	7438			**0.00**
Principal (For modified accrual basis only)	7439	-	-	**0.00**
Total Debt Service		**0.00**	**0.00**	**0.00**
Total, Other Outgo		**0.00**	**0.00**	**0.00**
8. Total Expenditures		**4,551,004.79**	**823,370.88**	**5,374,375.67**
C. Excess (Deficiency) of Revenues over Expenditures before Other Financing Sources and Uses (A5 - B8)		**1,240,156.38**	**0.00**	**1,240,156.38**
D. Other Financing Sources/Uses				
1. Other Sources	8930–8979			**0.00**
2. Less: Other Uses	7630–7699			**0.00**
3. Contributions Between Unrestricted and Restricted Accounts (must net to zero)	8980–8999			**0.00**

Description	Object Codes	Unrestricted	Restricted	Total
4. Total Other Financing Sources/Uses		**0.00**	**0.00**	**0.00**
E. Net Increase (Decrease) in Fund Balance/Net Position (C + D4)		**1,240,156.38**	**0.00**	**1,240,156.38**
F. Fund Balance/Net Position				
1. Beginning Fund Balance/Net Position	-	-	-	-
a. As of July 1	9791	1,613,178.00		**1,613,178.00**
b. Adjustments/Restatements	9793, 9795	(190,901.00)		**(190,901.00)**
c. Adjusted Beginning Fund Balance/Net Position		**1,422,277.00**	**0.00**	**1,422,277.00**
2. Ending Fund Balance/Net Position, June 30 (E + F1c)		**2,662,433.38**	**0.00**	**2,662,433.38**
Components of Ending Fund Balance (Modified Accrual Basis only)	-	-	-	-
a. Nonspendable	-	-	-	-
1. Revolving Cash (equals Object 9130)	9711	-	-	**0.00**
2. Stores (equals Object 9320)	9712	-	-	**0.00**
3. Prepaid Expenditures (equals Object 9330)	9713	-	-	**0.00**
4. All Others	9719	-	-	**0.00**
b. Restricted	9740	-	-	**0.00**
c. Committed	-	-	-	-
1. Stabilization Arrangements	9750	-	-	**0.00**
2. Other Commitments	9760	-	-	**0.00**
d. Assigned	9780	-	-	**0.00**
e. Unassigned/Unappropriated	-	-	-	-
1. Reserve for Economic Uncertainties	9789	-	-	**0.00**
2. Unassigned/Unappropriated Amount	9790M	-	-	**0.00**
3. Components of Ending Net Position (Accrual Basis only)	-	-	-	-
a. Net Investment in Capital Assets	9796			**0.00**
b. Restricted Net Position	9797	-		**0.00**
c. Unrestricted Net Position	**9790A**	**2,662,433.38**	**0.00**	**2,662,433.38**
G. Assets				
1. Cash	-	-	-	-
a. In County Treasury	9110			**0.00**
b. Fair Value Adjustment to Cash in County Treasury	9111			**0.00**
c. In Banks	9120	2,372,639.06		**2,372,639.06**
d. In Revolving Fund	9130			**0.00**
e. With Fiscal Agent/Trustee	9135			**0.00**
f. Collections Awaiting Deposit	9140			**0.00**
2. Investments	9150			**0.00**
3. Accounts Receivable	9200	850.58		**850.58**

Powered by BoardOnTrack

Description	Object Codes	Unrestricted	Restricted	Total
4. Due from Grantor Governments	9290	1,266,087.74		**1,266,087.74**
5. Stores	9320			**0.00**
6. Prepaid Expenditures (Expenses)	9330	167,777.16		**167,777.16**
7. Other Current Assets	9340			**0.00**
8. Lease Receivable	9380			**0.00**
9. Capital Assets (accrual basis only)	9400–9489			**0.00**
10. Total, Assets		**3,807,354.54**	**0.00**	**3,807,354.54**
H. Deferred Outflows of Resources				
1. Deferred Outflows of Resources	9490			**0.00**
2. Total, Deferred Outflows		**0.00**	**0.00**	**0.00**
I. Liabilities				
1. Accounts Payable	9500	527,633.16		**527,633.16**
2. Due to Grantor Governments	9590	617,288.00		**617,288.00**
3. Current Loans	9640			**0.00**
4. Unearned Revenue	9650			**0.00**
5. Long-Term Liabilities (accrual basis only)	9660–9669			**0.00**
6. Total, Liabilities		**1,144,921.16**	**0.00**	**1,144,921.16**
J. Deferred Inflows of Resources				
1. Deferred Inflows of Resources	9690			**0.00**
2. Total, Deferred Inflows		**0.00**	**0.00**	**0.00**
K. Fund Balance/Net Position				
Ending Fund Balance/Net Position, June 30 (G10 + H2) - (I6 + J2) (must agree with Line F2)		**2,662,433.38**	**0.00**	**2,662,433.38**

Powered by BoardOnTrack

L. Federal Every Student Succeeds Act (ESSA) Maintenance of Effort (MOE) Requirement - July 1, 2025 to June 30, 2026

County: San Diego

Charter Number: 1628

Note: If your charter school received federal funding, as reported in Section A2, the following additional information must be provided in order for the CDE to calculate compliance with the Federal ESSA MOE Requirement:

1. Federal Revenue Used for Capital Outlay and Debt Service

Included in the Capital Outlay and Debt Service expenditures reported in sections B6 and B7 are the following amounts paid out of federal funds:

Federal Program Name (If no amounts, indicate "None")	Capital Outlay ($)	Debt Service ($)	Total
a.			**0.00**
b.			**0.00**
c.			**0.00**
d.			**0.00**
e.			**0.00**
f.			**0.00**
g.			**0.00**
h.			**0.00**
i.			**0.00**
j.			**0.00**
Total Federal Revenues Used for Capital Outlay and Debt Service	**0.00**	**0.00**	**0.00**

2. Community Services Expenditures

Provide the amount of State and Local funds reported in Section B that were expended for Community Services Activities:

Expenditures	Object Codes	Amount ($) (Enter "0.00" if none)
a. Certificated Salaries	1000–1999	0.00
b. Noncertificated Salaries	2000–2999	0.00
c. Employee Benefits	3000–3999	0.00
d. Books and Supplies	4000–4999	0.00
e. Services and Other Operating Expenditures	5000–5999	0.00
Total Community Services Expenditures		**0.00**

3. Supplemental State and Local Expenditures resulting from a Presidentially Declared Disaster

Date of Presidential Disaster Declaration (MM/DD/YYYY)	Brief Description (If no amounts, indicate "None")	Amount ($)
a.		
b.		
c.		
d.		
Total Supplemental Expenditures (Should not be Negative)		**0.00**

4. State and Local Expenditures to be Used for ESSA Annual Maintenance of Effort Calculation:

Results of this calculation will be used for comparison with 2024–25 expenditures. Failure to maintain the required 90 percent expenditure level on either an aggregate or per capita expenditure basis may result in reduction to allocations for covered programs in 2027–28.

Description	Amount ($)
a. Total Expenditures (B8)	5,374,375.67
b. Less Federal Expenditures (Total A2) [Revenues are used as proxy for expenditures because most federal revenues are normally recognized in the period that qualifying expenditures are incurred]	563,286.25
c. Subtotal of State & Local Expenditures [a minus b]	4,811,089.42
d. Less Community Services [L2 Total]	0.00
e. Less Capital Outlay & Debt Service [Total B6 plus objects 7438 and 7439, less L1 Total, less objects 6600, 6700, 6910 and 6920]	0.00
f. Less Supplemental Expenditures made as the result of a Presidentially Declared Disaster	0.00
Total State & Local Expenditures Subject to MOE [c minus d minus e minus f]	**4,811,089.42**

FY25-26 Motivated Youth Academy

Monthly Cash Flow/Forecast FY25-26

Revised 8/21/2026

Actuals Through: 6/30/2026

ADA = 316.56

		Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Year-End Accruals	Annual Forecast	Original Budget Total	Favorable / (Unfav.)
Revenues																ADA = 296.67	
State Aid - Revenue Limit																	
8011	LCFF State Aid	181,072	181,072	325,929	325,929	325,929	325,929	325,929	448,009	448,009	448,009	448,009	619,890	-	**4,403,715**	3,644,449	759,266
8012	Education Protection Account	-	-	13,327	-	-	13,326	-	-	18,660	-	-	17,999	-	**63,312**	59,334	3,978
8019	State Aid - Prior Year	-	-	-	-	-	-	-	105	-	1,372	105	105	-	**1,687**	-	1,687
8096	In Lieu of Property Taxes	-	-	-	-	209,420	-	-	98,550	-	-	-	486,102	-	**794,072**	674,038	120,034
		181,072	181,072	339,256	325,929	535,349	339,255	325,929	546,664	466,669	449,381	448,114	1,124,096	-	**5,262,786**	**4,377,821**	**884,965**
Federal Revenue																	
8181	Special Education - Entitlement	-	-	-	-	-	-	-	-	-	-	-	41,527	-	**41,527**	36,510	5,017
8290	Title I, Part A - Basic Low Income	-	-	15,123	-	-	365	-	-	-	7	-	47,512	-	**63,007**	58,401	4,606
8291	Title II, Part A - Teacher Quality	-	-	1,947	-	-	-	-	-	-	-	-	5,930	-	**7,877**	7,551	326
8296	Other Federal Revenue	-	-	-	-	-	-	-	-	-	(31,242)	-	10,000	-	**(21,242)**	482,119	(503,361)
8299	Prior Year Federal Revenue	-	-	-	-	-	-	-	-	-	-	-	472,118	-	**472,118**	-	472,118
		-	-	17,070	-	-	365	-	-	-	(31,235)	-	577,087	-	**563,287**	**584,581**	**(21,294)**
Other State Revenue																	
8311	State Special Education	-	-	-	22,516	20,264	20,264	40,528	20,264	-	52,726	26,363	87,528	-	**290,453**	262,675	27,778
8520	Child Nutrition	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**	16,497	(16,497)
8550	Mandated Cost	-	-	-	-	14,125	-	-	-	-	-	-	-	-	**14,125**	12,388	1,737
8560	State Lottery	-	-	-	-	-	-	22,968	-	23,907	-	-	46,725	-	**93,600**	80,991	12,610
8598	Prior Year Revenue	-	739	3,839	-	770	-	(3,939)	-	-	(6,850)	-	-	-	**(5,441)**	-	(5,441)
8599	Other State Revenue	-	-	-	-	-	-	100,000	-	60,852	34,141	-	185,354	-	**380,347**	304,394	75,954
		-	739	3,839	22,516	35,159	20,264	159,557	20,264	84,760	80,017	26,363	319,607	-	**773,085**	**676,944**	**96,141**
Other Local Revenue																	
8660	Interest Revenue	2,795	2,042	1,721	423	-	880	1,475	1,453	-	1,921	1,348	-	-	**14,057**	2,000	12,057
8698	ASB Fundraising	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**	4,450	(4,450)
8699	School Fundraising	338	250	-	-	-	-	-	-	-	-	74	655	-	**1,317**	-	1,317
		3,133	2,292	1,721	423	-	880	1,475	1,453	-	1,921	1,422	655	-	**15,374**	**6,450**	**8,924**
Total Revenue		**184,205**	**184,103**	**361,886**	**348,868**	**570,508**	**360,764**	**486,961**	**568,382**	**551,429**	**500,084**	**475,899**	**2,021,445**	**-**	**6,614,532**	**5,645,796**	**968,736**
Expenses																	
Certificated Salaries																	
1100	Teachers' Salaries	53,648	131,099	134,547	147,838	127,356	120,082	120,070	120,597	135,068	96,517	140,030	138,382		**1,465,235**	1,728,464	263,229
1175	Teachers' Extra Duty/Stipends	877	2,136	2,123	2,123	1,755	1,882	1,882	1,882	2,495	2,389	2,127	142,669		**164,339**	15,500	(148,839)
1200	Pupil Support Salaries	24,156	26,567	26,567	26,786	26,594	28,491	26,567	26,567	26,567	3,535	26,567	58,123		**327,087**	317,109	(9,977)
1300	Administrators' Salaries	23,190	23,291	25,190	25,505	25,190	25,190	25,190	25,223	25,190	17,686	25,190	54,898		**320,932**	273,732	(47,200)
		101,872	183,093	188,426	202,253	180,894	175,645	173,708	174,269	189,320	120,127	193,914	394,072	-	**2,277,593**	**2,334,805**	**57,212**
Classified Salaries																	
2100	Instructional Salaries	25,981	26,824	36,536	33,299	29,819	36,504	44,083	42,239	43,460	32,018	43,343	83,699		**477,805**	202,147	(275,658)
2200	Support Salaries	30,790	31,183	31,362	31,529	30,237	31,537	31,323	30,587	31,560	19,882	37,037	67,451		**404,478**	580,804	176,325
2400	Clerical and Office Staff Salaries	4,868	5,867	6,169	1,452	3,191	3,490	3,404	3,934	4,474	2,081	3,557	15,035		**57,523**	-	(57,523)
		61,639	63,874	74,067	66,280	63,246	71,532	78,810	76,760	79,494	53,981	83,937	166,185	-	**939,806**	**782,950**	**(156,856)**
Benefits																	
3101	STRS	19,338	34,578	35,712	35,244	33,082	32,302	19,289	32,532	35,858	34,730	36,559	46,410		**395,633**	445,948	50,315
3301	OASDI	3,892	4,329	5,047	5,498	4,338	4,928	5,126	4,742	4,946	4,489	4,822	10,793		**62,951**	48,543	(14,408)
3311	Medicare	2,375	3,513	3,760	3,964	3,506	3,558	3,597	3,542	3,833	3,641	3,857	8,166		**47,311**	45,207	(2,103)
3401	Health and Welfare	37,963	22,955	27,252	42,581	30,808	50,530	31,232	33,652	32,692	29,859	34,373	35,345		**409,242**	393,750	(15,492)
3501	State Unemployment	123	312	148	166	68	499	3,484	488	328	(1,119)	126	71		**4,693**	25,313	20,619
3601	Workers' Compensation	8,619	(3,273)	746	13,874	-	-	746	746	746	746	-	-		**22,950**	43,649	20,699
3901	Other Benefits	2,582	2,355	(359)	7,347	(4,155)	2,637	2,876	2,656	3,417	4,729	2,788	3,267		**30,140**	93,533	63,393
		74,892	64,769	72,305	108,673	67,646	94,454	66,350	78,358	81,821	77,075	82,525	104,052	-	**972,920**	**1,095,942**	**123,022**
Books and Supplies																	
4100	Textbooks and Core Curricula	-	-	-	-	-	-	-	-	-	-	-	-		**-**	6,400	6,400
4302	School Supplies	-	-	-	-	-	15	-	-	-	-	3,393	-		**3,408**	22,429	19,021
4305	Software	113,508	4,905	5,284	14,793	1,668	12,505	10,125	3,263	7,197	10,050	3,322	6,311		**192,931**	146,160	(46,771)
4310	Office Expense	169	4,174	1,294	5,446	1,030	596	194	1,138	412	328	783	1,734		**17,298**	56,900	39,602
4311	Business Meals	100	1,468	815	1,432	475	95	-	50	1,116	1,645	2,289	394		**9,880**	8,000	(1,880)
4400	Noncapitalized Equipment	-	151	2,263	1,652	-	-	-	2,358	-	-	17,468	53,202		**77,094**	20,000	(57,094)
4700	Food Services	-	-	-	-	3,547	1,158	1,095	1,284	1,105	1,419	1,419	1,510		**12,536**	16,497	3,960
		113,777	10,698	9,656	23,323	6,720	14,370	11,414	8,093	9,830	13,442	28,674	63,151	-	**313,148**	**276,386**	**(36,762)**
Subagreement Services																	
5102	Special Education	-	-	7,501	809	4,039	5,635	6,731	7,346	9,209	5,492	9,794	16,565		**73,122**	54,600	(18,522)
5104	Transportation	-	-	-	-	-	-	-	-	-	-	-	-		**-**	6,000	6,000
5106	Other Educational Consultants	-	-	-	954	-	-	-	-	-	-	-	394		**1,348**	149,774	148,426
5107	Instructional Services	-	-	-	-	-	-	-	-	-	-	-	-		**-**	4,900	4,900
		-	-	7,501	1,763	4,039	5,635	6,731	7,346	9,209	5,492	9,794	16,959	-	**74,470**	**215,274**	**140,804**

FY25-26 Motivated Youth Academy

Monthly Cash Flow/Forecast FY25-26

Revised 8/21/2026

Actuals Through: 6/30/2026

ADA = 316.56

		Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Year-End Accruals	Annual Forecast	Original Budget Total	Favorable / (Unfav.)
Operations and Housekeeping																	
5201	Auto and Travel	765	2,155	1,242	8,234	1,887	10	549	1,023	6,860	705	3,000	979		**27,409**	20,000	(7,409)
5300	Dues & Memberships	4,652	1,270	-	(636)	1,324	-	835	-	-	95	-	-		**7,540**	15,200	7,660
5400	Insurance	6,480	1,786	1,786	1,786	1,786	1,786	1,786	1,816	1,816	1,852	33	948		**23,662**	40,400	16,738
5516	Miscellaneous Expense	-	-	-	-	-	-	-	-	-	-	-	-		**-**	3,200	3,200
5900	Communications	5,266	6,455	8,017	8,576	5,412	8,918	4,118	4,849	5,146	(1,387)	14,613	5,793		**75,776**	76,400	624
5901	Postage and Shipping	532	152	1,000	571	571	571	37	1,121	120	521	71	675		**5,941**	6,300	359
		17,694	11,818	12,045	18,531	10,981	11,285	7,325	8,809	13,941	1,786	17,717	8,395	-	**140,329**	**161,500**	**21,171**
Facilities, Repairs and Other Leases																	
5601	Rent	3,170	2,662	3,251	2,435	2,683	2,441	276	2,541	2,702	2,809	2,639	4,685		**32,294**	37,000	4,706
5602	Additional Rent	-	-	-	-	-	-	-	-	-	320	320	320		**960**	2,100	1,140
5604	Other Leases	320	320	320	320	320	320	320	320	320	-	-	-		**2,880**	4,700	1,820
		3,490	2,982	3,571	2,755	3,003	2,761	596	2,861	3,022	3,129	2,959	5,005	-	**36,134**	**43,800**	**7,666**
Professional/Consulting Services																	
5801	IT	6,448	6,590	408	16,646	8,187	7,170	7,345	7,330	7,555	8,435	7,335	-		**83,449**	103,200	19,752
5802	Audit & Taxes	-	-	2,066	3,255	11,357	-	-	-	-	10,413	-	8,050		**35,140**	36,500	1,360
5803	Legal	-	828	120	-	-	40	478	186	43	(12,110)	-	43		**(10,374)**	28,700	39,074
5804	Professional Development	1,650	375	1,399	1,911	7,925	315	575	-	11,410	850	-	10,675		**37,085**	17,700	(19,385)
5805	General Consulting	14,450	17,648	17,873	16,342	16,126	11,525	23,893	14,698	15,350	17,114	18,299	22,111		**205,428**	200,450	(4,978)
5806	Special Activities/Field Trips	-	-	-	-	-	-	-	270	-	-	1,723	8,968		**10,961**	24,756	13,795
5807	Bank Charges	26	25	221	26	26	27	26	25	26	(169)	26	52		**336**	900	564
5808	Printing	-	603	512	-	-	-	683	-	81	499	693	2,112		**5,183**	5,600	417
5809	Other taxes and fees	-	85	149	1,161	-	-	92	30	100	(9)	(43)	28		**1,593**	2,900	1,307
5810	Payroll Service Fee	(1)	-	-	-	-	-	-	-	-	-	-	-		**(1)**	25,500	25,501
5811	Management Fee	11,762	11,837	11,837	11,762	11,762	11,762	11,762	11,837	11,762	16,646	16,646	28,618		**167,993**	108,185	(59,808)
5812	District Oversight Fee	-	-	-	-	13,083	-	-	8,722	-	2,777	-	30,806		**55,387**	39,400	(15,987)
5813	County Fees	-	2,288	-	-	-	-	-	2,344	-	-	-	-		**4,632**	9,400	4,768
5814	SPED Encroachment	-	-	-	-	-	-	-	-	-	-	-	22,907		**22,907**	10,471	(12,436)
5815	Public Relations/Recruitment	-	57	250	(150)	100	-	-	-	-	-	-	-		**257**	11,700	11,443
		34,334	40,336	34,834	50,953	68,565	30,838	44,853	45,441	46,326	44,446	44,679	134,370	-	**619,975**	**625,363**	**5,388**
Depreciation																	
		-	-	-	-	-	-	-	-	-	-	-	-	-	**-**	-	-
Interest																	
		-	-	-	-	-	-	-	-	-	-	-	-	-	**-**	-	-
Total Expenses		**407,697**	**377,570**	**402,405**	**474,532**	**405,094**	**406,521**	**389,789**	**401,938**	**432,964**	**319,478**	**464,199**	**892,189**	-	**5,374,376**	**5,536,021**	**161,646**
Monthly Surplus (Deficit)		**(223,492)**	**(193,468)**	**(40,519)**	**(125,664)**	**165,413**	**(45,757)**	**97,172**	**166,444**	**118,465**	**180,606**	**11,700**	**1,129,256**	-	**1,240,156**	**109,775**	**1,130,382**
Cash Flow Adjustments																	
	Monthly Surplus (Deficit)	(223,492)	(193,468)	(40,519)	(125,664)	165,413	(45,757)	97,172	166,444	118,465	180,606	11,700	1,129,256	-	**1,240,156**		
	Cash flows from operating activities																
	Depreciation/Amortization	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**		
	Public Funding Receivables	812,771	49,208	5,809	58,541	76,039	-	(9,544)	55,260	-	6,850	-	(1,266,088)	-	**(211,154)**		
	Grants and Contributions Rec.	-	-	-	-	1,345	-	3,938	-	-	34,402	-	-	-	**39,685**		
	Due To/From Related Parties	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**		
	Prepaid Expenses	87,018	28,504	-	(1,111)	(38,058)	38,423	(1,762)	1,763	(65,550)	(53,837)	23,792	(66,425)	-	**(47,243)**		
	Other Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**		
	Accounts Payable	(62,486)	-	-	-	-	115	(116)	(196)	196	-	4,275	86,764	-	**28,552**		
	Accrued Expenses	(28,745)	(35,901)	7,755	21,240	(47,086)	(9,210)	3,706	(5,329)	22,000	(105,240)	(6,477)	305,040	-	**121,753**		
	Other Liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**		
	Deferred Revenue	6,576	3,509	94,492	113,914	20,490	6,316	(95,198)	9,035	(31,004)	(15,324)	257,768	(355,903)	-	**14,671**		
	Cash flows from investing activities																
	Purchases of Prop. And Equip.	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**		
	Notes Receivable	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**		
	Cash flows from financing activities																
	Proceeds from Factoring	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**		
	Payments on Factoring	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**		
	Proceeds(Payments) on Debt	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**		
	Total Change in Cash	591,642	(148,148)	67,537	66,920	178,143	(10,113)	(1,804)	226,977	44,107	47,457	291,058	(167,356)				
	Cash, Beginning of Month	1,186,219	1,777,861	1,629,713	1,697,250	1,764,170	1,942,313	1,932,200	1,930,396	2,157,373	2,201,480	2,248,937	2,539,995				
Cash, End of Month		**1,777,861**	**1,629,713**	**1,697,250**	**1,764,170**	**1,942,313**	**1,932,200**	**1,930,396**	**2,157,373**	**2,201,480**	**2,248,937**	**2,539,995**	**2,372,639**				

Cert.	Instr.
46.1%	66.7%
400,630	(879,138)

Pupil:Teacher Ratio
16.01 : 1

Days Cash
161

Motivated Youth Academy

Budget vs Actual

For the period ended June 30, 2026

CHARTER IMPACT

	Current Period Actual	Current Period Budget	Current Period Variance	Current Year Actual	YTD Budget	YTD Budget Variance	Total Budget
Revenue							
State Aid - Revenue Limit							
8011 - LCFF Revenue	619,890	812,859	619,890	4,403,715	3,644,449	759,266	3,644,449
8012 - Economic Protection Account Funding	17,999	14,834	17,999	63,312	59,334	3,978	59,334
8019 - State Aid - Prior Year	105	0	105	1,687	0	1,687	0
8096 - In Lieu of Property Taxes	486,102	119,860	486,102	794,072	674,038	120,034	674,038
Total State Aid - Revenue Limit	1,124,096	947,553	1,124,096	5,262,786	4,377,821	884,965	4,377,821
Federal Revenue							
8181 - Federal Special Education - IDEA	41,527	36,510	41,527	41,526	36,510	5,016	36,510
8290 - Title I, Part A - Basic Low Income	47,512	0	47,512	63,007	58,401	4,606	58,401
8291 - Title II, Part A - Teacher Quality	5,930	0	5,930	7,877	7,551	326	7,551
8296 - Other Federal Revenue	10,000	120,529	10,000	(21,241)	482,119	(503,360)	482,119
8299 - Federal - Prior Year Adjustments	472,118	0	472,118	472,118	0	472,118	0
Total Federal Revenue	577,087	157,039	577,087	563,287	584,581	(21,294)	584,581
Other State Revenue							
8311 - State Special Education - AB602	87,528	58,588	87,528	290,453	262,674	27,779	262,674
8520 - State - Child Nutrition	0	4,701	0	0	16,497	(16,497)	16,497
8550 - State - Mandated Cost Reimbursement	0	0	0	14,125	12,388	1,737	12,388
8560 - State - State Lottery	46,725	48,418	46,725	93,601	80,991	12,610	80,991
8598 - Prior Year Revenues	0	0	0	(5,441)	0	(5,442)	0
8599 - State - Other State Revenue	185,354	74,749	185,354	380,348	304,394	75,955	304,394
Total Other State Revenue	319,607	186,456	319,607	773,086	676,944	96,142	676,944
Other Local Revenue							
8660 - Interest Revenue	0	166	0	14,056	1,999	12,057	1,999
8699 - School Fundraising	655	0	655	1,317	4,450	(3,134)	4,450
Total Other Local Revenue	655	166	655	15,373	6,449	8,923	6,449
Total Revenue	**2,021,445**	**1,291,214**	**2,021,445**	**6,614,532**	**5,645,795**	**968,736**	**5,645,795**
Expenses							
Certificated Salaries							
1100 - Certificated Teachers' Salaries	138,382	152,775	138,382	1,465,234	1,728,464	(263,230)	1,728,464
1175 - Certificated Teachers' Extra Duties/Stipends	142,669	1,394	142,669	164,339	15,500	148,840	15,500
1200 - Certificated Pupil Support Salaries	58,123	26,426	58,123	327,088	317,109	9,978	317,109
1300 - Certificated Supervisors' and Administrators' Salaries	54,898	22,810	54,898	320,931	273,732	47,199	273,732
Total Certificated Salaries	394,072	203,405	394,072	2,277,592	2,334,805	(57,213)	2,334,805
Classified Salaries							
2100 - Classified Instructional Salaries	83,699	17,700	83,699	477,805	202,146	275,659	202,146
2200 - Classified Support Salaries	67,451	48,588	67,451	404,479	580,804	(176,325)	580,804
2400 - Clerical, Technical, and Office Staff Salaries	15,035	0	15,035	57,522	0	57,522	0
Total Classified Salaries	166,185	66,288	166,185	939,806	782,950	156,856	782,950
Benefits							
3101 - State Teachers' Retirement System, certificated positions	46,410	38,851	46,410	395,634	445,948	(50,314)	445,948
3301 - OASDI/Medicare/Alternative, certificated positions	10,793	4,110	10,793	62,951	48,543	14,409	48,543
3311 - Medicare certificated positions	8,166	3,910	8,166	47,311	45,207	2,103	45,207
3401 - Health and Welfare Benefits, certificated positions	35,345	32,813	35,345	409,242	393,750	15,492	393,750
3501 - State Unemployment Insurance, certificated positions	71	1,265	71	4,694	25,313	(20,619)	25,313
3601 - Workers' Compensation Insurance, certificated positions	0	3,776	0	22,950	43,648	(20,698)	43,648
3901 - Other Benefits, certificated positions	3,267	8,091	3,267	30,140	93,533	(63,393)	93,533
Total Benefits	104,052	92,816	104,052	972,922	1,095,942	(123,020)	1,095,942
Books & Supplies							
4100 - Textbooks and Core Curricula Materials	0	533	0	0	6,400	(6,400)	6,400
4302 - School Supplies	0	3,077	0	3,408	22,429	(19,021)	22,429
4305 - Software	6,311	12,180	6,311	192,931	146,160	46,771	146,160
4310 - Office Expense	1,734	4,742	1,734	17,297	56,900	(39,603)	56,900
4311 - Business Meals	394	666	394	9,879	8,000	1,880	8,000
4400 - Noncapitalized Equipment	53,202	2,744	53,202	77,094	20,000	57,093	20,000
4700 - Food Services	1,510	1,374	1,510	12,537	16,497	(3,960)	16,497
Total Books & Supplies	63,151	25,316	63,151	313,146	276,386	36,760	276,386
Subagreement Services							
5102 - Special Education	16,565	4,550	16,565	73,122	54,600	18,522	54,600
5104 - Transportation	0	500	0	0	6,000	(6,000)	6,000
5106 - Other Educational Consultants	394	20,545	394	1,348	149,774	(148,426)	149,774
5107 - Instructional Services	0	408	0	0	4,900	(4,900)	4,900
Total Subagreement Services	16,959	26,003	16,959	74,470	215,274	(140,804)	215,274
Professional/Consulting Services							
5801 - IT	0	8,600	0	83,448	103,200	(19,752)	103,200
5802 - Audit and Tax	8,050	0	8,050	35,141	36,500	(1,359)	36,500
5803 - Legal	43	2,392	43	(10,374)	28,700	(39,074)	28,700
5804 - Professional Development	10,675	1,475	10,675	37,085	17,700	19,385	17,700
5805 - General Consulting	22,111	16,704	22,111	205,428	200,450	4,978	200,450
5806 - Special Activities	8,968	3,396	8,968	10,961	24,756	(13,795)	24,756
5807 - Bank Charges	52	75	52	337	900	(563)	900
5808 - Printing	2,112	467	2,112	5,181	5,600	(419)	5,600
5809 - Other Taxes and Fees	28	241	28	1,593	2,900	(1,307)	2,900
5810 - Payroll Service Fee	0	2,125	0	(2)	25,500	(25,502)	25,500
5811 - Management Fee	28,618	9,016	28,618	167,993	108,185	59,809	108,185
5812 - District Oversight Fee	30,806	8,528	30,806	55,389	39,400	15,988	39,400
5813 - LACOE Fees	0	2,350	0	4,632	9,400	(4,768)	9,400
5814 - SELPA Fees	22,907	3,328	22,907	22,907	10,471	12,436	10,471
5815 - Public Relations	0	975	0	257	11,700	(11,443)	11,700
Total Professional/Consulting Services	134,370	59,672	134,370	619,976	625,362	(5,386)	625,362
Facilities, Repairs & Other Leases							
5601 - Rent	4,685	3,083	4,685	32,293	37,000	(4,707)	37,000
5602 - Additional Rent	320	175	320	960	2,100	(1,140)	2,100
5604 - Other Leases	0	392	0	2,880	4,700	(1,820)	4,700
Total Facilities, Repairs & Other Leases	5,005	3,650	5,005	36,133	43,800	(7,667)	43,800
Operations & Housekeeping							
5201 - Auto and Travel Expense	979	1,667	979	27,409	20,000	7,409	20,000
5300 - Dues & Memberships	0	1,266	0	7,540	15,200	(7,660)	15,200
5400 - Insurance	948	3,367	948	23,663	40,400	(16,737)	40,400
5516 - Miscellaneous Expense	0	267	0	0	3,200	(3,200)	3,200
5900 - Communications	5,793	6,366	5,793	75,776	76,400	(624)	76,400
5901 - Postage and Shipping	675	525	675	5,942	6,300	(358)	6,300
Total Operations & Housekeeping	8,395	13,458	8,395	140,330	161,500	(21,170)	161,500
Total Expenses	**892,189**	**490,608**	**892,189**	**5,374,375**	**5,536,019**	**(161,644)**	**5,536,019**
Change in Net Assets	**1,129,256**			**1,240,157**			
Net Assets, Beginning of Period	**1,533,178.22**			**1,422,277.18**			
Net Assets, End of Period	**$ 2,662,434**			**$ 2,662,434**			

Motivated Youth Academy

Statement of Financial Position

For the period ended June 30, 2026

	Current Balance	Beginning Balance	YTD Change	YTD % Change
Assets				
Current Assets				
Cash & Cash Equivalents	$ 2,372,639	$ 1,186,219	$ 1,186,420	100 %
Accounts Receivable	851	40,536	(39,685)	(98) %
Public Funding Receivables	1,266,087	1,054,933	211,154	20 %
Prepaid Expenses	167,778	120,531	47,246	39 %
Total Current Assets	3,807,355	2,402,219	1,405,135	58 %
Total Assets	**$ 3,807,355**	**$ 2,402,219**	**$ 1,405,135**	**58 %**
Liabilities				
Current Liabilities				
Accounts Payable	$ 90,749	$ 62,196	$ 28,553	46 %
Accrued Liabilities	436,883	315,129	121,755	39 %
Deferred Revenue	617,288	602,617	14,670	2 %
Total Current Liabilities	1,144,920	979,942	164,978	17 %
Total Liabilities	**1,144,920**	**979,942**	**164,978**	**17 %**
Net Asset	**(2,662,434)**	**(1,422,277)**	**(2,480,314)**	**174 %**
Liabilities & Net Assets	**$ 3,807,355**	**$ 2,402,219**	**$ 2,645,292**	**110 %**

Motivated Youth Academy

Statement of Cash Flows

For the period ended June 30, 2026

	Month Ending 06/30/2026	Year To Date 06/30/2026
Cash Flows from Operating Activites		
Change in Net Assets	$ 1,129,256	$ 1,240,157
(Increase) Decrease in Operating Assets		
Public Funding Receivables	(1,266,088)	(211,154)
Grants, Contributions & Pledges Receivable	0	39,685
Prepaid Expenses	(66,425)	(47,246)
Increase (Decrease) in Operating Liabilities		
Accounts Payable	86,764	28,553
Accrued Expenses	305,040	121,755
Deferred Revenue	(355,903)	14,670
Total Cash Flows from Operating Activites	**(167,356)**	**1,186,420**
Change in Cash and Cash Equivalents	**167,356**	**(1,186,420)**
Cash & Cash Equivalents, Beginning of Period	**2,539,995**	**1,186,219**
Cash & Cash Equivalents, End of Period	**$ 2,372,639**	**$ 2,372,639**

Motivated Youth Academy

Check Register

For the period ended June 30, 2026

CHARTER IMPACT

Check Number	Vendor	Transaction Description	Check Date	Check Amount
21326	SchoolsFirst Plan Administration LLC	MYA 457b 05/26/26	06/01/2026	$ 3,425.00
21327	SchoolsFirst Plan Administration LLC	MYA 403b 05/26/26	06/01/2026	850.00
21328	California Schools VEBA	Insurance Svcs - Employee Benefits - 06/26	06/05/2026	42,720.82
21329	YMCA of San Diego County--Mission Valley YMCA	Enrichment Svcs - 05/26 - 11/26	06/05/2026	1,380.00
21330	2026 CSDC Conference Registration	Professional Development - Melissa Lato	06/08/2026	675.00
21331	Ray and Joan Kroc Center	Graduation Set up	06/08/2026	950.00
21332	TSW Therapy, Inc.	SpEd Svcs - 04/26	06/08/2026	1,495.83
21333	Charter Impact LLC	Student Data Svcs - 05/26	06/12/2026	1,105.00
21334	Alondra Camacho Hernandez	Balloons Decorations	06/17/2026	1,241.00
21335	California Charter Schools Association	Charter School Membership Through 06/30/27	06/17/2026	7,824.00
21336	Campo Cafe	Meals - 05/26	06/17/2026	1,510.66
21337	Document Tracking Services	License - 07/01/26 - 06/30/27	06/17/2026	425.00
21338	KRA Corporation	Consulting Svcs - 05/26	06/17/2026	6,665.25
21339	Scattered Light Media	Graduation Ceremony Photographs	06/17/2026	8,500.00
21340	Securian Life Insurance Company	Life Ins - 06/26	06/17/2026	1,027.43
21341	SchoolsFirst Plan Administration LLC	MYA 457b 06/10/26	06/17/2026	941.26
21342	Acacia HR Solutions	Consulting Svcs - 07/26	06/30/2026	6,375.00
21343	California Schools VEBA	Insurance Svcs - Employee Benefits - 07/26	06/30/2026	41,739.48
21344	Gallagher Benefit Services, Inc	FSA - 06/26	06/30/2026	33.00
21345	Reaching At-Promise Students Association, Inc.	Membership Fee - 07/26 - 07/27	06/30/2026	1,500.00
21346	Securian Life Insurance Company	Life Ins - 07/26	06/30/2026	1,027.43
322271620000441	IXL Learning	License (1) - 1 Year	06/05/2026	68.75
322271620000442	Specialized Therapy Services, Inc.	SpEd Svcs - 04/26	06/05/2026	6,436.33
322271620000443	Amazon Capital Services	Office Supplies	06/05/2026	119.31
322271620000444	Charter Impact LLC	Business Mgmt Svcs - 06/26	06/05/2026	16,646.00
322271620000445	JD Learning Partners	Professional Development - 50% Final Payment	06/08/2026	10,000.00
322271620000446	Charter Impact LLC	Rush Processing Fee - 05/26	06/08/2026	41.02
322271620000447	Michael P. Humphrey	Stipend - 06/26	06/08/2026	1,150.00
322271620000448	Steve Fraire	Stipend - 06/26	06/08/2026	700.00
322271620000449	Peter Matz	Stipend - 06/26	06/08/2026	700.00
322271620000450	William W. Hall	Stipend - 06/26	06/08/2026	1,150.00
322271620000451	Larry Albert Alvarado	Stipend - 06/26	06/08/2026	700.00
322271620000452	R&B Communications	Communications Svcs - 05/26	06/08/2026	709.00
322271620000453	Propio Language Services, LLC	SpEd Svcs - 05/26	06/08/2026	44.50
322271620000454	Alpha Vision Computers, Inc.	Backupify G-Suite - 06/26	06/08/2026	70.00
322271620000458	Amazon Capital Services	Office Supplies	06/17/2026	59.07
322271620000459	YellowFolder	License (12) - 07/01/26 - 06/30/27	06/17/2026	6,548.88
ACH	AT&T	Communication Svcs - 05/26	06/01/2026	86.75
ACH	Chase	Service Charges - 05/26	06/03/2026	26.35
ACH	Inova	Federal & State Tax Payments for Pay Date 061026	06/09/2026	7,520.93
ACH	Verizon Wireless	Communication Svcs	06/17/2026	3,440.09
ACH	Chase	Chase Ink CC# 0904 Payment	06/18/2026	10,962.22
ACH	Verizon Wireless	Communication Svcs	06/22/2026	230.16
ACH	Inova	Federal & State Tax Payments for Pay Date 062626	06/25/2026	42,658.54
ACH	Inova	Federal & State Tax Payments for Pay Date 063026	06/29/2026	4,723.57
ACH	Inova	Federal & State Tax Payments for Pay Date 062626	06/29/2026	1,667.55
ACH	AT&T	Communication Svcs	06/30/2026	86.75
Voided - 21324	Void	Void	06/10/2026	Void
Voided - 322271620000455	Void	Void	06/17/2026	Void
Voided - 322271620000456	Void	Void	06/17/2026	Void
Voided - 322271620000457	Void	Void	06/17/2026	Void
		Total Disbursements in June		**$ 247,956.93**

Motivated Youth Academy

Accounts Payable Aging

For the period ended June 30, 2026

Vendor Name	Invoice/Credit Number	Date Due	Current	1 - 30 Days Past Due	31 - 60 Days Past Due	61 - 90 Days Past Due	Over 90 Days Past Due	Total
Charter Impact LLC	19185	07/01/26	$ 1,300	$ -	$ -	$ -	$ -	$ 1,300
Clifton Larson Allen LLP	L261422414	7/7/2026	8,050	-	-	-	-	8,050
GHA Technologies, Inc.	2037158	7/12/2026	3,470	-	-	-	-	3,470
GHA Technologies, Inc.	2038227	7/19/2026	36,055	-	-	-	-	36,055
GHA Technologies, Inc.	2038156-DM	7/16/2026	17,147	-	-	-	-	17,147
Keyn Group, LLC	1125	6/29/2026	423	-	-	-	-	423
KRA Corporation	KRA-FY26-12	8/9/2026	9,771	-	-	-	-	9,771
Law Office of Young, Minney & Corr	23523	7/6/2026	43	-	-	-	-	43
NCS Pearson Inc	150099	10/30/2024	-	-	-	-	(290)	(290)
Philadelphia Insurance Companies	2009368534	7/1/2026	1,136	-	-	-	-	1,136
San Diego County Office of Educatio	099-054229	8/14/2026	28	-	-	-	-	28
SchoolsFirst Plan Administration LLC	SCHO062626	6/30/2026	850	-	-	-	-	850
SchoolsFirst Plan Administration LLC	SCHO0626-2	6/30/2026	3,354	-	-	-	-	3,354
SchoolsFirst Plan Administration LLC	SCHO063026	6/30/2026	256	-	-	-	-	256
School Pathways LLC	INV-140-10277	7/30/2026	925	-	-	-	-	925
Specialized Therapy Services, Inc.	MYAC01-0526	7/17/2026	6,729	-	-	-	-	6,729
Specialized Therapy Services, Inc.	MYAC01-0626	6/30/2026	1,504	-	-	-	-	1,504
Total Outstanding Invoices			**$ 91,039**	**$ -**	**$ -**	**$ -**	**$ (290)**	**$ 90,749**

Coversheet

(Action) Approval of 2025-2026 EPA Education Protection Account for Motivated Youth Academy

Section: X. Business/Financial Services
Item: B. (Action) Approval of 2025-2026 EPA Education Protection Account for Motivated Youth Academy
Purpose: Vote
Submitted by: Jason Sitomer
Related Material: 2025-2026 EPA Education Protection Account.pdf

BACKGROUND:

The Education Protection Account (EPA) was established by California voters through the passage of Proposition 30 in 2012 and continued under Proposition 55. EPA funds are derived from state tax revenues and are provided to local educational agencies, including charter schools, to support educational programs.

California law requires that EPA funds be used exclusively for educational purposes and prohibits their use for administrative salaries or other non-instructional expenses. Each year, the Board of Directors must approve the use of EPA funds at a public meeting. The approved spending plan must also be posted on the school's website.

RECOMMENDATION:

Approval of 2025-2026 EPA Education Protection Account

It is recommended the Board approve as presented the 2025-2026 Education Protection Account for Motivated Youth Academy (#1628).

Fiscal Impact: None

Motivated Youth Academy
Actual Expenditures: July 1, 2025 to June 30, 2026
Resource 1400 Education Protection Account

Description	Object Codes	Amount
AMOUNT AVAILABLE FOR THIS FISCAL YEAR		
Adjusted Beginning Fund Balance	9791-9795	0.00
Revenue Limit Sources	8010-8099	63,312.00
Federal Revenue	8100-8299	0.00
Other State Revenue	8300-8599	0.00
Other Local Revenue	8600-8799	0.00
All Other Financing Sources and Contributions	8900-8999	0.00
Deferred Revenue	9650	0.00
TOTAL AVAILABLE		63,312.00
EXPENDITURES AND OTHER FINANCING USES		
(Objects 1000-7999)		
Certificated Salaries	1000-1999	52,519.29
Classified Salaries	2000-2999	0.00
Employee Benefits	3000-3999	10,792.71
Books and Supplies	4000-4999	0.00
Services, Other Operating Expenses	5000-5999	0.00
Capital Outlay	6000-6599	0.00
Other Outgo (excluding Direct Support/Indirect Costs)	7100-7299 7400-7499	0.00
Direct Support/Indirect Costs	7300-7399	
TOTAL EXPENDITURES AND OTHER FINANCING USES		63,312.00
BALANCE (Total Available minus Total Expenditures and Other Financing Uses)		0.00

Coversheet

(Action) Approval of Compensation for a Director Designee

Section: X. Business/Financial Services
Item: C. (Action) Approval of Compensation for a Director Designee
Purpose: Vote
Submitted by: Bill Dobson
Related Material: 2026-27 Administrative Salary Schedule.pdf

BACKGROUND:

Compensation for a Director Designee is triggered when an employee is temporarily assigned duties outside their regular job classification to step into or cover the responsibilities of a Director position.

The pay structure and triggers break down as follows:

Short-Term Assignment (Days 1–10): A 5% temporary out-of-class pay adjustment is triggered immediately when an employee takes on temporary responsibilities outside their regular classification.

Extended Assignment (Day 11+): If the temporary assignment lasts longer than 10 working days, the pay rate is re-evaluated and adjusted starting on the 11th working day to the full appropriate rate for the temporary position.

RECOMMENDATION:

Approval of Compensation for a Director Designee

It is recommended the Board approve Compensation for a Director Designee for Motivated Youth Academy (#1628).

Fiscal Impact: None (unless an employee is temporarily assigned as Director Designee)

Administrative Salary Schedule 2026-2027

		1		2		3		4		5		6	
CLASSIFICATION	**Work Year**	**Daily**	**Annual**	**Daily**	**Annual**	**Daily**	**Annual**	**Daily**	**Annual**	**Daily**	**Annual**	**Daily**	**Annual**
Assistant Director	220	$ 485.62	$ 106,836.40	$ 500.19	$ 110,041.49	$ 515.19	$ 113,342.74	$ 530.65	$ 116,743.02	$ 546.57	$ 120,245.31	$ 562.97	$ 123,852.67
Director/CEO	220	$ 659.32	$ 145,050.40	$ 679.10	$ 149,401.91	$ 699.47	$ 153,883.97	$ 720.46	$ 158,500.49	$ 742.07	$ 163,255.50	$ 764.33	$ 168,153.17
Executive Director	220	$ 781.23	$ 171,870.60	$ 804.67	$ 177,026.72	$ 828.81	$ 182,337.52	$ 853.67	$ 187,807.65	$ 879.28	$ 193,441.87	$ 905.66	$ 199,245.13
Chief Executive Officer	220	$ 989.16	$ 217,615.20	$ 1,018.83	$ 224,143.66	$ 1,049.40	$ 230,867.97	$ 1,080.88	$ 237,794.00	$ 1,113.31	$ 244,927.82	$ 1,146.71	$ 252,275.66
Step Factor	**1.03**												

Education Stipend:

Effective 7/1/19 certificated personnel in possesion of a educationally related advanced degree

from an accredited college or university will receive an annual stipend.

Master's	$1,500.00
Master's + Doctorate	$3,000.00

Employees serving in positions that are 50% FTE or greater are eligible for the education stipend.

Short Term Assignment Stipend:

Short-Term Assignment (Days 1–10): A 5% temporary out-of-class pay adjustment is triggered immediately when an employee takes on temporary responsibilities outside their regular classification.

Extended Assignment Stipend:

Extended Assignment (Day 11+): If the temporary assignment lasts longer than 10 working days, the pay rate is re-evaluated and adjusted starting on the 11th working day to the full appropriate rate for the temporary position.

Pending Board Approval

Coversheet

(Action) Approval of the Proposition 28, Art and Music K-12 Education Funding Initiative Annual Report

Section: X. Business/Financial Services
Item: D. (Action) Approval of the Proposition 28, Art and Music K-12 Education Funding Initiative Annual Report
Purpose: Vote
Submitted by: Bill Dobson
Related Material:
Proposition 28, Art and Music K-12 Education Funding Initiative Annual Report.pdf

BACKGROUND:

Under California Education Code Section 8820(g)(4), Local Educational Agencies (LEAs) must have the Proposition 28 Arts and Music in Schools (AMS) Annual Report board approved, submitted to the California Department of Education (CDE), and posted on the LEA's website. The report includes required data such as the number of full-time equivalent teachers, classified staff, teaching aides, pupils served, and school sites offering AMS-funded arts education. The expenditures from the AMS funding for FY25-26 must be be approved and posted on the schools website. This report is one of four mandatory documents submitted through the AMS Portal, along with the School Site Expenditure Plan, Annual Certification, and Expenditure Report.

MYA served 60 students using AMS funds to expand arts education opportunities for students through additional learning experiences focused on Kumeyaay culture and traditional arts. Learning Support Assistant Sarina Laff, Learning Facilitator Chris Collins, and Learning Support Assistant Louise Shuster provided students with opportunities to learn about and participate in culturally relevant arts activities, including bird singing, beading, and basket weaving.

These experiences expanded students' access to arts education while providing meaningful opportunities to learn about Kumeyaay traditions, cultural expression, and artistic practices. The activities supported student engagement, creativity, cultural awareness, and appreciation for the rich Indigenous heritage of the San Diego region.

RECOMMENDATION:

Approval of the Proposition 28, Art and Music K-12 Education Funding Initiative Annual Report

It is recommended the Board approve Proposition 28: Arts and Music in Schools Funding 2025-2026 Annual Report for Motivated Youth Academy (#1628).

Fiscal Impact: None

Proposition 28: Arts and Music in Schools Funding
Annual Report
Fiscal Year 2025-26

Name: Motivated Youth Academy

County-District-School (CDS) Code: 37-682130129668

Allocation Years: 2023–24, 2024–25, 2025–26

1. Narrative description of the Proposition 28 arts education programs funded (2500 character limit).

MYA used AMS funds to expand arts education opportunities for students through additional learning experiences focused on Kumeyaay culture and traditional arts. We provided students with opportunities to learn about and participate in culturally relevant arts activities, including bird singing, beading, and basket weaving.
These experiences expanded students' access to arts education while providing meaningful opportunities to learn about Kumeyaay traditions, cultural expression, and artistic practices. The activities supported student engagement, creativity, cultural awareness, and appreciation for the rich Indigenous heritage of the San Diego region.

2. Number of full-time equivalent teachers (certificated) providing arts education programs with Arts and Music in Schools (AMS) funds: 0

3. Number of full-time equivalent personnel (classified) providing arts education programs with AMS funds: 0

4. Number of full-time equivalent teaching aides providing arts education programs with AMS funds: 1

5. Number of students served with AMS funds: 60

6. Number of school sites providing arts education programs with AMS funds: 1

Date of Approval by Governing Board/Body

Annual Report Data URL (direct PDF link to document on local educational agency website)

California Department of Education, January 2026

Coversheet

Approval of MYA 5144 Pupil Suspension and Expulsion Policy

Section: XI. Policy Development
Item: A. Approval of MYA 5144 Pupil Suspension and Expulsion Policy
Purpose: Vote
Submitted by: Bill Dobson
Related Material:
MYA 5144 Pupil Suspension and Expulsion Policy - For Board Adoption - 2026.09.03.pdf

BACKGROUND:

Motivated Youth Academy's **Board Policy 5144 Suspension and Expulsion Policy** establishes procedures and due process protections related to student suspension, expulsion, and involuntary removal. California charter schools are required under Education Code Section 47605 to maintain policies addressing suspension and expulsion that provide students with appropriate procedural and substantive due process protections. The proposed policy is also aligned with applicable provisions of California Education Code Sections 48900 et seq. and is intended to promote a safe and supportive learning environment while ensuring fair, consistent, and legally compliant disciplinary practices.

RECOMMENDATION:

Approval of Suspension and Expulsion Policy

It is recommended the Board approve as presented the Board Policy 5144 Suspension and Expulsion Policy for Motivated Youth Academy (#1628).

Fiscal Impact: None

PUPIL SUSPENSION AND EXPULSION POLICY

I. Introduction

This Pupil Suspension and Expulsion Policy (the "Policy") for Motivated Youth Academy ("School") has been established in order to promote learning and protect the safety and well-being of all students. When the Policy is violated, it may be necessary to suspend or expel a student from regular classroom instruction. At the same time, the School intends to provide effective interventions for pupils who engage in acts of problematic behavior to help them change their behavior and avoid exclusion from the School.

Staff shall enforce disciplinary rules and procedures fairly and consistently amongst all students. The Policy will be printed and distributed as part of the Student and Educational Rights Holders Handbook and will clearly describe discipline expectations. The Director or their designee shall ensure that students and their educational rights holders are notified in writing upon enrollment of all discipline policies and procedures. The notice shall state that this Policy is available on request at the school office.

Discipline includes, but is not limited to, advising and counseling students, conferring with educational rights holders, and the use of alternative educational environments,. Corporal punishment shall not be used as a disciplinary measure against any student. Corporal punishment includes the willful infliction of, or willfully causing the infliction of, physical pain on a student. For purposes of the Policy, corporal punishment does not include an employee's use of reasonable force necessary to protect the employee, students, staff or other persons or to prevent damage to property.

A student has the right to be free from the use of seclusion and behavioral restraints of any form imposed as a means of coercion, discipline, convenience, or retaliation by staff. This right includes, but is not limited to, the right to be free from the use of a drug administered to the student in order to control the student's behavior or to restrict the student's freedom of movement, if that drug is not a standard treatment for the student's medical or psychiatric condition. School staff may use seclusion or a behavior restraint only to control behavior that poses a clear and present danger of serious physical harm to the pupil or others that cannot be immediately prevented by a response that is less restrictive. School staff shall avoid, whenever possible, the use of seclusion or behavioral restraint techniques.

School staff shall not do any of the following:

- Use seclusion or a behavioral restraint for the purpose of coercion, discipline, convenience, or retaliation.
- Use locked seclusion, unless it is in a facility otherwise licensed or permitted by state law to use a locked room.
- Use a physical restraint technique that obstructs a pupil's respiratory airway or impairs the pupil's breathing or respiratory capacity, including techniques in which a staff member places

pressure on a pupil's back or places the staff member's body weight against the pupil's torso or back.

- Use a behavioral restraint technique that restricts breathing, including, but not limited to, using a pillow, blanket, carpet, mat, or other item to cover a pupil's face.
- Use a prone restraint.
- Use a behavioral restraint for longer than is necessary to contain the behavior that poses a clear and present danger of serious physical harm to the pupil or others.

A student identified as an individual with disabilities or for whom the School has a basis of knowledge of a suspected disability pursuant to the Individuals with Disabilities in Education Act ("IDEA") or who is qualified for services under Section 504 of the Rehabilitation Act of 1973 ("Section 504") is subject to the same grounds for suspension and expulsion and is accorded the same due process procedures applicable to regular education students except when federal and state law mandates additional or different procedures. The School will follow Section 504, the IDEA, the Americans with Disabilities Act of 1990 ("ADA") and all applicable federal and state laws when imposing any form of discipline on a student identified as an individual with disabilities or for whom the School has a basis of knowledge of a suspected disability or who is otherwise qualified for such services or protections in according due process to such students.

II. Suspension

A. Definition

Suspension is the temporary removal of a pupil from class instruction for adjustment or disciplinary reasons. Suspension does not mean any of the following:

- Reassignment to another education program or class at the School where the pupil will receive continuing instruction for the length of day prescribed by the Boardfor pupils of the same grade level;
- Referral to a certificated employee designated by the Director or their designee to advise pupils;
- Removal from the class, but without reassignment to another class for the remainder of the class period without sending the pupil to the Director or designee.

While suspended, the pupil may not attend or participate in any School activity at any time, no matter where such activity is taking place. Violation may result in further disciplinary action.The School shall consider suspension from School only when other means of correction fail to bring about proper

conduct or where the student's presence would constitute a danger to persons or property or seriously disrupt the educational process.

B. Authority

The Director or their designee may suspend a student from class, classes or the school for a period not to exceed five days. The Director or their designee may extend a student's suspension pending final decision by the Board of Directors of the School, or a formal committee thereof, on a recommendation for expulsion. Such extended suspension should not exceed 10 days, unless specific procedural safeguards are met. Those are identified below.

On a recommendation for expulsion, the Board of Directors may suspend a special education student being considered for expulsion in accordance with the laws relating to expulsion of special education students.

A pupil may not be suspended or expelled for any of the acts enumerated in this Policy unless the act is related to school activity or school attendance of Motivated Youth Academy. A pupil may be suspended or expelled for acts that are enumerated in this Policy and related to school activity or attendance that occur at any time, including, but not limited to any of the following:

- While meeting with a Learning Facilitator
- While going to or coming from a school related activity
- During any break period, whether on or off the school campus
- During, or while going to or coming from a school sponsored activity
- All acts related to school activity or school attendance occurring within the School

C. Grounds

The Director may use their discretion to provide alternatives to suspension or expulsion recommendations that are age appropriate and designed to address and correct the student's specific misbehavior. Alternatively, students may be suspended or recommended for expulsion for any of the following acts (whether completed, attempted or threatened) when it is determined the pupil:

- Caused, attempted to cause, or threatened to cause physical injury to another person or willfully used force or violence upon the person of another, except in self-defense
- Possessed, sold or otherwise furnished any firearm, knife, explosive or other dangerous object unless, in the case of possession of any object of this type, the student had obtained written

permission to possess the item from an authorized certificated school employee, with the Director or designee's written concurrence

- Unlawfully possessed, used, sold or otherwise furnished, or was under the influence of, any controlled substance as defined in Health and Safety Code sections 11053-11058 (including, but not limited to, opiates, hallucinogenic substances, stimulants, depressants and narcotic drugs), alcoholic beverage or intoxicant of any kind. Students who voluntarily disclose their use of a controlled substance, alcohol, or an intoxicant of any kind in order to seek help through services or supports shall not be suspended solely for that disclosure.

- Unlawfully offered, arranged or negotiated to sell any controlled substance as defined in Health and Safety Code sections 11053-11058, alcoholic beverage or intoxicant of any kind, and then sold, delivered or otherwise furnished to any person another liquid substance or material and represented the same as a controlled substance, alcoholic beverage or intoxicant

- Committed or attempted to commit robbery or extortion

- Caused or attempted to cause damage to school property or private property

- Stole or attempted to steal school property or private property (as used in this policy, "school property" includes but is not limited to electronic files and databases)

- Possessed or used tobacco or any products containing tobacco or nicotine products, including but not limited to cigars, cigarettes, miniature cigars, clove cigarettes, smokeless tobacco, snuff, chew packets, betel and e-cigarettes, whether or not they contain tobacco. However this section does not prohibit the use or possession by a pupil of his or her own prescription products. Pupils who voluntarily disclose their use of a tobacco product in order to seek help through services or supports shall not be suspended solely for that disclosure

- Committed an obscene act or engaged in habitual profanity or vulgarity

- Unlawfully possessed or offered, arranged, or negotiated to sell any drug paraphernalia, as defined in Health and Safety Code section 11014.5

- Knowingly received stolen school property or private property

- Possessed an imitation firearm, i.e., a replica of a firearm that is so substantially similar in physical properties to an existing firearm as to lead a reasonable person to conclude that the replica is a firearm

- Committed a sexual assault as defined in Penal Code sections 261, 266c, 286, 288, 289, or former section 288a, or committed a sexual battery as defined in Penal Code section 243.4
- Harassed, threatened or intimidated a student who is a complaining witness or witness in a school disciplinary proceeding for the purpose of preventing that student from being a witness and/or retaliating against that student for being a witness
- Unlawfully offered, arranged to sell, negotiated to sell or sold the prescription drug Soma
- Engaged in, or attempted to engage in, hazing. "Hazing" means a method of initiation or pre-initiation into a pupil organization or body, whether or not the organization or body is officially recognized by an educational institution, which is likely to cause serious bodily injury or personal degradation or disgrace resulting in physical or mental harm to a former, current or prospective pupil. "Hazing" does not include athletic events or school-sanctioned events.
- Engaged in an act of bullying. "Bullying" means any severe or pervasive physical or verbal act or conduct, including communications made in writing or by means of an electronic act, and including one or more acts committed by a pupil or group of pupils directed toward one or more pupils that has or can be reasonably predicated to have the effect of one or more the of the following:
    - Placing a reasonable pupil(s) in fear of harm to that pupil(s)' person or property;
    - Causing a reasonable pupil to experience a substantially detrimental effect on the pupil's physical or mental health;
    - Causing a reasonable pupil to experience substantial interference with the pupil's academic performance;
    - Causing a reasonable pupil to experience substantial interference with the pupil's ability to participate in or benefit from the services, activities, or privileges provided by a school.
- An electronic act, for purposes of the immediately preceding paragraph, means the transmission, by means of an electronic device, including but not limited to, a telephone, wireless telephone, or other wireless communication device, computer, or pager, of a communication, including but not limited to, any of the following:
    - A message, text, sound or image
    - A post on a social network Internet Web site including, but not limited to:
        - Posting to or creating a burn page. "Burn page" means an Internet Web site created for the purpose of having one or more of the effects listed above.

- Creating a credible impersonation of another actual pupil for the purpose of having one or more of the effects listed above. "Credible impersonation" means to knowingly and without consent impersonate a pupil for the purpose of bullying the pupil and such that another pupil would reasonably believe, or has reasonably believed, that the pupil was or is the pupil who was impersonated.

- Creating a false profile for the purpose of having one or more of the effects listed above. "False profile" means a profile of a fictitious pupil or a profile using the likeness or attributes of an actual pupil other than the pupil who created the false profile.

o An act of cyber sexual bullying

- For purposes of this section, "cyber sexual bullying" means the dissemination of, or the solicitation or incitement to disseminate, a photograph or other visual recording by a pupil to another pupil or to school personnel by means of an electronic act that has or can be reasonably predicted to have one or more of the effects described above. A photograph or other visual recording shall include the depiction of a nude, semi-nude or sexually explicit photograph or other visual recording of a minor where the minor is identifiable from the photograph, visual recording or other electronic act.

- Cyber sexual bullying does not include a depiction, portrayal, or image that has any serious literary, artistic, educational, political or scientific value or that involves athletic events or school-sanctioned activities.

o An electronic act shall not constitute pervasive conduct solely on the basis that it has been transmitted on the Internet or is currently posted on the Internet.

o A "reasonable pupil" means a pupil, including, but not limited to, an exceptional needs pupil, who exercises average care, skill and judgment in conduct for a person that age, or for a person of that age with the pupil's exceptional needs.

 Made terrorist threats against school officials and/or school property. For the purpose of this section, "terroristic threat" shall include any statement, whether written or oral, by a person who willfully threatens to commit a crime which will result in death, great bodily injury to another person, or property damage in excess of $1,000.00, with the specific intent that the statement is to be taken as a threat, even if there is no intent of actually carrying it out, which, on its face and under the circumstances in which it is made, is so unequivocal, unconditional, immediate and specific as to convey to the person threatened, a gravity of purpose and an immediate prospect of execution of the threat, and thereby causes that person reasonably to be in sustained fear for his or her own safety or for his or her immediate family's safety, or for the

protection of charter school property, or the personal property of the person threatened or his/her immediate family.

- For students in grades 4 to 12, committed sexual harassment
- Caused or participated in an act of hate violence
- Carried, possessed, sold or otherwise furnished an electronic signaling device
- Committed vandalism/malicious mischief
- Violated academic ethics
- Falsified or misinterpreted notes or phone calls of educational rights holders
- Falsely activated fire alarm
- Habitually violated the dress code
- Intentionally harassed, threatened or intimidated a student or group of students to the extent of having the actual and reasonably expected effect of materially disrupting class work, creating substantial disorder and invading student rights by creating an intimidating or hostile educational environment
- Discriminated against, harassed, intimidated, and/or bullied any person or groups of persons based on the following actual or perceived characteristics: those set forth in Penal Code section 422.55, including immigration status, and Education Code section 220, disability, gender, nationality, race or ethnicity, religion, sexual orientation, gender identity, gender expression or association with one or more of these actual or perceived characteristics. This policy applies to all acts related to school activity or school attendance occurring within the school.
- A pupil who aids or abets, as defined in section 31 of the Penal Code, the infliction or attempted infliction of physical injury to another person may be subject to suspension, but not expulsion, pursuant to this policy, except that a pupil who has been adjudged by a juvenile court to have committed, as an aider and abettor, a crime of physical violence in which the victim suffered great bodily injury or serious bodily injury may be recommended for expulsion.

Students shall not be suspended on the basis of having disrupted school activities or otherwise willfully defied the valid authority of supervisors, learning facilitators, administrators, school officials or other school personnel engaged in the performance of their duties (the "Act"), and those Acts shall not

constitute grounds for a student enrolled in kindergarten or any of grades 1 to 12 to be recommended for expulsion.

A certificated or classified employee may refer a student to school administrators for appropriate and timely in-school interventions or supports from the list of other means of correction specified in Education Code section 48900.5(b) for any of the Acts.

A school administrator shall, within five business days, document the actions taken in response to the referral identified above and place that documentation in the student's record to be available for access, to the extent permissible under state and federal law. The school administrator shall, by the end of the fifth business day, also inform the referring certificated or classified employee, verbally or in writing, what actions were taken and, if none, the rationale used for not providing any appropriate or timely in-school interventions or supports.

A suspension or expulsion shall not be imposed against a student based solely on the fact that they are truant, tardy, or otherwise absent from school activities.

The above list is not exhaustive and depending upon the offense, a pupil may be suspended or recommended for expulsion for misconduct not specified above.

D. Procedures Required to Suspend

Step One

The Director or their designee shall investigate the incident and determine whether or not it merits suspension.

Searches: In order to investigate an incident, a student's attire,[1] personal property, vehicle or school property, including books, desks, computers and other electronic devices, may be searched by the Directoror designee who has reasonable suspicion that a student has violated or is violating the law or the rules of the school. Illegally possessed items shall be confiscated and turned over to the police.

Step Two

Unless a student poses a continuing danger to persons or property or an ongoing threat of disrupting the academic process, a suspension will be preceded by an informal conference between the Director and the student in which the student shall be orally informed of the reason for the suspension, the evidence against that student, the other means of correction that were attempted before the suspension and be given the opportunity to present informal proof of that student's side of the story. If the student poses a continuing danger to persons or property or an ongoing threat of disrupting the academic process, the informal conference will be held within two school days, unless the pupil waives this right or is physically unable to attend for any reason, including, but not limited to, hospitalization or detention in a correctional facility.

[1] This does not include removing clothing to permit visual inspection of the under clothing, breasts, buttocks or genitalia of the pupil.

At the time of the suspension, a School employee shall make a reasonable effort to contact the educational rights holder, and for foster children, their educational rights holder, attorney, and county social worker, and for Native American children, their tribal social worker and, if applicable, their county social worker, by telephone, by email or in person to inform that person of the suspension and the reasons therefor and the employee may state the date and time when the student may return to school.

If a student is suspended without the informal conference, both the student and the educational rights holder, and for foster children, their educational rights holder, attorney, and county social worker, and for Native American children, their tribal social worker and, if applicable, their county social worker, will be notified of a student's right to return to school for the purpose of a conference.

The educational rights holder of a student, and for foster children, their educational rights holder, attorney, and county social worker, and for Native American children, their tribal social worker and, if applicable, their county social worker, shall respond without delay to a request from school officials to attend a conference regarding the student's behavior.

Penalties shall not be imposed on a student for failure of the student's educational rights holder, and for foster children, their educational rights holder, attorney, and county social worker, and for Native American children, their tribal social worker and, if applicable, their county social worker, to attend a conference with school officials. Reinstatement of the suspended student shall not be contingent upon attendance by the student's educational rights holder, and for foster children, their educational rights holder, attorney, and county social worker, and for Native American children, their tribal social worker and, if applicable, their county social worker, at the conference.

Step Three

The Director or their designee determines the appropriate length of the suspension (up to 5 days). When suspensions do not include a recommendation for expulsion, they shall not exceed 5 consecutive school days per suspension.

Step Four

The Director or their designee fills out a Notice of Suspension Form, a copy of which will be sent to the student's educational rights holder and for foster children, their educational rights holder, attorney, and county social worker, and for Native American children, their tribal social worker and, if applicable, their county social worker, and to the student. A copy of this form is also placed in the student's cumulative file at the School. The Notice of Suspension Form shall state the fact of suspension, its duration and the specific offense committed by the student. In addition, the notice may state the date and time when the student may return to school. The notice shall also state that if desired by the educational rights holder, and for foster children, their educational rights holder, attorney, and county social worker, and for Native American children, their tribal social worker and, if applicable, their county social worker, a prompt meeting or hearing will be held at which the suspension may be discussed and at which the student may be present and afforded an opportunity to present informal

proof of their side of the case. Additionally, if the School officials wish to ask the educational rights holder, and for foster children, their educational rights holder, attorney, and county social worker, and for Native American children, their tribal social worker and, if applicable, their county social worker, to confer regarding matters pertinent to the suspension, the notice may request the educational rights holder to respond to such requests without delay.

Step Five

The Director determines whether the offense warrants a police report. The Director will report certain offenses to law enforcement authorities in accordance with Education Code section 48902.

When the Director or their designee releases a minor pupil to a peace officer for the purpose of removing the minor from the school premises, the Director or their designee shall take immediate steps to notify the educational rights holder or responsible relative of the minor regarding the release of the minor to the officer and regarding the place to which the minor is reportedly being taken, unless the minor has been taken into custody as a victim of suspected child abuse.

Step Six

The Director or their designee may require the student and their educational rights holder, and for foster children, their educational rights holder, attorney, and county social worker, and for Native American children, their tribal social worker and, if applicable, their county social worker, to sign a contract that states the conditions that the student is expected to meet while at the School. Copies of the signed contract are kept by the school and given to the educational rights holder.

Step Seven

Upon the request of an educational rights holder/student, and for foster children, their attorney, and county social worker, and for Native American children, their tribal social worker and, if applicable, their county social worker, a learning facilitator shall provide to a student in any of grades 1 to 12 who has been suspended from the School for two or more schooldays, the homework that the pupil would otherwise have been assigned. If a homework assignment that is requested and turned into the learning facilitator by the student either upon the student's return to school from suspension or within the timeframe originally prescribed by the learning facilitator, whichever is later, is not graded before the end of the academic term, that assignment shall not be included in the calculation of the student's overall grade in the class.

Special Education and Section 504 Student Suspensions

When suspensions involve special education students or students with a 504 plan, a manifestation determination meeting shall be held no later than the 10th suspension day (whether consecutive or cumulative for the school year). The Director or their designee shall notify the student's special education learning facilitator or regular education learning facilitator when the student's cumulative days of suspension for that school year reaches eight. That teacher shall promptly notify the Program

Manager of the need for the manifestation determination meeting. The manifestation determination meeting shall include the LEA, the educational rights holder, and for foster children, their educational rights holder, attorney, and county social worker, and for Native American children, their tribal social worker and, if applicable, their county social worker, and relevant members of the student's IEP Team or 504 Plan Team (as determined by the educational rights holder, and for foster children, their educational rights holder, attorney, and county social worker, and for Native American children, their tribal social worker and, if applicable, their county social worker, and the LEA).

The student shall be treated as a general education student for disciplinary purposes, except to the extent that educational services must continue, if at the manifestation determination meeting the following are both determined in the negative, after reviewing all relevant information in the student's file, including the student's IEP or 504 Plan, any teacher observations and any relevant information provided by the parents: 1) the conduct in question was caused by, or had a direct and substantial relationship to, the student's disability under the IDEA or section 504; or 2) the conduct in question was the direct result of the LEA's failure to implement the IEP or 504 Plan. If it is determined at the manifestation determination meeting that 1) or 2) is answered in the affirmative, the conduct is deemed a manifestation of the disability.

If the conduct is deemed a manifestation of the disability, the IEP Team or 504 Plan Team must conduct a functional behavioral assessment (or other appropriate assessment for the 504 student), create a plan and implement it, or if the plan is preexisting, review it and modify it as necessary to address the behavior.

In the case of a manifestation of a disability, the student will be returned to the placement from which he/she was removed, unless the LEA and parent agree to a change of placement as part of the modification of the behavioral intervention plan or updated 504 Plan. For special education and 504 students, a new manifestation determination meeting is required for all proposed suspensions exceeding ten cumulative days in one school year.

The special education student may be removed from school to an interim alternative educational setting for not more than 45 school days without regard to whether the behavior is determined to be a manifestation of the student's disability if the student: 1) carries a weapon to or possesses a weapon at school, on school premises or to or at a school function under the jurisdiction of the School; 2) knowingly possesses or uses illegal drugs or sells or solicits the sale of a controlled substance, while at school, on school premises, or at a school function under the jurisdiction of the School; or 3) has inflicted serious bodily injury upon another person while at school, on school premises, or at a school function under the jurisdiction of the School.

E. Appeal Process

A student or the student's educational rights holder, and for foster children, their educational rights holder, attorney, and county social worker, and for Native American children, their tribal social worker and, if applicable, their county social worker, may appeal those disciplinary actions, other than expulsion, imposed upon a student for his/her School related offenses. Appeals must be made first in

writing at the School level, and should be directed to the Director or their designee within 15 days of the School sending the Notice of Suspension Form to the educational rights holder, and for foster children, their educational rights holder, attorney, and county social worker, and for Native American children, their tribal social worker and, if applicable, their county social worker, and the student. The Director or their designee will attempt to resolve the appeal with a written response within ten school days of receiving the written appeal. After appeal at the School level, if further appeal is desired, the student or parent/guardian, and for foster children, their educational rights holder, attorney, and county social worker, and for Native American children, their tribal social worker and, if applicable, their county social worker, should appeal in writing to the Board of Directors within 15 days of the date of the School level written response and should direct it to the Board President for final resolution within 15 school days. If any appeal is denied, the student, his/her parent/guardian may place a written rebuttal to the action in the student's file.

III. Expulsion

A. Definition

Expulsion means involuntary disenrollment from the charter school.

B. Authority

A student may be expelled either by the Board following a hearing before it or by the Board upon a recommendation of an Administrative Panel to be assigned by the Board as needed. The Panel may recommend expulsion of any student found to have committed an expellable offense.

The Board, upon voting to expel a pupil, may suspend the enforcement of the expulsion order for a period of not more than one calendar year and may, as a condition of the suspension of enforcement, assign the pupil to a school, class or program that is deemed appropriate for the rehabilitation of the pupil [or other conditions such as good behavior, attendance, etc.]. The rehabilitation program to which the pupil is assigned may provide for the involvement of the pupil's parent or guardian in his or her child's education in ways that are specified in the rehabilitation program. An educational rights holder's refusal to participate in the rehabilitation program shall not be considered in the Board's determination as to whether the pupil has satisfactorily completed the rehabilitation program.

C. Grounds for Expulsion

Category I Expulsions – Mandatory Recommendation for Expulsion

The Director or their designee shall immediately suspend a student, and recommend for expulsion, a student who has committed one or more of the following acts:

- Possessing, selling or otherwise furnishing a firearm when a school employee verifies firearm possession, unless the student obtained prior written permission to possess the firearm from a certificated school employee, which is concurred in by the principal or his/her designee

- Brandishing a knife at another person
- Unlawfully selling a controlled substance
- Committing or attempting to commit a sexual assault or committing a sexual battery
- Possession of an explosive

Category II Expulsions – Recommendation for Expulsion Required, Unless Inappropriate Under the Circumstances

A student who has committed one of the following acts of misconduct must be recommended for expulsion, unless the Director or their designee determines that expulsion should not be recommended under the circumstances or that an alternative means of correction would address the conduct.

- Causing physical injury to another person, except in self-defense
- Possession of any knife, explosive or other dangerous object of no reasonable use to the student
- Unlawful possession of any controlled substance, except for the first offense for the possession of not more than one ounce of marijuana, other than concentrated cannabis or for possession of over-the-counter medication for use by the pupil for medical purposes or medication prescribed for the pupil by a physician
- Robbery or extortion
- Assault or battery on a school employee

Category III Expulsions – Discretionary Expulsion Recommendation

In the discretion of the Director or their designee, any act that warrants suspension may warrant expulsion. Additionally, a student may be expelled for misconduct that is not listed above if the acts disrupt and/or present ongoing health and/or safety concerns, or the student has repeatedly engaged in the misconduct.

In no event, however, will a student be expelled for disrupting school activities or otherwise willfully defying the valid authority of supervisors, learning facilitators, administrators, other school officials or other school personnel engaged in the performance of their duties.

D. Procedures to Expel a Student

Step One

The Director or their designee investigates the incident and determines whether the offense results in a suspension. If so, the Director or their designee follows the procedures to suspend the student as outlined above.

Step Two

At the discretion of the Director or their designee, a student's suspension may be extended pending expulsion. If such extended suspension exceeds 10 days, and for any suspension exceeding 10 days, the following procedures must be followed: 1) The Director shall provide timely, written notice of the charges against the student and an explanation of the student's basic rights; 2) The School will provide a hearing adjudicated by a neutral officer within a reasonable number of days at which the student has a fair opportunity to present testimony, evidence and witnesses and confront and cross-examine adverse witnesses, and at which the pupil has the right to bring legal counsel. At this hearing, it will be determined whether the presence of the student at the School would cause a danger to persons or property or a threat of disrupting the instructional process pending the results of an expulsion hearing.

If the proposed extended suspension is under 10 days, a meeting is held within 5 school days of the student's suspension to extend the suspension. The student and their educational rights holder are invited to attend this meeting with the Director or their designee. The learning facilitator may also be present.

At this meeting, the offense and the repercussions are discussed. An extension of the suspension may be granted only if the Director or their designee has determined, after the meeting, that the presence of the student at the School would cause a danger to persons or property or a threat of disrupting the instructional process If the student has committed an offense that requires a mandatory expulsion recommendation, this is discussed so that it is understood by all parties. The purpose of the meeting is to decide upon the extension of the suspension order and may be held in conjunction with the initial meeting with the parents after the suspension.

Step Three

The School shall send a letter to the student and educational rights holder, and for foster children, their educational rights holder, attorney, and county social worker, and for Native American children, their tribal social worker and, if applicable, their county social worker, regarding the expulsion hearing. The expulsion hearing shall be held no later than 30 school days of the date that expulsion is recommended, unless a brief extension is requested by the student or their educational rights holder.

The letter shall be sent via certified mail to the student and educational rights holder, and for foster children, their educational rights holder, attorney, and county social worker, and for Native American children, their tribal social worker and, if applicable, their county social worker, to the address

reflected in the pupil's student file at least 10 calendar days before the date of the hearing. The letter shall notify the student and parent/guardian, and for foster children, their educational rights holder, attorney, and county social worker, and for Native American children, their tribal social worker and, if applicable, their county social worker, when and where the expulsion hearing will take place and the rights of the student with respect to the hearing, including:

- The date and place of the expulsion hearing;
- A statement of the facts, charges and offenses upon which the proposed expulsion is based;
- A copy of the School's disciplinary rules relating to the alleged violation;
- Notification of the student's or educational rights holder obligation to provide information about the student's status at the School to any other school district or school to which the student seeks enrollment;
- The opportunity for the student or the student's educational rights holder to appear in person and/or to employ and be represented by counsel or an advocate;
- The right to inspect and obtain copies of all documents to be used at the hearing;
- The opportunity to present testimony, evidence and witnesses and confront and question witnesses who testify at the hearing;
- The opportunity to question all evidence presented and to present oral and documentary evidence on the student's behalf, including witness testimony.

Step Four

The Director or their designee shall maintain documents that may be used at the hearing and make them available for review by the student and/or educational rights holder, and for foster children, their educational rights holder, attorney, and county social worker, and for Native American children, their tribal social worker and, if applicable, their county social worker. These papers may include, but are not limited to, the following: A record of the student's attendance and grades, a record of previous infractions, a statement of the facts surrounding the case made by a School Counselor; a statement of the facts surrounding the case made by a witness, a law enforcement agency's report and any other relevant matter.

Step Five

An expulsion hearing shall be held before the Learner Engagement Team. A record of the hearing shall be made and may be maintained by any means, including electronic recording, as long as a reasonably accurate and a complete written transcription of the proceedings can be made.

While the technical rules of evidence do not apply to expulsion hearings, evidence may be admitted and used as proof only if it is the kind of evidence on which reasonable persons can rely in the conduct of serious affairs. A recommendation by the Learner Engagement Team to expel must be supported by substantial evidence that the student committed an expellable offense.

Findings of fact shall be based solely on evidence produced at the hearing. While hearsay evidence is admissible, no decision to expel shall be based solely on hearsay evidence, although sworn declarations may be admitted as testimony from witnesses who are determined by the Learner Engagement Team that disclosure of their identity or live testimony at the hearing may subject them to an unreasonable risk of physical or psychological harm.

Allegations Relating to Sexual Assault or Sexual Battery

If, due to a written request by the expelled pupil, the hearing is held at a public meeting, and the charge is committing or attempting to commit a sexual assault or committing a sexual battery as defined in Education Code section 48900(n), a complaining witness shall have the right to have his or her testimony heard in a session closed to the public when testifying at a public meeting would threaten serious psychological harm to the complaining witness and there are no alternative procedures to avoid the threatened harm, including, but not limited to, videotaped deposition or contemporaneous examination in another place communicated to the hearing room by means of closed-circuit television.

In addition, in hearings that include allegations of committing or attempting to commit a sexual assault or committing a sexual battery as defined in Education Code section 48900(n), evidence of specific instances, of a complaining witness' prior sexual conduct is to be presumed inadmissible and shall not be heard absent a determination by the person conducting the hearing that extraordinary circumstances exist requiring the evidence to be heard. Before the person conducting the hearing makes the determination on whether extraordinary circumstances exist requiring that specific instances of a complaining witness' prior sexual conduct be heard, the complaining witness shall be provided notice and an opportunity to present opposition to the introduction of the evidence. In the hearing on the admissibility of the evidence, the complaining witness shall be entitled to be represented by a parent, guardian, legal counsel or other support person. Reputation or opinion evidence regarding the sexual behavior of the complaining witness is not admissible for any purpose.

Step Six

The decision of the Learner Engagement Team shall be in the form of a written recommendation, with findings of fact, to the Board of Directors who will make a final determination regarding the expulsion. The final decision by the Board of Directors shall be made within 10 days following the conclusion of the hearing, or within 40 school days after the date of the pupil's removal from the School for the incident for which the recommendation for expulsion is made. If the Learner Engagement Team

decides not to recommend expulsion, the pupil shall be reinstated and permitted to return to classroom programs. The decision not to recommend expulsion shall be final.

Before an expulsion order is finalized, the Learner Engagement Team shall notify the student and the student's family of the available educational options for expelled students as outlined in the educational services plan developed by the local County Office of Education and school districts in accordance with Education Code section 48926. No later than three days after the expulsion, the School shall complete the initial referral of the student for enrollment in an educational program.

Step Seven

The Director or their designee, following a decision of the Board of Directors to expel a student, shall send written notice of the decision to expel, including the Learner Engagement Team's findings of fact, to the student or parent/guardian, and for foster children, their educational rights holder, attorney, and county social worker, and for Native American children, their tribal social worker and, if applicable, their county social worker. The notice shall include the following:

- Notice of the specific offense committed by the student;
- Notice of the right to appeal the expulsion to the County Board of Education. If that Board does not hear such appeals, the student may submit a written objection and request for reconsideration to the school's Board of Directors within 10 days. Decisions of the Board of Directors shall be final.
- Notice of the student's or educational rights holder's obligation to inform any new district in which the student seeks to enroll of the student's status within the charter school

Within 30 days of the decision to expel, the School shall send written notice of the decision to expel to the student's district of residence, the County Office of Education and the charter granting district (if different than the student's district of residence). This notice shall include the student's name and the specific expellable offense committed by the student.

Step Eight

Expelled students are responsible for seeking alternative education programs, including but not limited to, programs within the County or their school district of residence.

Step Nine

The school shall maintain records of all student suspensions and expulsions at the school site. Such records shall be made available for Mountain Empire Unified School District's review upon request.

PUPIL SUSPENSION AND EXPULSION POLICY

Students who are expelled from the charter school shall be given a rehabilitation plan upon expulsion as developed by the Board of Directors, or its designee, at the time of the expulsion order. The rehabilitation plan shall include, but is not limited to, periodic review and a preliminary assessment for readmission at least 45 days before the end of the expulsion term. The plan shall be tailored to the individual student's needs and address the student's behavior that led to the expulsion. The plan may be developed in consultation with school personnel who have knowledge or special expertise regarding the student and include recommendations for improved academic performance, tutoring, special education assessments, job training, counseling, employment, community service, or other rehabilitative programs.

The Board of Directors, or designee, shall assist the student in locating opportunities accessible to the student that are necessary to complete the requirements of the plan for rehabilitation, including, but not limited to, opportunities for counseling and community services. The student and/or the student's parent/guardian shall not be required to pay for any costs or services the Board of Directors, or designee, determines necessary for the student to complete a plan of rehabilitation.

When the student reapplies for readmission to the charter school, as a part of the process for a required review, the Board of Directors, or designee, shall indicate whether the student had access to the necessary resources to complete their rehabilitation plan. A rehabilitation plan that is not completed due to financial or transportation barriers or lack of viable opportunities to complete a term of the rehabilitation plan shall not be a basis to deny the readmission of a student. A description of the readmission procedure shall be made available to the student and the student's parent/guardian at the same time the student and the student's parent/guardian are notified of the expulsion order.

Upon completion of the readmission review process, the Board of Directors, or designee, shall readmit the student unless it makes a finding that the student (a) has not substantially met the conditions of the rehabilitation plan despite having access to the necessary resources and viable opportunities to complete the plan or (b) continues to exhibit documented behaviors that the student was expelled for or is documented to have committed one or more new acts during the expulsion term that would make the student eligible for another expulsion.

If the student is not readmitted to the charter school, the expulsion term may be extended for one semester at a time, at which point the student shall be reassessed for readmission again.