

PUBLIC ENTITY LIABILITY POLICY

July 1, 2011 to July 1, 2012

Policy Number GL 244-94-49

CHARTIS

Coverage is provided by

National Union Fire Insurance Company of Pittsburgh, PA.

(a capital stock company)
175 Waters street, New York, NY 10038

(212) 458-5000

COMMERCIAL GENERAL LIABILITY DECLARATIONS

NAMED INSURED & MAILING ADDRESS

SEE ENDORSEMENT #1
90 MACCORKLE AVE., SUITE 203
SOUTH CHARLESTON, WV 25303

PRODUCER'S NAME & MAILING ADDRESS

WELLS FARGO INS. SERVICES OF WV INC.
ONE HILLCREST DR. EAST
P. O. BOX 1551
CHARLESTON, WV 25311-1687

POLICY PERIOD: From 07/01/2011 to 07/01/2012 at 12:01 A.M. Standard Time at your mailing address shown above.

FORM OF BUSINESS:

CORPORATION PARTNERSHIP LIMITED LIABILITY COMPANY INDIVIDUAL OTHER MUNICIPALITY and OTHER

BUSINESS DESCRIPTION:

LOCATION OF ALL PREMISES YOU OWN, RENT OR OCCUPY: ON FILE WITH COMPANY

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.

POLICY PREMIUM: * \$28,012,921

PREMIUM SHOWN IS PAYABLE: \$28,012,921 at inception

*This policy is subject to annual audit.

**Premium for Certified Acts of Terrorism Coverage Under Terrorism Risk Insurance Act 2002 as amended by:
the Terrorism Risk Insurance Program Reauthorization Act 2007:**

Coverage Provided At No Additional Charge

SCHEDULE OF STATE TAXES, FEES AND SURCHARGES, IF APPLICABLE:**

** State Taxes, Fees and Surcharges shown are in addition to the above referenced Policy Premium.

ENDORSEMENTS ATTACHED TO THIS POLICY: SEE ATTACHED FORMS SCHEDULE

THESE DECLARATIONS AND THE COMMON POLICY DECLARATIONS, IF APPLICABLE, TOGETHER WITH THE COMMON POLICY CONDITIONS, COVERAGE FORMS, AND FORMS AND ENDORSEMENTS IF ANY ISSUED TO FORM A PART THEREOF COMPLETE THE ABOVE NUMBERED POLICY

93837 (12/06)

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Date Issued: 07/01/2011

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FORMS SCHEDULE

Effective Date: 07/01/2011

Policy Number: GL 244-94-49

DEC-PG.DOC
WVCLP-FORMS.DOC
WVCLP-07/01/11 (Senate Bill #3 Entities)

Endorsement # 1	Named Insured
Endorsement # 2	Amendatory Endorsement
Endorsement # 3	Exclusion of Claims, Awards, or Judgments Rendered by Human Rights Commissions or Grievance Boards or Governmental Agencies or Administrative Bodies
Endorsement # 4	Joint Venture Clause
Endorsement # 5	Subrogation
Endorsement # 6	Limitation of Coverage - Airports, Aircraft and Hospitals
Endorsement # 7	Absolute Asbestos Exclusion
Endorsement # 8	Absolute Lead Exclusion
Endorsement # 9	Nuclear Energy Liability Exclusion Endorsement (Broad Form)
Endorsement # 10	Selection of Counsel
Endorsement # 11	Exclusion of Non-Pecuniary Relief Claims
Endorsement # 12	Exclusion of Claims for Attorneys' Fees, Costs, Expenses, Fines, or Penalties Arising From Criminal Proceedings
Endorsement # 13	Exclusion of Claims Seeking Non-Specific or General Demands
Endorsement # 14	Exclusion - Named Insured vs. Insured Claims
Endorsement # 15	Silicosis Exclusion Endorsement
Endorsement # 16	Absolute Mold and Fungus Exclusion
Endorsement # 17	Fraud, Dishonesty or Criminal Act Exclusion
Endorsement # 18	Deductible Endorsement
Endorsement # 19	Foreign Liability Reimbursement Endorsement
Endorsement # 20	Limitation of Claims to Fault Attributable to State Entity
Endorsement # 21	Exclusion of Coverage for Persons Accused or Convicted of Crimes and subject to the Orders of a Court
Endorsement #22	West Virginia Broad Form Employers Liability Policy Provisions Applicable to West Virginia Volunteer Fire Departments
89644 (07/05)	Coverage Territory Endorsement
81461 (08/04)	Large Risk Rating Plan Endorsement (Long Form)

WEST VIRGINIA COMPREHENSIVE LIABILITY COVERAGE FORM

In consideration of the payment of the premium, in reliance upon the statements in the declarations made a part hereof and subject to all of the terms of this policy, the Company designated in the Declarations (A Stock Insurance Company, herein called the Company) agrees with the "Named Insured" as follows:

SECTION I - COVERAGES

COVERAGE A. - COMPREHENSIVE GENERAL LIABILITY INSURANCE

1. Coverage - "BODILY INJURY" AND "PROPERTY DAMAGE" LIABILITY

The Company will pay on behalf of the "insured" all sums which the "insured" shall become legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies, caused by an "occurrence", and the Company shall have the right and duty to defend any suit against the "insured" seeking damages on account of such "bodily injury" or "property damage", even if any of the allegations of the suit are groundless, false or fraudulent, and may make such investigation and settlement of any claim or suit as it deems expedient, but the Company shall not be obligated to pay any claim or judgment or to defend any suit after the applicable limit of the Company's liability has been exhausted by payment of judgments or settlements.

2. Exclusions

This insurance does not apply to:

- A. To liability assumed by the "insured" under any contract or agreement except an incidental contract; but this exclusion does not apply to a warranty of fitness or quality of the "Named Insured's products" or a warranty that work performed by or on behalf of the "Named Insured" will be done in a workmanlike manner.
- B. To "bodily injury" or "property damage" arising out of the ownership, maintenance, operation, use, entrustment, loading or unloading of
 - 1) Any "automobile" or aircraft owned or operated by or rented or loaned to any "insured", or
 - 2) Any "mobile equipment" owned or operated by or rented or loaned to any "insured", or
 - 3) Any other "automobile", "mobile equipment" or aircraft operated by any person in the course of his employment by an "insured";

but this exclusion does not apply to the parking of an "automobile" on premises owned by, rented to or controlled by the "Named Insured" or the ways immediately adjoining, if such "automobile" is not owned by or rented or loaned to any "insured".

- C. To "bodily injury" or "property damage" arising out of and in the course of the transportation of "mobile equipment" by an "automobile" owned or operated by or rented or loaned to any "insured".
- D. 1) To "bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of pollutants:
 - (a) At or from any premises, site or location which is or was at any time owned, rented, loaned or otherwise occupied or used by the "Insured";

- (b) At or from any site or location used by or for the "Named Insured" or others for the handling, storage, disposal, processing or treatment of waste;
 - (c) Which are at any time transported, handled, stored, treated, disposed of, or processed as waste by or for the "Named Insured" or any person or organization for whom the "Named Insured" may be legally responsible; or
 - (d) At or from any site or location on which the "Named Insured" or any contractors or subcontractors working directly or indirectly on behalf of the "Named Insured" are performing operations:
 - (i) If the pollutants are brought on or to the site or location in connection with such operations; or
 - (ii) If the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize pollutants.
- 2) To any loss, cost or expense arising out of any governmental direction or request that the "Named Insured" test for, monitor, clean up, remove, contain, treat, detoxify or neutralize pollutants.

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

- E. To "bodily injury" or "property damage" due to war, whether or not declared, civil war, insurrection, rebellion or revolution or to any act condition incident to any of the foregoing, with respect to
 - 1) Liability assumed by the "insured" under an "incidental contract", or
 - 2) Expenses for first aid under the Supplementary Payments provision.
- F. To any obligation for which the "insured" or any carrier as his insurer may be held liable under any Workers' Compensation, Unemployment Compensation or Disability Benefits law, or under any similar law.
- G. To "bodily injury" to any employee of the "insured" arising out of and in the course of his employment by the "insured" or to any obligation of the "insured" to indemnify another because of damages arising out of such injury, but this exclusion does not apply to liability assumed by the "insured" under an "incidental contract".
- H. To "property damage" to
 - 1) Property owned or occupied by or rented to the "insured",
 - 2) Property used by the "insured", or
 - 3) Property in the care, custody or control of the "insured" or as to which the "insured" is for any purpose exercising physical control.

But parts 2) and 3) of this exclusion do not apply with respect to liability under a written sidetrack agreement and part 3) of this exclusion does not apply with respect to "property damage" (other than to "elevators") arising out of the use of an "elevator" at premises owned by, rented to or controlled by the "Named Insured".

- I. To loss of use of tangible property which has not been physically injured or destroyed resulting from:
 - 1) A delay in or lack of performance by or on behalf of the "Named Insured" or any contract or agreement, or
 - 2) The failure of the "Named Insured's products" or work performed by or on behalf of the "Named Insured" to meet the level of performance, quality, fitness or durability warranted or represented by the "Named Insured".

But this exclusion does not apply to loss of use of other tangible property from the sudden and accidental physical injury to or destruction of the "Named Insured's products" or work performed by or on behalf of the "Named Insured" after such products or work have been put to use by any person or organization other than an "insured".

- J. To "property damage" to the "Named Insured's products" arising out of such products or any part of such products.
- K. To "property damage" to work performed by or on behalf of the "Named Insured" arising out of the work or any portion thereof, or out of materials, parts or equipment furnished in connection therewith.
- L. To damages claimed for the withdrawal, inspection, repair, replacement, or loss of use of the "Named Insured's products" or work completed by or for the "Named Insured" or any property of which such products or work form a part, if such products, work or property are withdrawn from the market or from use because of any known or suspected defect or deficiency therein.
- M. To "bodily injury" or "property damage" arising out of the ownership, maintenance, use and all operations necessary or incidental thereto of any airport.

3. Persons Insured

Each of the following is an "insured" under this insurance to the extent set forth below:

- A. The "Named Insured",
- B. Any elected or appointed official, executive officer, commissioner, director, or member of the "Named Insured" while acting within the scope of his duties as such,
- C. Any faculty member, employee, volunteer worker or student teacher of the "Named Insured" while acting within the scope of their duties as such, but the insurance afforded such individuals does not apply to "bodily injury" to another faculty member, employee, volunteer worker or student teacher of the "Named Insured" arising out of or in the course of his employment. Employee shall not include any person working on a retainer or contractual agreement.

This insurance does not apply to "bodily injury" or "property damage" arising out of the conduct of any partnership or joint venture of which the "insured" is a partner or member and which is not designated in this policy as a "Named Insured".

4. Policy Territory

"Policy territory" means:

- a. The United States of America, its territories or possessions, or Canada or
- b. International waters or airspace, provided the "bodily injury" or "property damage" does not occur in the course of travel or transportation to or from any other country, state or nation, or
- c. Anywhere in the world with respect to damages because of "bodily injury" or "property damage" arising out of a product which was sold for use or consumption within the territory

described in paragraph (a) above, provided the original suit for such damages is brought within such territory.

5. Combined Additional Coverages

It is agreed that with respect to such insurance as is afforded by the provisions of the policy relating to Comprehensive General Liability Insurance, this endorsement adds or modifies such insurance as follows:

A. Contractual Liability

"Bodily Injury" and "Property Damage" for which the "insured" has assumed liability under any contract or agreement subject to the following additional provisions:

1) The definition of **"incidental contract"** is amended to read as follows:
"Incidental contract" means any written contract or agreement relating to the conduct of the **"Named Insured's"** business.

2) The following additional exclusions apply to liability assumed by the **"insured"** under any **"incidental contract"**:

This insurance does not apply:

(a) To **"bodily injury"** or **"property damage"** for which the **"insured"** has assumed liability under any contract or agreement, if such injury or damage occurred prior to the execution of the contract or agreement.

(b) If the **"insured"** is an architect, engineer or surveyor, to **"bodily injury"** or **"property damage"** arising out of professional services performed by such **"insured"**, including

(i) The preparation or approval of maps, drawings, opinions, reports, surveys, change of orders, designs or specifications, and

(ii) Supervisory, inspection or engineering services.

(c) If the indemnitee of the **"insured"** is an architect, engineer or surveyor, to the liability of the indemnitee, his agents or employees, arising out of

(i) The preparation or approval of maps, drawings, opinions, reports, surveys, change of orders, designs or specifications, or

(ii) The giving of or the failure to give directions or instructions by the indemnitee, his agents or employees, provided such giving or failure to give is the primary cause of the to **"bodily injury"** or **"property damage"**.

(d) To any obligation for which the **"insured"** may be held liable in an action on a contract by a third party beneficiary for **"bodily injury"** or **"property damage"** arising out of a project for a public authority; but this exclusion does not apply to an action by the public authority or any other person or organization engaged in the project.

3) The following additional condition applies:
The Company shall be entitled to exercise all of the **"insured's"** rights in the choice of arbitrators and in the conduct of any arbitration proceeding.

B. Broad Form Property Damage Coverage Including Completed Operations

The "Property Damage" Liability Coverages applies to "property damage" to property in the care, custody or control of the "insured" and to "property damage" to work performed by or on behalf of the "Named Insured" subject to the following additional provisions:

- 1) Exclusion (a) below is added and Exclusions H. and K. of the Comprehensive General Liability Insurance Coverage are replaced by the following exclusions:
 - (a) To liability assumed by the insured under any contract or agreement;
 - (b) To "property damage"
 - (i) Property owned or occupied by or rented to the "insured" or, except with respect to the use of "elevators", to property held by the "insured" for sale or entrusted to the "insured" for storage or safekeeping;
 - (ii) Except with respect to liability under a sidetrack agreement or the use of "elevators" to:
 - a. Property while on premises owned by or rented to the "insured" for the purpose of having operations performed on such property by or on behalf of the "insured";
 - b. Tools or equipment while being used by the "insured" in performing his operations;
 - c. Property in the custody of the "insured" which is to be installed, erected or used in construction by the "insured";
 - (iii) That particular part of any property not on premises owned by or rented to the "insured":
 - a. Upon which operations are being performed by or on behalf of the "insured" at the time or the "property damage" arising out of such operations, or
 - b. Out of which any "property damage" arises, or
 - c. The restoration, repair or replacement of which has been made or is necessary by reason of faulty workmanship thereon by or on behalf of the "insured";
- 2) The **Broad Form Property Damage Coverage** shall be excess insurance over any valid and collectible property insurance (including any deductible portion thereof) available to the "insured", such as, but not limited to, Fire and Extended Coverage, Builder's Risk Coverage and or Installation Risk Coverage, and the "Other Insurance" condition of the policy is amended accordingly.

C. Foreign Liability Reimbursement Coverage

As respects employees of the "Named Insured" hired in the United States of America or the Dominion of Canada and traveling for the "insured" outside of the United States of America, its territories or possessions, or the Dominion of Canada, such insurance as is afforded by the policy for liability imposed upon the "Named Insured" arising out of the ownership, maintenance or use of premises and all operations necessary or incidental thereto applies subject to the following additional conditions:

- 1) It is agreed that with respect to any proceeding or suit brought in foreign countries against the "Named Insured" arising out of the action of employees of the "Named Insured" while acting within the scope of their duties as such, the Company shall have the right but not the duty to investigate and settle such claims and to defend such suits. In any case in which the Company elects not to investigate, settle or defend, the "insured" under the supervision of the Company will make or cause to be made such investigation and defense as are reasonably necessary, and subject to prior authorization by the Company will effect to the extent possible such settlement or settlements as the Company and the "insured" deem prudent. The Company shall reimburse the "insured" for the reasonable costs of such investigation and defense within the applicable limit of liability of the policy for the amount of such authorized settlements.
- 2) In the event the "insured" is otherwise insured with respect to such coverage as is afforded by this endorsement, the provisions of this endorsement shall be null and void.
- 3) Such insurance as afforded by this endorsement shall not apply to any employees with respect to injury or destruction of property owned, occupied or used by or rented to the "Named Insured".

D. Fire and/or Explosion Legal Liability Coverage - Real Property

The **Property Damage Liability Coverage** applies to "property damage" to structures or portion thereof rented to or occupied by the "Named Insured", including fixtures permanently attached thereto, if such "property damage" arises out of fire and/or explosion, subject to the following additional provisions:

- 1) With respect to the insurance provided by these provisions, all of the exclusions of the policy, other than the Nuclear Energy exclusion (Broad Form), are deleted and replaced by the following:
 - (a) This insurance does not apply to liability assumed by the "insured" under any contract or agreement;
 - (b) As respects coverage afforded by the explosion hazard, the insurance does not apply to loss by explosion of steam boilers, steam pipes, steam turbines or steam engines.
- 2) The following are not "explosions" within the intent or meaning of the explosion coverage:
 - (a) Electric arcing
 - (b) Rupture or bursting or rotating or moving parts of machinery caused by centrifugal force or mechanical breakdown
 - (c) Water hammer
 - (d) Rupture or bursting of water pipes
 - (e) Rupture or bursting due to expansion or swelling of the contents of any buildings or structures, caused by or resulting from water
 - (f) Rupture, bursting or operation of pressure relief devices

- 3) The limit of Property Damage Liability in the Declarations of the policy as applicable to “each occurrence” is, as respects this **fire and/or explosion legal liability coverage - real property** amended to read \$100,000 each occurrence.

E. Watercraft

It is agreed that the insurance afforded by the policy as respects watercraft shall be excess over any other valid and collectible insurance as respects the use of rental or watercraft by concessionaires.

It is further agreed that the “**Person Insured**” provision includes any person or organization legally responsible for the use of any such watercraft owned by the “**Named Insured**”, provided the actual use thereof is with the permission of the “**Named Insured**”.

F. Host Liquor Law Liability Coverage

The “**bodily injury**” and “**property damage**” coverages apply to “**bodily injury**” or “**property damage**” arising out of the serving or giving of alcoholic beverages, by or on behalf of the “**Named Insured**”, provided the “**Named Insured**”:

- 1) Is not a person or organization engaged in the business of manufacturing, distributing, selling or serving alcoholic beverages, or
- 2) Is not an owner or lessor of premises used for such purpose if liability is imposed by, or because of the violation of, any statute, ordinance or regulation pertaining to the sale, gift, distribution or use of any alcoholic beverage.

Damages include damages for loss of support resulting from “**bodily injury**”.

G. Vehicles Owned or Leased by Public Bodies

It is agreed that any land motor vehicle, trailer or semi-trailer designed for travel on public roads (including any machinery or apparatus attached thereto) owned or leased by the “**Named Insured**” shall be deemed an “**automobile**” and not “**mobile equipment**” if the sole reasons for considering it “**mobile equipment**” are either or both of the following:

- 1) That it is exempt from motor vehicle registration because the “**Named Insured**” is a public body not subject to the registration requirements applicable to private persons or organizations, or
- 2) That it is maintained for use exclusively on streets or highways owned by the “**Named Insured**”.

H. Additional Insured - Teams, Draft or Saddle Animals

It is agreed that with respect to the ownership, maintenance, operation, use, loading or unloading of draft or saddle animals and vehicles for use therewith, the “**Persons Insured**” provision includes any person or organization legally responsible for the use of such animals or vehicles, other than a person or organization or any employee thereof to whom the “**Named Insured**” has rented such animals or vehicles; provided that the actual use of such animals or vehicles is by the “**Named Insured**” or with his permission.

COVERAGE B. PERSONAL INJURY LIABILITY INSURANCE

1. Coverage - Personal Injury Liability

The Company will pay on behalf of the "insured" all sums which the "insured" shall become legally obligated to pay as "damages" because of injury (herein called "personal injury") sustained by any person or organization and arising out of one or more of the following "offenses" committed in the conduct of the "Named Insured's" business:

- Group A - False arrest, detention or imprisonment, "corporal punishment" or malicious prosecution
- Group B - The publication or utterance of a libel or slander or of other defamatory or disparaging material, or a publication or utterance in violation of an individual's right of privacy;
- Group C - Wrongful entry or eviction, or other invasion of the right of private occupancy.

If such "offense" is committed during the policy period within the United States of America, its territories or possessions, or the Dominion of Canada, and the Company shall have the right and duty to defend any suit against the "insured" seeking "damages" on account of such "personal injury" even if any of the allegations of the suit are groundless, false or fraudulent, and may make such investigation and settlement of any claim or suit as it deems expedient, the Company shall not be obligated to pay any claim or judgment or to defend any suit after the applicable limit of the Company's liability has been exhausted by payment of judgments or settlements.

2. Exclusions

This insurance does not apply to:

- A. To liability assumed by the "insured" under any contract or agreement;
- B. To "personal injury" arising out of the willful violation of a penal statute or ordinance committed by or with the knowledge or consent of any "insured", but this exclusion shall only apply to such person, persons or entities as have committed such willful violation or consented thereto;
- C. To "personal injury" arising out of any publications or utterance described in Group B, if the first injurious publication or utterance of the same or similar material by or on behalf of the "Named Insured" was made prior to the effective date of this insurance;
- D. To "personal injury" arising out of a publication or utterance described in Group B concerning any organization or business enterprise, or its products or services, made by or at the discretion of any "insured" with knowledge of the falsity thereof;
- E.
 - (1) To "personal injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of pollutants:
 - (a) At or from any premises, site or location which is or was at any time owned, rented, loaned or otherwise occupied or used by the "Insured";
 - (b) At or from any site or location used by or for the "Named Insured" or others for the handling, storage, disposal, processing or treatment of waste;

- (c) Which are at any time transported, handled, stored, treated, disposed of, or processed as waste by or for the "Named Insured" or any person or organization for whom the "Named Insured" may be legally responsible; or
- (d) At or from any site or location on which the "Named Insured" or any contractors or subcontractors working directly or indirectly on behalf of the "Named Insured" are performing operations:
 - (i) If the pollutants are brought on or to the site or location in connection with such operations; or
 - (ii) If the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize pollutants.

(2) To any loss, cost or expense arising out of any governmental direction or request that the "Named Insured" test for, monitor, clean up, remove, contain, treat, detoxify or neutralize pollutants.

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

3. Persons Insured

Each of the following is an "insured" under this insurance to the extent set forth below:

- A. The "Named Insured";
- B. Any elected or appointed official, executive officer, commissioner, director, or member of the "Named Insured" while acting within the scope of his duties as such;
- C. Any faculty member, employee, volunteer worker or student teacher of the "Named Insured" while acting within the scope of their duties as such. Employee shall not include any person working on a retainer or contractual agreement.

This insurance does not apply to "personal injury" arising out of the conduct of any partnership or joint venture of which the "insured" is a partner or member and which is not designated in this policy as a "Named Insured".

4. Amended Definitions

When used in reference to this insurance:

"Damages" means only those damages which are payable because of "personal injury" arising out of an offense to which this insurance applies.

"Corporal punishment" means the infliction by an insured of physical pain upon a student as a disciplinary penalty for actual or alleged misbehavior.

"Offense" means an event which results in damages to someone other than an "insured". An offense can involve a single sudden event or the continuous or repeated exposure to conditions. If the latter, the exposure shall constitute a single offense and shall be deemed to have been committed as of the most recent exposure to said conditions.

COVERAGE C. PROFESSIONAL LIABILITY INSURANCE

1. Coverage - Professional Liability

The Company will pay on behalf of the "insured" all sums which the "insured" shall become legally obligated to pay as "damages" because of injury to any person arising out of the rendering of or failure to render, during the policy period any professional services, and the Company shall have the right and duty to defend any suit against the "insured" seeking such "damages", even if any of the allegations of the suit are groundless, false or fraudulent, and may make such investigation and, with the written consent of the Board of Risk and Insurance Management of The State of West Virginia, such settlement of any claim or suit as it deems expedient but the Company shall not be obligated to pay any claim or judgment or to defend any suit after the applicable limit of the Company's liability has been exhausted by payment of judgments or settlements.

2. EXCLUSIONS

This insurance does not apply to:

- A. "Bodily injury" to any employee of the "insured" arising out of and in the course of employment by the "insured".
- B. Any obligation for which the "insured" or any carrier of the "insured" may be held liable under any Workers' Compensation, disability benefits or unemployment compensation law or any similar law.
- C. The ownership, maintenance, operation, use loading or unloading of any aircraft, motor vehicle or trailer.
- D. 1) To injury arising out of the actual, alleged or threatened discharge, dispersal, release or escape of pollutants:
 - (a) At or from any premises, site or location which is or was at any time owned, rented, loaned or otherwise occupied or used by the "Insured";
 - (b) At or from any site or location used by or for the "Named Insured" or others for the handling, storage, disposal, processing or treatment of waste;
 - (c) Which are at any time transported, handled, stored, treated, disposed of, or processed as waste by or for the "Named Insured" or any person or organization for whom the "Named Insured" may be legally responsible; or
 - (d) At or from any site or location on which the "Named Insured" or any contractors or subcontractors working directly or indirectly on behalf of the "Named Insured" are performing operations:
 - (i) If the pollutants are brought on or to the site or location in connection with such operations; or
 - (ii) If the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize pollutants.
- 2) To any loss, cost or expense arising out of any governmental direction or request that the "Named Insured" test for, monitor, clean up, remove, contain, treat, detoxify or neutralize pollutants.

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

3. **Persons Insured**

Each of the following is an "insured" under this insurance to the extent set forth below:

- A. The "Named Insured";
- B. Any elected or appointed official, executive officer, commissioner, director, or member of the "Named Insured" while acting within the "scope of his duties as such";
- C. Any faculty member, employee, volunteer worker or student teacher of the "Named Insured" while acting within the "scope of their duties as such". Employee shall not include any person working on a retainer or contractual agreement;
- D. Any student or resident of the "Named Insured" in medicine, osteopathy, nursing, dentistry, pharmacy, post first professional degree, allied health fields, or other fields of a professional nature, while acting within the scope of their curriculum as such.

This insurance does not apply to injury arising out of the conduct of any partnership or joint venture of which the "insured" is a partner or member and which is not designated in this policy as a "Named Insured".

4. **Extensions of Coverage**

The insurance afforded by this endorsement is extended to cover "Good Samaritan Acts" rendered away from the premises of the "Named Insured" provided that this insurance will be excess over any valid and collectible insurance available to an "insured".

5. **Additional Definitions**

When used in reference to this insurance:

"Damages" means all damages, including damages for death, which are payable because of injury to which this insurance applies.

The phrase "scope of their duties as such" also includes those duties that are authorized and defined in any employment agreement with the "Named Insured".

The phrase "Good Samaritan Acts" means assistance of a medical nature rendered in an emergency situation, but only for the duration of the emergency, for which no remuneration is demanded or received, and if such assistance were not given, would result in probable additional injury or death to the injured party.

6. **Additional Conditions**

A. "Insured's" Duties in the Event of Injury, Claim or Suit.

When an injury occurs written notice shall be given by or on behalf of the "insured", in accordance with the "Insured's" Duties in the Event of Injury, Claim or Suit condition.

B. First Aid Expenses Exclusion

The insurance shall not apply to expenses incurred by the "insured" for first aid at the time of the accident and the "Supplementary Payments" provision and the "Insured's" Duties in the Event of Injury, Claim or Suit condition are amended accordingly.

C. Limitation of Coverage Under Any Other Liability Insurance

Except as stated in this part, the policy does not apply to injury arising out of the rendering of or failure to render the professional services described in 1. Coverage - Professional Liability.

COVERAGE D. STOP GAP LIABILITY INSURANCE

1. Coverage - Stop Gap Liability Insurance

The Company will pay on behalf of the "insured" all sums which the "insured" shall become legally obligated to pay as damages because of "bodily injury" to which this insurance applies, caused by an "occurrence", to any employee of the "insured" whose remuneration has been reported and declared under a "Workers' Compensation Law" of the State of West Virginia and who has been injured in the course of his employment, but is not entitled to receive (or elects not to accept) the benefits provided by the aforementioned law and the Company shall have the right and duty to defend any suit against the "insured" seeking damages on account of such "bodily injury" even if any of the allegations of the suit are groundless, false or fraudulent, and the Company may make such investigation and settlement of any claim or suit as it deems expedient, but the Company shall not be obligated to pay any claim or judgment or to defend any suit after the applicable limit of the Company's liability has been exhausted by payment of judgments or settlements.

2. Exclusions

This insurance does not apply to:

- A. Liability assumed by the "insured" under any contract or agreement.
- B. Any premium, assessment, penalty, fine, or other obligation imposed by any "Workers' Compensation law".
- C. "Bodily injury" suffered or caused by any person knowingly employed by the "insured" in violation of any law as to age, or under the age of 14 years, regardless of any such law.
- D. Aircraft operations or the performance of any duty in connection with aircraft while in flight.
- E. Any damages for "bodily injury" with respect to which the "insured" is deprived of any defense or defenses, or is otherwise subject to penalty because of default in premium payment under, or any other failure to comply with the provisions of a "Workers' Compensation law".

3. Persons Insured

Each of the following is an "insured" under this insurance to the extent set forth below:

- A. The "Named Insured";
- B. Any elected or appointed official, executive officer, commissioner, director, member, or managerial or supervisory personnel of the "Named Insured" while acting within the scope of his duties as such.

This insurance does not apply to "bodily injury" arising out of the conduct of any partnership or joint venture of which the "insured" is a partner or member and which is not designated in this policy as a "Named Insured".

4. Policy Period; Policy Territory

This insurance applies only to injury within the "Policy territory" (a) by accident occurring during the policy period or (b) by sickness or disease caused by or aggravated by exposure of which the last day of the last exposure, in the employment of the "insured", to conditions causing the sickness or disease during the policy period.

5. Extensions of Coverage

The insurance afforded by this coverage part is extended to include damages for which the "insured" is liable under Section 23-4-2 of the West Virginia Compensation Act.

6. Additional Definitions

When used in reference to this insurance (including endorsements forming a part of the policy):

"Workers' Compensation Law" means the Workers' Compensation law and any Occupational Disease law but does not include those provisions of any such law which provide non-occupational disability benefits.

7. Additional Conditions

A. Excess Insurance

This insurance shall be excess over any other valid and collectible insurance.

COVERAGE E. WRONGFUL ACT LIABILITY INSURANCE

1. Coverage - Wrongful Act Liability Insurance

It is agreed that:

A. The Company will pay on behalf of the "insureds", individually or collectively, or their executors, administrators or assignees, in accordance with the terms of this coverage part, all sums which said "insureds" shall become legally obligated to pay as damages for a "loss" arising from any "Wrongful Act" of the "insured" or of any other person for whose actions the "insured" is legally responsible, and the Company shall have the right and duty to defend any suit against the "insured" seeking such damages, even if any of the allegations of the suit are groundless, false or fraudulent, and may make such investigation and, with the consent of the Board of Risk and Insurance Management of The State of West Virginia, such settlement of any claim or suit as it deems expedient, but the Company shall not be obligated to pay any claim or judgment or to defend any suit after the applicable limit of the Company's liability has been exhausted by payment of judgments or settlements.

B. The Company will pay on behalf of the "Named Insured", in accordance with the terms of this coverage part, all sums which the "Named Insured" may be required or permitted by law to indemnify any "insured" for damages the "insured" shall become legally obligated to pay as damages for a "loss" arising from any "Wrongful Act" of the "insured" or of any other person for whose actions the "insured" is legally responsible, and the Company shall have the right and duty to defend any suit against the "insured" seeking such damages, even if any of the allegations of the suit are groundless, false or fraudulent, and may make such investigation and, with the consent of the Board of Risk and Insurance Management of The State of West Virginia, such settlement of any claim or suit as it deems expedient, but the Company shall not be obligated to pay any claim or judgment or to defend any suit after the applicable limit of the Company's liability has been exhausted by payment of judgments or settlements.

C. The Company will pay on behalf of the "Named Insured", in accordance with the terms of this coverage part, all sums which the "Named Insured" shall become legally obligated to pay as damages for a "loss" arising from any "Wrongful Act" of the "Named Insured" or of any other person for whose actions the "Named Insured" is legally responsible, and the Company shall have the right and duty to defend any suit against the "Named Insured" seeking such damages, even if any of the allegations of the suit are groundless, false or fraudulent, and may make such investigation and, with the consent of the Board of Risk and Insurance Management of The State of West Virginia, such settlement of any claim or suit as it deems expedient, but the Company shall not be obligated to pay any claim or judgment or to defend any suit after the applicable limit of the Company's liability has been exhausted by payment of judgments or settlements.

It is further agreed that this insurance applies only to "losses" arising from "Wrongful Acts" occurring in or that were committed in the "policy territory" during the policy period.

2. EXCLUSIONS

This insurance does not apply to:

- A. Any claim based upon or attributable to the "insured" gaining in fact any personal profit or advantage to which they were not legally entitled, including remuneration paid in violation of law as determined by the courts.
- B. Any claim arising out of the levy, imposition, collection, payment or failure to pay, or refund of, taxes, assessments, fees and charges or the valuation of property for assessment purposes.

- C. Any claim which is insured on a primary basis by another valid policy or coverage parts A, B, C, or D of this policy.
- D. Any claim which is based upon or attributable to the rendering or failure to render any opinion, treatment, consultation or service if such opinion, treatment, consultation or service was rendered or failed to have been rendered while such "insureds" were engaged in any activity for which they received compensation from any source other than the "Named Insured" or were gratuitously engaged with other than by specific direction of the "Named Insured".
- E. Any claim arising out of the actual, alleged or threatened discharge, dispersal, release or escape of pollutants:
 - (a) At or from any premises, site or location which is or was at any time owned, rented, loaned or otherwise occupied or used by the "Insured";
 - (b) At or from any site or location used by or for the "Named Insured" or others for the handling, storage, disposal, processing or treatment of waste;
 - (c) Which are at any time transported, handled, stored, treated, disposed of, or processed as waste by or for the "Named Insured" or any person or organization for whom the "Named Insured" may be legally responsible; or
 - (d) At or from any site or location on which the "Named Insured" or any contractors or subcontractors working directly or indirectly on behalf of the "Named Insured" are performing operations:
 - (i) If the pollutants are brought on or to the site or location in connection with such operations; or
 - (ii) If the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize pollutants.

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

- F. To any loss, cost or expense arising out of any governmental direction or request that the "Named Insured" test for, monitor, clean up, remove, contain, treat, detoxify or neutralize pollutants.

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

- G. To any claims(s) made against the "insured" for damages arising out of or attributable to:

Any failure to integrate or desegregate the student enrollment or participation in any school district, school or educational or extracurricular program on the basis of race, ethnic background or national origin, or,

The bussing or other transportation of students to or from school or extracurricular events in connections with a program or plan of such integration or desegregation, or,

Causing or allowing the student enrollment or participation in any school district, school or education or extracurricular program to be operated or administered on a discriminatory basis because of race, ethnic background or national origin.

- H. To any claim(s) made against the "insured" for damages attributable to wages, salaries and benefits.

- I. To any claim(s) based upon or attributable to any allegations or claims that the "insured" breached the terms of any type or any form of contract, either express or implied, written or oral.

3. Persons Insured

Each of the following is an "insured" under this insurance to the extent set forth below:

- A. The "Named Insured",
- B. Those persons who were, are now or shall be duly elected or appointed officials, executive officers, commissioners, directors or members of the "Named Insured" while acting within the scope of his duties as such,
- C. Any faculty member, employee, volunteer worker or student teacher of the "Named Insured" while acting within the scope of their duties as such, but the insurance afforded such individuals does not apply to "bodily injury" to another faculty member, employee, volunteer worker or student teacher of the "Named Insured" arising out of or in the course of his employment. Employee shall not include any person working on a retainer or contractual agreement.

This insurance does not apply to "bodily injury" or "property damage" arising out of the conduct of any partnership or joint venture of which the "insured" is a partner or member and which is not designated in this policy as a "Named Insured".

4. Additional Definitions

When used in reference to this insurance:

- A. "Wrongful Act" shall mean any actual or alleged act, breach of duty, neglect, error, misstatement, misleading statement or omission by the "insured(s)" in the scope of duties for the "Named Insured", individually or collectively.
- B. "Loss" shall mean any amount which the "insured(s)" are legally obligated to pay, including, but not limited to, any amounts which the "Named Insured" may be required or permitted to pay as indemnity to any "insured", for a claim or claims made against an "insured" for a Wrongful Act and shall include but not be limited to damages, judgments, settlements and costs, cost of investigation and defense of legal actions (excluding salaries of officers or employees of the "Named Insured" or any other governmental body), claims or proceedings and appeals therefrom, premium on bonds to release attachments or similar bonds but without any obligation to apply for or furnish such bonds, provided always, however, "loss" shall not include fines imposed by law and any such amount due or payable under the terms of any contractual obligation.

5. Additional Duties In The Event Of Occurrence, Offense, Claim Or Suit - Notice of Claim

- A. If the **"Named Insured"** or any **"insured"** shall receive written or oral notice from any party that it is the intention of such party to hold the **"insured"** responsible for a **"Wrongful Act"**, they shall give written notice to the Company of the receipt of such written or oral notice as soon as practicable, but in no event exceeding one year.
- B. The **"Named Insured"** or any **"insureds"**, or the named designee shall, as a condition precedent to their rights under this policy, give the Company notice in writing as soon as practicable of any claim made and shall give the Company such information and cooperation as it may reasonably require.
- C. For the purpose of the above clauses, notice to the Claims Manager, State Board of Risk and Insurance Management, shall constitute notice to the **"Named Insured"** or to any **"insureds"**.
- D. In the event of any claim occurring hereunder, notice to the Company shall be given to **AIG Domestic Claims, Inc.** at P.O. Box 11780, Charleston, West Virginia 25339. Notice shall be deemed to be received, if sent by prepaid mail properly addressed.

6. General Conditions

A. Severability Clause

The insurance afforded by this coverage part shall be construed as a separate agreement with each **"insured"**.

B. Subrogation Clause

In the event of any payment under this coverage part, the Company shall be subrogated to the extent of such payment to rights of recovery therefor, and the **"insureds"** shall execute all papers required and shall do everything that may be necessary to secure and preserve such rights including the execution of such documents necessary to enable the Company effectively to bring suit in the name of the **"insureds"**.

C. Public Entity Authorization Clause

By acceptance of this coverage part, the State Board of Risk and Insurance Management agrees to act on behalf of all **"insureds"** with respect to the giving and receiving of notice of claim or cancellation, the payment of premiums and the receiving of any return premiums, that may become due under this coverage part and the **"insureds"** agree that the State Board of Risk and Insurance Management shall act on their behalf.

D. Conformity Clause

Terms of this coverage part which are in conflict with the statutes of those states wherein certain provisions and coverages included under this coverage part are not permitted are hereby amended to cover only those provisions and coverages as apply and conform to such statutes.

E. Action Against Company

No action shall lie against the Company, unless as a condition precedent thereto, the "insured" shall have fully complied with all terms of this coverage part. In the event of the bankruptcy or insolvency of the "insureds", the Company shall not be relieved of the payment of such indemnity hereunder as would have been payable but for such bankruptcy or insolvency.

F. Changes

Notices of any agent or knowledge possessed by any agent or by any other person shall not effect a waiver or a change in any part of this coverage part, nor shall the terms of this coverage part be waived or changed, except by endorsement issued to form part of this coverage part.

G. Assignment

Assignment of interest under this coverage part shall not bind the Company until its consent is endorsed hereon.

SECTION II - LIMITS OF INSURANCE

Regardless of the number of:

- a. "Insureds" under this policy;
- b. Persons or organizations who sustain "bodily injury" or "property damage"; or
- c. Claims made or suits brought on account of damages to which this policy applies,

it is agreed that the Company's liability is limited as follows:

1. The limit of the Company's liability for damages arising out of any one "occurrence" is \$1,000,000 combined - West Virginia Parkways, Economic Development and Tourism Authority (West Virginia Turnpike), \$1,000,000 Combined - The State of West Virginia (State Agencies). The "occurrence" limit applies to Coverages A, B, C, D, and E combined and not separately thereto. It is expressly understood and agreed that if an "occurrence" is insured under more than one coverage part, the each "occurrence" limit of liability will not stack.

This limit of liability will apply to "occurrences" to which this policy applies and to accidents or "occurrences" covered under:

West Virginia Comprehensive Liability Policy number GL 244-94-50 issued to The State of West Virginia, and
Commercial Automobile Liability Policy number CA 350-62-97 issued to The State of West Virginia, and
Commercial Automobile Liability Policy number CA 350-62-96 issued to The State of West Virginia covering Senate Bill #3 Entities.

If this Coverage Form and any other Coverage Form or policy issued to you by us or any of our affiliated companies apply to the same "occurrence", the maximum limit of the Company's liability under all the Coverage Forms or policies will not exceed the highest applicable limit of liability available under any one Coverage Form or policy. This condition does not apply to any other Coverage Form or policy issued by us or any of our affiliated companies specifically to apply as excess insurance over this Coverage Form.

2. For the purpose of determining the limit of the Company's liability:
 - a. Under coverage parts A and D all damages arising out of continuous or repeated exposure to substantially the same general conditions shall be considered as arising out of one "occurrence",
 - b. Under coverage part C, "occurrence" means an act or omission or a series of related acts or omissions in the rendering of or failure to render professional services by one or more "insureds", and
 - c. Under coverage part E, "occurrence" means a "Wrongful Act" or a series of related "Wrongful Acts" of one or more "insureds".

SECTION III - SUPPLEMENTARY PAYMENTS

The Company will pay, in addition to each occurrence limit of liability:

1. All expenses incurred by the Company, all costs taxed against the "insured" in any suit defended by the Company and prejudgment interest awarded against the "insured" on that part of the judgment the Company pays. If the Company makes an offer to pay the applicable limit of insurance, the Company will not pay any prejudgment interest based on that period of time after the offer.
2. Premium on appeal bonds required in any such suit, premiums on bonds to release attachments in any such suit for an amount not in excess of the applicable limit of liability of this policy, and the cost of bail bonds required of the "insured" because of accidents or traffic law violation arising out of the use of any vehicle to which this policy applies, not to exceed \$250. per bail bond, but the Company shall have no obligation to apply for or furnish any such bonds.
3. Expenses incurred by the "insured" for first aid to others at the time of an accident, for "bodily injury" to which this policy applies.
4. Reasonable expenses incurred by the "insured" at the Company's request in assisting the Company in the investigation or defense of the claim or suit, including actual loss of earnings up to \$100 a day because of time off from work.

SECTION IV - DEFINITIONS

When used in this policy (including endorsements forming a part hereof):

"Allocated Claims Expenses" means that expense which can be allocated to individual claims and shall include, but not be limited to all administrative agency and court costs, fees and expenses; fees for service of process; fees to attorneys; the cost of services of undercover operatives and detectives; fees or cost for expert testimony; cost of copies of transcripts of testimony at coroner inquests or criminal or civil proceedings; cost of copies of public records; costs of depositions and court reporters or recorded statement and any similar costs or expenses properly chargeable to defense of a particular claim or to protect the right of subrogation of the "insured". It does not include the cost of investigation and adjustment of claims by salaried employees of the company or independent adjusters substituted therefor.

"Automobile" means a land motor vehicle, trailer or semitrailer designed for travel on public roads (including any machinery or apparatus attached thereto), but does not include "mobile equipment".

"Bodily injury" means bodily injury, sickness or disease sustained by any person, which occurs during the policy period, including death at any time resulting therefrom.

"Collapse hazard" includes "structural property damage" as defined herein and "property damage" to any other property at any time resulting therefrom. "Structural property damage" means the collapse of or structural injury to any building or structure due to (1) grading of land, excavating, burrowing, filling, back-filling, tunneling, pile driving, cofferdam work or caisson work or (2) moving, shoring, underpinning, raising or demolition of any building or structure or removal or rebuilding of any structural support thereof. The "collapse hazard" does not include "property damage" (1) arising out of operations performed for the "Named Insured" by independent contractors, or (2) included within the "completed operations hazard" or the "underground property damage hazard", or (3) for which liability is assumed by the "insured" under an incidental contract.

“Completed operations hazard” includes **“bodily injury”** and **“property damage”** arising out of operations or reliance upon a representation or warranty made at any time with respect thereto, but only if the **“bodily injury”** or **“property damage”** occurs after such operations have been completed or abandoned and occurs away from premises owned by or rented to the **“Named Insured”**. Operations include materials parts or equipment furnished in connection therewith. Operations shall be deemed completed at the earliest of the following times:

1. When all operations to be performed by or on behalf of the **“Named Insured”** under the contract have been completed,
2. When all operations to be performed by or on behalf of the **“Named Insured”** at the site of the operations have been completed, or
3. When the portion of the work out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

Operations which may require further service or maintenance work, or correction, repair or replacement because of any defect or deficiency, but which are otherwise complete, shall be deemed completed.

The **“Completed operations hazard”** does not include **“bodily injury”** or **“property damage”** arising out of

- (a) Operations in connection with the transportation of property, unless the **“bodily injury”** or **“property damage”** arises out of a condition in or on a vehicle created by the loading or unloading thereof,
- (b) The existence of tools, uninstalled equipment or abandoned or unused materials, or
- (c) Operations for which the classifications stated in the policy or in the Company’s manual specifies **“including completed operations”**.

“Elevator” means any hoisting or lowering device to connect floors or landings, whether or not in service, and all appliances thereof including any car, platform, shaft, hoistway, stairway, runway, power equipment and machinery; but does not include an **“automobile”** servicing hoist or a hoist without a platform outside a building if without mechanical power or if not attached to building walls, or a hod or material hoist used in alteration construction or demolition operations, or an inclined conveyor used exclusively for carrying property or a dumbwaiter used exclusively for carrying property and having a compartment height not exceeding four feet.

“Explosion hazard” includes **“property damage”** arising out of blasting or explosion. The **“explosion hazard”** does not include **“property damage”** (1) arising out of the explosion of air or steam vessels, piping under pressure, prime movers, machinery or power transmitting equipment, or (2) arising out of operations performed for the **“Named Insured”** by independent contractors, or (3) included within the **“completed operations hazard”** or the **“underground damage hazard”**, or (4) for which liability is assumed by the **“insured”** under an **“incidental contract”**.

“Incidental contract” means any written (1) lease of premises, (2) easement agreement, except in connection with construction or demolition operations on or adjacent to a railroad, (3) undertaking to indemnify a municipality required by municipal ordinance, except in connection with work for the municipality, (4) sidetrack agreement, or (5) **“elevator”** maintenance agreement.

“Insured” means any person or organization qualifying as an insured in the **“persons insured”** provision of the applicable insurance coverage. The insurance afforded applies separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the Company’s liability.

"Mobile equipment" means a land vehicle (including any machinery or apparatus attached thereto), whether or not self-propelled,

- (1) not subject to motor vehicle registration, or
- (2) maintained for use exclusively on premises owned by or rented to the **"Named Insured"**, including the ways immediately adjoining, or
- (3) designed for use principally off public roads, or
- (4) designed or maintained for the sole purpose of affording mobility to equipment of the following types forming an integral part of or permanently attached to such vehicle: power cranes, shovels, loaders, diggers and drills; concrete mixers (other than the mix-in-transit type); graders, scrapers, rollers and other road construction or repair equipment; air-compressors, pumps and generators, including spraying, welding and building cleaning equipment; and geophysical exploration and well servicing equipment.

"Named Insured" means the organization named in Item 1. of the Declarations of this policy.

"Named Insured's products" means goods or products manufactured, sold, handled or distributed by the **"Named Insured"** or by others trading under his name, including any container thereof (other than a vehicle), but **"Named Insured's products"** shall not include a vending machine or any property other than such container, rented to or located for use of others but not sold.

"Occurrence" means an accident, including continuous or repeated exposure to conditions, which results in **"bodily injury"** or **"property damage"** neither expected nor intended from the standpoint of the **"insured"**.

"Policy territory" means:

- a. The United States of America, its territories or possessions, or Canada or
- b. International waters or airspace, provided the **"bodily injury"** or **"property damage"** does not occur in the course of travel or transportation to or from any other country, state or nation, or
- c. Anywhere in the world with respect to damages because of **"bodily injury"** or **"property damage"** arising out of a product which was sold for use or consumption within the territory described in paragraph (a) above, provided the original suit for such damages is brought within such territory.

"Products hazard" includes **"bodily injury"** and **"property damage"** arising out of the **"Named Insured's products"** or reliance upon a representation or warranty made at the time with respect thereto, but only if the **"bodily injury"** or **"property damage"** occurs away from premises owned by or rented to the **"Named Insured"** and after physical possession of such products has been relinquished to others.

"Property damage" means (1) physical injury to or destruction of tangible property which occurs during the policy period, including the loss of use thereof at any time resulting therefrom, or (2) loss of use of tangible property which has not been physically injured or destroyed provided such loss of use is caused by an **"occurrence"** during the policy period.

"Underground property damage hazard" includes underground **"property damage"** as defined herein and **"property damage"** to any other property at any time resulting therefrom. **"Underground property damage"** means **"property damage"** to wires, conduits, pipes, mains, sewers, tanks, tunnels, any similar property, and any apparatus in connection therewith, beneath the surface of the ground or water, caused by and occurring during the use of mechanical equipment for the purpose of grading land, paving, excavating, drilling, burrowing, filling, back-filling or pile driving. The **"Underground property damage hazard"** does not include **"property damage"** (1) arising out of the operations performed for the **"Named Insured"** by independent contractors, or (2) included within the **"completed operations hazard"**, or (3) for which liability is assumed by the **"insured"** under an **"incidental contract"**.

SECTION V - CONDITIONS

1. Premium

All premiums for this policy shall be computed in accordance with the Company's rules, rates, rating plans, premiums and minimum premiums applicable to the insurance afforded herein.

The premium designated in this policy is a flat premium charge not subject to audit.

The "Named Insured" shall maintain records of such information as is necessary for premium computation, and shall send copies of such records to the Company at the end of the policy period as the Company may direct.

2. Inspection and Audit

The Company shall be permitted but not obligated to inspect the "Named Insured's" property and operations at any time. Neither the Company's right to make inspections nor the making thereof nor any report thereon shall constitute an undertaking, on behalf of or for the benefit of the "Named Insured" or others, to determine or warrant that such property or operations are safe or healthful, or are in compliance with any law, rule or regulation.

The Company may examine and audit the "Named Insured's" books and records at any time during the policy period and extension thereof and within three years after the final termination of the policy, as far as they relate to the subject matter of this insurance.

3. Financial Responsibility Laws

When this policy is certified as proof of financial responsibility for the future under the provisions of any motor vehicle financial responsibility law, such insurance as is afforded by this policy for "bodily injury" liability or for "property damage" liability shall comply with the provisions of such law to the extent of the coverage and limits of liability required by such law. The "insured" agrees to reimburse the Company for any payment made by the Company which it would not have been obligated to make under the terms of this policy except for the agreement contained in this paragraph.

4. Insured's Duties In The Event Of Occurrence, Offense, Claim Or Suit

- a. The "insured" must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:
 - 1) How, when and where the "occurrence" or offense took place;
 - 2) The names and addresses of any injured persons and witnesses; and
 - 3) The nature and location of any injury or damage arising out of the "occurrence" or offense.
- b. If a claim is made or suit is brought against the "insured", the "insured" shall immediately record the specifics of the claim, suit, demand, notice, summons or other process and the date received.
- c. The "insured" shall:
 - 1) Immediately send the Company copies of any demands, notices, summonses or legal papers received in connection with the claim or suit.
 - 2) Authorize the Company to obtain records and other information.
 - 3) Cooperate with and, upon the Company's request, assist the Company in the investigation, settlement or defense of the claim or suit.
 - 4) Assist the Company, upon the Company's request, in the enforcement of any right of contribution or indemnity against any person or organization which may be liable to the

"insured" because of injury or damage with respect to which insurance is afforded under this policy.

- 5) The "insured" shall attend hearings and trials and assist in securing and giving evidence and obtaining the attendance of witnesses.

No "insureds" shall, except at their own cost, voluntarily make a payment, assume any obligation, waive any statutory or common law immunity, or incur any expense, other than for first aid, without the consent of the Company.

5. Legal Action Against Company

No action shall lie against the Company unless, as a condition precedent thereto, there shall have been full compliance with all of the terms of this policy, nor until the amount of the "insured's" obligation to pay shall have been finally determined by judgment against the "insured" after actual trial or by written agreement of the "insured", the claimant and the Company.

Any person or organization or the legal representative thereof who has secured such judgment or written agreement shall thereafter be entitled to recover under this policy to the extent of the insurance afforded by this policy. No other person or organization shall have any right under this policy to join the Company as a party to any action against the "insured" to determine the "insured's" liability, nor shall the Company be impleaded by the "insured" or his legal representative. Bankruptcy or insolvency of the "insured" or of the "insured's" legal estate shall not relieve the Company of any of its obligations hereunder.

6. Other Insurance

The insurance afforded by this policy is primary insurance, except when stated to apply in excess of or contingent upon the absence of other insurance. When this insurance is primary and the "insured" has other insurance which is stated to be applicable to the loss on an excess or contingent basis, the amount of the Company's liability under this policy shall not be reduced by the existence of such other insurance.

When both this insurance and other insurance apply to the loss on the same basis, whether primary, excess or contingent, the Company shall not be liable under this policy for a greater proportion of the loss than that stated in the applicable contribution provision below:

- A. Contribution By Equal Shares. If all of such other valid and collectible insurance provides for contribution by equal shares, the Company shall not be liable for a greater proportion of such loss than would be payable if each insurer contributes an equal share until the share of each insurer equals the lowest applicable limit of liability under any one policy or the full amount of the loss is paid, and with respect to any amount of loss not so paid the remaining insurers then continue to contribute equal shares of the remaining amount of loss until each such insurer has paid its limit in full or the full amount of the loss is paid.
- B. Contribution By Limits. If any of such other insurance does not provide for contribution by equal shares, the Company shall not be liable for a greater proportion of such loss than the applicable limit of liability under this policy for such loss bears to the total applicable limit of liability of all valid and collectible insurance against such loss.

7. Subrogation

In the event of any payment under this policy, the Company shall be subrogated to all of the "insured's" rights to recovery therefore against any person or organization and the "insured" shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The "insured" shall do nothing after loss to impair or prejudice such rights. At the Company's request, the "insured" will bring suit or transfer those rights to the Company and help the Company enforce them.

8. Changes

Notice to any agent or knowledge possessed by any agent or by any other person shall not effect a waiver or a change in any part of this policy or estop the Company for asserting any right under the terms of this policy; nor shall the terms of this policy be waived or changed, except by endorsement issued to form a part of this policy.

9. Assignment

Assignment of interest under this policy shall not bind the Company until its consent is endorsed hereon; if, however, the "Named Insured" shall die, such insurance as is afforded by this policy shall apply (1) to the "Named Insured" but only while acting within the scope of his duties as such, and (2) with respect to the property of the "Named Insured", to the person having proper temporary custody thereof, as "insured", but only until the appointment and qualification of the legal representative.

10. Nonrenewal by the Company

If the Company decides not to renew this policy, the Company shall mail or deliver to the first "Named Insured" shown in the Declarations written notice of the nonrenewal not less than 120 days before the expiration date.

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

11. Cancellation

This policy may be canceled by the "Named Insured" by surrender thereof to the Company or any of its authorized agents or by mailing to the Company written notice stating when thereafter the cancellation shall be effective. This policy may be canceled by the Company by mailing to the "Named Insured" at the address shown in the Declarations of this policy, written notice stating when not less than one hundred twenty (120) days thereafter such cancellation shall be effective, unless the policy is being canceled for non-payment of premium, in which case the Company shall provide not less than thirty (30) days notice. The mailing of notice as aforesaid shall be sufficient proof of notice. The time of surrender or the effective date and hour of cancellation stated in the notice shall become the end of the policy period. Delivery of such written notice either by the "Named Insured" or by the Company shall be equivalent to mailing.

If the "Named Insured" cancels, earned premium shall be computed in accordance with the customary short rate table and procedure. If the Company cancels, earned premium shall be computed pro rata. Premium adjustment may be made either at the time cancellation becomes effective, but payment or tender of unearned premium is not a condition of cancellation.

12. Declarations.

By accepting this policy, the "Named Insured" agrees:

- a. The statements in the Declarations are the "Named Insured's" agreements and representations;
- b. Those statements are accurate and complete;
- c. The Company has issued this policy in reliance upon the truth of such representations;
- d. This policy embodies all agreements existing between the "Named Insured" and the Company or any of its agents relating to this insurance.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ENDORSEMENT # 1

This endorsement, effective 12:01 A.M. July 1, 2011 forms a part of

Policy No. GL 244-94-49

issued by National Union Fire Insurance Company of Pittsburgh, PA.

NAMED INSURED

This endorsement modifies insurance provided under the following:

WEST VIRGINIA COMPREHENSIVE LIABILITY COVERAGE FORM

Item 1 of the Declarations is completed to read as follows:

- A. Each West Virginia County Board of Education; and
- B. Each West Virginia Political Subdivision, charitable or public service organization or emergency services agency covered by Certificates of Liability Insurance on file with the Company.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ENDORSEMENT # 2

This endorsement, effective 12:01 A.M. July 1, 2011 forms a part of
Policy No. GL 244-94-49
issued by National Union Fire Insurance Company of Pittsburgh, PA.

AMENDATORY ENDORSEMENT

This endorsement modifies insurance provided under the following:

WEST VIRGINIA COMPREHENSIVE LIABILITY COVERAGE FORM

Various provisions of the policy are amended as follows:

It is agreed that:

- A. The terms of this policy, which are in conflict with the statutes of the State of West Virginia, are hereby amended to conform to such statutes.
- B. Except with respect to the Limits of Liability, and any rights or duties specifically assigned in this Coverage part to the first "**Named Insured**", this insurance applies:
 - 1. As if each "**Named Insured**" were the only "**Named Insured**"; and
 - 2. Separately to each "**insured**" against whom claim is made or suit is brought.
- C. As respects all facilities operated by Concessionaires, the insurance afforded by this policy form shall be excess over any other valid and collectible insurance.
- D. If a "**Named Insured**" has other primary insurance for the hazards covered by this policy, this policy does not apply to losses occurring before the expiration or termination date of the other insurance except to the extent that the amount of loss exceeds the limit of liability of the insurance, but then only for an amount not exceeding the difference between any higher applicable limit of liability stated in the schedule of this policy and the limit of liability of the other insurance.
- E. It is agreed that the provisions of the Certificate of Liability insurance issued to Each West Virginia Political Subdivision, charitable or public service organization or emergency services agency are incorporated into this policy.
- F. As stated in the Certificate of Insurance, which was incorporated into this policy by "E." above, it is a condition precedent of coverage under this policy that the additional insured does not waive any statutory or common law immunity conferred upon it.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ENDORSEMENT # 3

This endorsement, effective 12:01 A.M. July 1, 2011 forms a part of

Policy No. GL 244-94-49

issued by National Union Fire Insurance Company of Pittsburgh, PA.

**EXCLUSION OF CLAIMS, AWARDS, OR JUDGMENTS RENDERED BY
HUMAN RIGHTS COMMISSION OR GRIEVANCE BOARDS OR
GOVERNMENTAL AGENCIES OR ADMINISTRATIVE BODIES**

This endorsement modifies insurance provided under the following:

WEST VIRGINIA COMPREHENSIVE LIABILITY COVERAGE FORM

Section I - Coverages, Coverage A, B, C, D, & E, 2. Exclusions are amended to add:

It is agreed that no insurance coverage shall be applicable to any and all claims, awards, settlements, or judgments, that are filed with, rendered or accepted or adjudicated by any federal, state, county or municipal Human Rights Commission or any other federal, state, county or city administrative agency or grievance board. This exclusion applies to any form of grievance proceeding before an administrative agency or forum, including investigation by and litigation initiated by the Equal Employment Opportunity Commission. This exclusion applies whether the agency or commission is public, private, quasi-judicial or quasi-governmental. This exclusion applies to any appeals from any such commission, agency or administrative body.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ENDORSEMENT # 4

This endorsement, effective 12:01 A.M. July 1, 2011 forms a part of
Policy No. GL 244-94-49

issued by National Union Fire Insurance Company of Pittsburgh, PA.

JOINT VENTURE CLAUSE

This endorsement modifies insurance provided under the following:

WEST VIRGINIA COMPREHENSIVE LIABILITY COVERAGE FORM

Section I - Coverages, Coverage A, B, C, D, & E, 3. Persons Insured are amended to add:

It is hereby understood and agreed that, as respects any liability of the insurance that is insured under this policy and arises in any manner whatsoever out of the operations or existence of any joint venture, co-venture, joint lease, joint operating, agreement or partnership (hereinafter called "**joint venture**") in which the "**insured**" has an interest, the liability under this policy shall be limited to the products of

- (1) The percentage interest of the "**insured**" in the said "**joint venture**" and
- (2) The total limit of liability insurance afforded by this policy.

Where the percentage interest of the "**insured**" in said "**joint venture**" is not set forth in writing, this percentage to be applied shall be that which would be imposed by law at the inception of the "**joint venture**". Such percentage shall not be increased by the insolvency or bankruptcy of others interested in said "**joint venture**".

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ENDORSEMENT # 5

This endorsement, effective 12:01 A.M. July 1, 2011 forms a part of

Policy No. GL 244-94-49

issued by National Union Fire Insurance Company of Pittsburgh, PA.

SUBROGATION

This endorsement modifies insurance provided under the following:

WEST VIRGINIA COMPREHENSIVE LIABILITY COVERAGE FORM

Section V - Conditions, 7. - Subrogation is amended to add:

However, as respects Schirmer Engineering Corporation, it is agreed that with respect to such insurance as is afforded by the policy, the Company, in the event of any claims under this policy, waives the right of subrogation, as respects the "insured's" right to recovery therefrom.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ENDORSEMENT # 6

This endorsement, effective 12:01 A.M. July 1, 2011 forms a part of

Policy No. GL 244-94-49

issued by National Union Fire Insurance Company of Pittsburgh, PA.

**LIMITATION OF COVERAGE- AIRPORTS, AIRCRAFT
and HOSPITALS**

This endorsement modifies insurance provided under the following:

WEST VIRGINIA COMPREHENSIVE LIABILITY COVERAGE FORM

Section I - Coverages, Coverage A, B, C, D, & E, 2. Exclusions are amended to add:

This insurance does not apply to:

1. The premises or operations of any airport.
2. The ownership, maintenance, or use of any aircraft.
3. The ownership or operation of any hospital as defined in Chapter 16, Article 5B, Section 1 of the West Virginia Code, except those hospitals certified as critical access hospital in accordance with Chapter 29, Article 12, Section 5 of West Virginia Code who are covered by Certificates of Liability Insurance on file with the Company. This exclusion does not apply, however, to the ownership or operation of any nursing home, rest home, personal care facility, home for the aged, extended care facility not in connection with a hospital, boarding home, home for the infirm or chronically ill, convalescent home, hotel, or other similar places that furnish to their guests only board or room.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ENDORSEMENT # 7

This endorsement, effective 12:01 A.M. July 1, 2011 forms a part of

Policy No. GL 244-94-49

issued by National Union Fire Insurance Company of Pittsburgh, PA

ABSOLUTE ASBESTOS EXCLUSION

This endorsement modifies insurance provided under the following:

WEST VIRGINIA COMPREHENSIVE LIABILITY COVERAGE FORM

Section I - Coverages, Coverage A, B, C, D, & E, 2. Exclusions are amended to add:

This insurance does not apply to:

Any liability for **“bodily injury”**, **“property damage”** or **“personal injury as defined in Coverage B”** at any time arising out of:

- 1) the manufacture, transportation, storage or disposal of to asbestos products, asbestos fibers or asbestos dust or any goods or products containing asbestos;
- 2) the mining of, use of, sales of, installation of, distribution of, or exposure to asbestos products, asbestos fibers or asbestos dust or any goods or products containing asbestos;
- 3) inhaling, ingesting or prolonged physical exposure to asbestos products, asbestos fibers or asbestos dust or any goods or products containing asbestos;
- 4) the use of asbestos in constructing or manufacturing any good(s), product(s) or structure(s);
- 5) the removal of asbestos products, asbestos fibers or asbestos dust from any good(s), product(s) or structure(s);
- 6) any obligation of the insured to indemnify any party because of damages arising out of such **“bodily injury”**, **“property damage”** or **“personal injury as defined in Coverage B”** at any time arising out of the manufacture of, mining of, use of, sales of, installation of, distribution of, or exposure to asbestos products, asbestos fibers or asbestos dust or any goods or products containing asbestos.

The insurance afforded by the policy does not apply to payment for the investigation or defense of any loss, injury or damage or any cost, fine or penalty or for any expense or claim or suit related to any of the above.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ENDORSEMENT # 8

This endorsement, effective 12:01 A.M. July 1, 2011 forms a part of

Policy No. GL 244-94-49

issued by National Union Fire Insurance Company of Pittsburgh, PA

ABSOLUTE LEAD EXCLUSION

This endorsement modifies insurance provided under the following:

WEST VIRGINIA COMPREHENSIVE LIABILITY COVERAGE FORM

Section I - Coverages, Coverage A, B, C, D, & E, 2. Exclusions are amended to add:

This insurance does not apply to:

Any liability for **“bodily injury”**, **“property damage”** or **“personal injury as defined in Coverage B”** at any time arising out of:

- 1) the presence, ingestion, inhalation, or absorption of, or exposure to, lead in any form or products containing lead; or
- 2) the presence of, or exposure to, lead in any form or products containing lead.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ENDORSEMENT # 9

This endorsement, effective 12:01 A.M. July 1, 2011 forms a part of

Policy No. GL 244-94-49

issued by National Union Fire Insurance Company of Pittsburgh, PA

**NUCLEAR ENERGY LIABILITY EXCLUSION
ENDORSEMENT
(Broad Form)**

This endorsement modifies insurance provided under the following:

WEST VIRGINIA COMPREHENSIVE LIABILITY COVERAGE FORM

Section I - Coverages, Coverage A, B, C, D, & E, 2. Exclusions are amended to add:

- I. 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 and 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 **"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.

II. 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 designed or 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.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ENDORSEMENT # 10

This endorsement, effective 12:01 A.M. July 1, 2011 forms a part of

Policy No. GL 244-94-49

issued by National Union Fire Insurance Company of Pittsburgh, PA

SELECTION OF COUNSEL

This endorsement modifies insurance provided under the following:

WEST VIRGINIA COMPREHENSIVE LIABILITY COVERAGE FORM

Section V - Conditions, is amended to add:

13. Selection of Counsel

The Company shall have the sole right, obligation and duty to determine, retain and appoint legal counsel to defend any claim or suit to which this policy applies.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ENDORSEMENT # 11

This endorsement, effective 12:01 A.M. July 1, 2011 forms a part of

Policy No. GL 244-94-49

issued by National Union Fire Insurance Company of Pittsburgh, PA

EXCLUSION OF NON-PECUNIARY RELIEF CLAIMS

This endorsement modifies insurance provided under the following:

WEST VIRGINIA COMPREHENSIVE LIABILITY COVERAGE FORM

Section 1 - Coverages, Coverage A, B, C, D, & E, 2. Exclusions are amended to add:

No insurance coverage exists for any and all claims, demands or actions seeking relief in any non-pecuniary form, including but not limited to injunctions, equitable relief, and declaratory judgments, and to any claims, demands, or actions seeking relief in the form of attorney's fees, expenses, or other costs against the insured made in conjunction with, or as a result of, any claim for non-pecuniary relief.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ENDORSEMENT # 12

This endorsement, effective 12:01 A.M. July 1, 2011 forms a part of

Policy No. GL 244-94-49

issued by National Union Fire Insurance Company of Pittsburgh, PA

**EXCLUSION OF CLAIMS FOR ATTORNEYS' FEES, COSTS, EXPENSES,
FINES, OR PENALTIES ARISING FROM CRIMINAL PROCEEDINGS**

This endorsement modifies insurance provided under the following:

WEST VIRGINIA COMPREHENSIVE LIABILITY COVERAGE FORM

Section 1 - Coverages, Coverage A, B, C, D, & E, 2. Exclusions are amended to add:

No coverage exists for attorneys' fees, costs, expenses, fines and penalties submitted to, or incurred in defending any criminal proceedings or charges, threatened or prosecuted against an "insured" or its employees, agents and servants.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ENDORSEMENT # 13

This endorsement, effective 12:01 A.M. July 1, 2011 forms a part of

Policy No. GL 244-94-49

issued by National Union Fire Insurance Company of Pittsburgh, PA

EXCLUSION OF CLAIMS SEEKING NON-SPECIFIC OR GENERAL DEMANDS

This endorsement modifies insurance provided under the following:

WEST VIRGINIA COMPREHENSIVE LIABILITY COVERAGE FORM

Section I - Coverages, Coverage A, B, C, D, & E, 2. Exclusions are amended to add:

No insurance coverage exists for any and all claims, demands or actions unless the specific demand for relief seeks compensatory or punitive damages (to the extent such punitive damages are allowed under existing law). Non-specific or general demands for judgment or relief, such as "for any other such relief as the court deems just and proper" and other similar types of demands, do not create a duty to either defend or pay under the terms and conditions of this policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ENDORSEMENT # 14

This endorsement, effective 12:01 A.M. July 1, 2011 forms a part of
Policy No. GL 244-94-49
issued by National Union Fire Insurance Company of Pittsburgh, PA

EXCLUSION – NAMED INSURED VS. INSURED CLAIMS

This endorsement modifies insurance provided under the following:

WEST VIRGINIA COMPREHENSIVE LIABILITY COVERAGE FORM

Section I - Coverages, Coverage A, B, C, D, & E, 2. Exclusions are amended to add:

No insurance coverage exists for any and all claims, demands or actions brought by the **“Named Insured”** as defined in Endorsement #1 against any insured that derives coverage under the same Certificate of Liability insurance issued by the Board of Risk & Insurance Management to the **“Named Insured”** as defined in Endorsement #1.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ENDORSEMENT # 15

This endorsement, effective 12:01 A.M. July 1, 2011 forms a part of

Policy No. GL 244-94-49

issued by National Union Fire Insurance Company of Pittsburgh, PA

SILICOSIS EXCLUSION ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

Section I. - Coverages, Coverage A, B, C, D, & E, 2. Exclusions are amended to add:

“Bodily injury”, “property damage”, “personal injury as defined in Coverage B” or any other loss, cost or expense arising out of the presence, ingestion, inhalation or absorption of or exposure to silica products, silica fibers, silica dust or silica in any form, or to any obligation of the insured to indemnify any party because of damages arising out of the presence, ingestion, inhalation or absorption of or exposure to silica products, silica fibers, silica dust or silica in any form.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ENDORSEMENT # 16

This endorsement, effective 12:01 A.M. July 1, 2011 forms a part of
Policy No. GL 244-94-49

issued by National Union Fire Insurance Company of Pittsburgh, PA

ABSOLUTE MOLD AND FUNGUS EXCLUSION

This endorsement modifies insurance provided under the following:

WEST VIRGINIA COMPREHENSIVE LIABILITY COVERAGE FORM

Section I - Coverages, Coverage A, B, C, D, & E, 2. Exclusions are amended to add:

This insurance does not apply to:

Any liability for "**bodily injury**", "**property damage**", or "personal injury as defined in Coverage B", including but not limited to claims, losses, **occurrences**, suits, costs, or expenses, related to, arising from or associated with inhaling, ingesting, or any physical exposure to, or clean-up, or remediation, or containment, or abatement, caused directly or indirectly at any time arising out of:

- a. Any "fungus(i), "mold(s)", mildew or yeast, or
- b. Any "spore(s)" or toxins created or produced by or emanating from such "fungus(i)", "mold(s)", mildew or yeast, or
- c. Any substance, vapor, gas or other emission or organic or inorganic body or substance produced by or arising from any "fungus(i), "mold(s)", mildew or yeast, or
- d. Any material, product, building component, building or structure, or any concentration of moisture, water or other liquid within such material, product, building component, building or structure, that contains, harbors, nurtures or acts as a medium for any "fungus(i), "mold(s)", mildew, yeast, or "spore(s)" or toxins emanating therefrom,

Regardless of any other cause, event, material, product and/or building component that contributed concurrently or in any sequence to that "**bodily injury**", "**property damage**", "personal Injury as defined in Coverage B", loss, cost or expense.

For the purposes of this exclusion, the following definitions are added to the Policy:

"Fungus(i)" includes, but is not limited to, any of the plants or organisms belonging to the major group fungi, lacking chlorophyll, and including "mold(s)", rusts, mildews, smuts, and mushrooms.

"Mold(s)" includes, but is not limited to, any superficial growth produced on damp or decaying organic matter or on living organisms, and "fungi" that produce molds.

"Spore(s)" means any dormant or reproductive body produced by or arising or emanating out of any "fungus(i)", "mold(s)", mildew, plants, organisms or microorganisms.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ENDORSEMENT # 17

This endorsement, effective 12:01 A.M. July 1, 2011 forms a part of

Policy No. GL 244-94-49

issued by National Union Fire Insurance Company of Pittsburgh, PA

FRAUD, DISHONESTY, OR CRIMINAL ACT EXCLUSION

This endorsement modifies insurance provided under the following:

WEST VIRGINIA COMPREHENSIVE LIABILITY COVERAGE FORM

Section I - Coverages, Coverage A, B, C, D, & E, 2. Exclusions are amended to add:

Any claim brought about or contributed to by fraud, dishonesty or criminal act of any "insured"; however, notwithstanding the foregoing, the "insured" shall be protected under the terms of this coverage part as to any claims upon which suit may be brought against them by reason of any alleged fraud, dishonesty or criminal act on the part of any "insured(s)", unless a judgement or other final adjudication thereof adverse to such "insured(s)" shall establish that acts of active or deliberate fraud, dishonesty or criminal act committed by such "insured(s)" or unless there was an admission of guilt by the "insured".

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ENDORSEMENT # 18

This endorsement, effective 12:01 A.M. July 1, 2011 forms a part of

Policy No. GL 244-94-49

issued by National Union Fire Insurance Company of Pittsburgh, PA

DEDUCTIBLE ENDORSEMENT

This endorsement modifies insurance provided under the following:

WEST VIRGINIA COMPREHENSIVE LIABILITY COVERAGE FORM

Section I – Coverages, Coverage A, B, C, D, & E, Conditions are amended to add:

I. Payment and Deductible Conditions

A. We will pay on behalf of the **Additional Named Insured**, in accordance with the terms and condition of this policy, all sums that the **insured** is legally obligated to pay up to the limit of liability of this policy. **Our** limit of insurance includes, and shall not apply in addition to, any sum that **you** must reimburse **BRIM** for damages **we** have paid.

B. **You** must reimburse **BRIM** up to the Deductible Limit(s) shown on the Certificate of Insurance for any amounts **we** have paid as damages and/or "Allocated Loss Adjustment Expense". The Deductible will apply to each occurrence, accident, offense, claim or other basis as provided in each coverage part, regardless of the number of persons or organizations who sustain damage because of an occurrence, accident, offense, claim or other basis as provided in each coverage part.

II. Additional Conditions

A. Duty to Reimburse

1. **You** must reimburse **BRIM** in accordance with this endorsement for any payment **we** make in good faith on behalf of an insured under this policy.
2. Reimbursement is due and payable within forty-five (45) days of **your** receipt of an invoice for such reimbursement from **us**.

B. Default and Remedies

If you fail to perform any of your duties under this endorsement, **BRIM** may take any reasonable steps necessary to protect its interests, including termination of your participation in the insurance program administered by **BRIM**.

C. Recovery From Others

We have your rights and the rights of each insured under this policy, to recover all payments, including those within your reimbursement amount, from anyone liable for the damages. You will do everything necessary to protect those rights for us and to help us enforce them.

If we recover any payment we make under this policy from anyone liable for the damages, the amount we recover will first be applied to any payments we made in excess of the reimbursable amount or in expenses in obtaining the recovery. We will apply the remainder of the recovery, if any, to reduce the amount that is reimbursable by you.

III. Additional Definitions

As used in this endorsement, the following words are defined as:

Allocated Loss Adjustment Expense means all fees for services of process and court costs and court expenses; pre- and post-judgment interest; attorneys' fees; costs of undercover operative and detective services; costs of employing experts; costs for legal transcripts, copies of any public records, and costs of depositions and court-reported or recorded statements; costs and expenses of subrogation; and any similar fee, cost or expense reasonably chargeable to the investigation, negotiation or defense of a loss or claim or suit against you, or the protection and perfection of your or our subrogation rights. However, **Allocated Loss Adjustment Expense** shall not include our general overhead, the salary and employee benefits of any of our employees, nor the fees of any attorney who is our employee or under our permanent retainer; nor the fees of any attorney we retain to provide counsel to us about our obligations, if any, under this policy, with respect to a claim or suit against you.

We, us, or our means the National Union Fire Insurance Company of Pittsburgh, Pa.

You or your means each West Virginia County Board of Education or each political subdivision, charitable or public service organization or emergency services agency we insure per Endorsement # 1 of this policy.

BRIM means the West Virginia Board of Risk and Insurance Management.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ENDORSEMENT # 19

This endorsement, effective 12:01 A.M. July 1, 2011 forms a part of

Policy No. GL 244-94-49

By National Union Fire Insurance Company of Pittsburgh, PA.

FOREIGN LIABILITY REIMBURSEMENT COVERAGE ENDORSEMENT

This endorsement modifies insurance provided under the following:

WEST VIRGINIA COMPREHENSIVE LIABILITY COVERAGE FORM

Section I. - Coverages, Coverage A, B, C, D, & E, 1. Coverages are amended to add:

As respects employees of the "**Named Insured**" hired in the United States of America or the Dominion of Canada and traveling for the "**insured**" outside of the United States of America, its territories or possessions, or the Dominion of Canada, such insurance as is afforded by the policy for liability imposed upon the "**Named Insured**" arising out of the ownership, maintenance or use of premises and all operations necessary or incidental thereto applies subject to the following additional conditions:

- 1) It is agreed that with respect to any proceeding or suit brought in foreign countries against the "**Named Insured**" arising out of the action of employees of the "**Named Insured**" while acting within the scope of their duties as such, the Company shall have the right but not the duty to investigate and settle such claims and to defend such suits. In any case in which the Company elects not to investigate, settle or defend, the "**insured**" under the supervision of the Company will make or cause to be made such investigation and defense as are reasonably necessary, and subject to prior authorization by the Company will effect to the extent possible such settlement or settlements as the Company and the "**insured**" deem prudent. The Company shall reimburse the "**insured**" for the reasonable costs of such investigation and defense within the applicable limit of liability of the policy for the amount of such authorized settlements.
- 2) In the event the "**insured**" is otherwise insured with respect to such coverage as is afforded by this endorsement, the provisions of this endorsement shall be null and void.
- 3) Such insurance as afforded by this endorsement shall not apply to any employees with respect to injury or destruction of property owned, occupied or used by or rented to the "**Named Insured**".

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ENDORSEMENT # 20

This endorsement, effective 12:01 A.M. July 1, 2011 forms a part of

Policy No. GL 244-94-49

By National Union Fire Insurance Company of Pittsburgh, PA.

**LIMITATION OF CLAIMS TO FAULT ATTRIBUTABLE
TO PROTECTED PARTIES**

This endorsement modifies insurance provided under the following:

WEST VIRGINIA COMPREHENSIVE LIABILITY COVERAGE FORM

Section I - Coverages, Coverage A, B, C, D, & E, 2. Exclusions are amended to add:

Pursuant to the laws of the State of West Virginia including, but not limited to, Article 10, Section 6 of the Constitution of the State of West Virginia:

No coverage exists as to claims, demands, or actions seeking relief or damages from any entity, which by law, cannot be responsible for the debts or liabilities of another entity or person or that entity's employees, agents and servants in their official capacities (referred to collectively as "protected parties") except as to the percentage of fault or negligence attributable to such "protected parties" in relation to the total fault or negligence causing or claimed to have caused such damages, but in no event may recovery be had in an amount exceeding the policy limit.

This endorsement does not, however, extinguish or in any way affect the "protected parties" right to contribution or indemnity or affect its right against any other actual or potential joint tortfeasor or its right to assert any defenses it may have against a plaintiff or a claimant in a civil action either threatened or pending.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ENDORSEMENT #21

This endorsement, effective 12:01 A.M. July 1, 2011 forms a part of

Policy No. GL 244-94-49

issued by National Union Fire Insurance Company of Pittsburgh, PA.

**EXCLUSION OF COVERAGE FOR PERSONS ACCUSED OR CONVICTED OF
CRIMES AND SUBJECT TO THE ORDERS OF A COURT**

This endorsement modifies insurance provided under the following:

WEST VIRGINIA COMPREHENSIVE LIABILITY COVERAGE FORM

Section I-Coverages, Coverages A, B, C, D & E, 3. Persons Insured are amended to add:

No person committed to the custody of the Division of Corrections, the Regional Jail and Correctional Facility Authority or other state agency as a result of a finding of probable cause that a crime has been committed or a criminal conviction, and while still under order of the court, shall qualify as an insured under this policy.

This endorsement will apply irrespective of whether the person receives payment or consideration of any type from the state while in custody, and shall apply whether the custody be incarceration, probation or parole.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ENDORSEMENT # 22

This endorsement, effective 12:01 A.M. July 1, 2011 forms a part of

Policy No. GL 244-94-49

issued by National Union Fire Insurance Company of Pittsburgh, PA.

**WEST VIRGINIA BROAD FORM EMPLOYERS LIABILITY
POLICY PROVISIONS APPLICABLE TO WEST VIRGINIA
VOLUNTEER FIRE DEPARTMENTS**

This endorsement modifies insurance provided under the following:

WEST VIRGINIA COMPREHENSIVE LIABILITY COVERAGE FORM

1. **Section I - Coverages, Coverage D, 3. Persons Insured is amended to add:**
 - C. Any volunteer fire department, not otherwise insured under this policy, that elects and is approved to purchase this coverage through the program administered by the West Virginia Board of Risk and Insurance Management. This further includes all members in good standing, officers or board members of such volunteer fire department against whom claim may be presented for violation of W. Va. Code 523-4-2(d)(2)(ii).
2. It is agreed that no insurance coverage exists for any claim for damages or a defense which does not directly arise out of W.Va. Code 523-4-2(d)(2)(ii) for any individual or entity who qualifies as an insured under the terms of this Endorsement.
3. It is agreed that no insurance coverage exists for any and all claims, demands or actions, under Coverage A, B, C, and E, of the Policy for any individual or entity who qualifies as an insured under the terms of this Endorsement.
4. It is agreed that no liability deductible will apply to claims that arise from the coverage provided by this Endorsement.

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ENDORSEMENT

This endorsement, effective 12:01 A.M. July 1, 2010 forms a part of

Policy No. GL 436-07-19

issued by National Union Fire Insurance Company of Pittsburgh, PA.

COVERAGE TERRITORY ENDORSEMENT

This endorsement modifies insurance provided under the following:

Payment of loss under this policy shall only be made in full compliance with all United States of America economic or trade sanction laws or regulations, including, but not limited to, sanctions, laws and regulations administered and enforced by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC").

LARGE RISK RATING PLAN ENDORSEMENT

PLAN TYPE

This endorsement changes the policy to which it is attached effective on the inception date of the policy unless a different date is indicated below.

(The following "attaching clause" needs to be completed only when this endorsement is issued subsequent to the preparation of the policy.)

This Endorsement, effective 12:01 AM 07/01/2011 forms a part of Policy Number **GL 2449449**

Issued to **STATE OF WEST VIRGINIA**

By **National Union Fire Insurance Company of Pittsburgh, Pa.**

PART I. GENERAL TERMS and CONDITIONS

This endorsement determines the *Final Premium* for the insurance provided during the Rating Period by this policy, any other policy described in this endorsement in Section 1 of PART II, and the renewals and replacements of each (the "policies"). The Rating Period begins and ends at 12:01 AM on the respective dates shown in Section 1 of PART II. If the Plan Type of this endorsement states Construction Project, this endorsement applies only to, and for the duration of, the construction project described in Section 1 of PART II.

The rates and the basis types described in PART II will remain fixed for the duration of the Rating Period, except (if applicable) Section 7 "Claims Service Charges on Fee Basis", Section 8 "Taxes, Assessments and Surcharges", and any applicable items set forth in Section 11 "Exceptions". These exceptions will be subject to change at each anniversary of the beginning of the Rating Period.

Section 1. Premium Calculation

The *Final Premium* for the policies will be the sum of the total *Subject Premium* and the total *Non-Subject Premium*. The way that the total *Subject Premium* will be determined is described below and is shown in Section 9, Item A of PART II. The way that the total *Non-Subject Premium* will be determined is described below and is shown in Section 9, Item B of PART II.

A. **Total *Subject Premium*:** The total *Subject Premium* for the policies will be determined separately by state and kind of insurance. For each state and kind of insurance, the *Subject Premium* shall be the sum of *Subject Losses* and the Charges for the Insurance Charge, Expenses and Profit divided by the Tax/Assessment Divisor as determined below.

1. ***Subject Losses*:** The first part of the *Subject Premium* will be the sum of all *Subject Losses* under any applicable terms of the policies described in Section 1 of PART II and as identified in Section 5, Item A of PART II.
2. **Charges for Insurance Charge, Expenses and Profit:** The second part of the *Subject Premium* will be the component parts of the *Subject Premium* other than *Subject Losses* that are identified as line items in Section 9, Item A of PART II.

The entire estimated amount of each such charge can be found in Section 9, Item A of PART II subject to any applicable Minimum Premium shown for it.

We will apportion the entire amount of each such charge to each kind of insurance and state covered under the policies in proportion to the respective *Standard Premium* of each, except that:

- a. Charges for claims service expenses will be allocated in proportion to respective *Subject Losses*, and
- b. Charges for administrative expenses and profit for the kinds of insurance in the states described in Section 2 of PART II will be the difference between:
 - i. the *Final Premium* for such kinds of insurance and states determined as provided for in the policy other than by this Endorsement, and
 - ii. the sum of *Subject Losses*, all other charges for the Insurance Charge, Expenses and Profit included in this item 2, taxes and assessments determined through the application of the Tax/Assessment Divisor, and *Non-Subject Premiums* for such states.

3. **Tax/Assessment Divisor:** One (1.000) less the Tax/Assessment Rate as shown in Section 9 Item A of PART II. The rate is calculated as indicated in Section 8 of PART II.

B. **Total *Non-Subject Premium*:** The part of the *Final Premium* for the kinds or layers of insurance described in Section 9, Item B of PART II will be calculated as shown therein. If no *Basis* of premium determination for *Non-Subject Premium* is shown in Section 9, Item B of PART II, the *Non-Subject Premium* will be determined as set forth in the policy under which such insurance is provided.

LARGE RISK RATING PLAN ENDORSEMENT

Section 2. Schedule of Premium Adjustments

- A. The estimated *Final Premium* is shown in Section 9, Item C of PART II. We will recalculate the estimated *Final Premium* as soon as practicable after the First Valuation Date shown in Section 5 of PART II. We will recalculate the estimated *Final Premium* annually thereafter until you and we agree in writing that no more recalculations will be done.
- B. Additional premium due us, or return premium due you, resulting from the calculation or recalculation of the *Final Premium*, will be payable in its entirety promptly unless otherwise specified in a premium finance agreement between you and us.

Section 3. Expected Total Cost

In addition to *Final Premium*, you may be liable under the terms of the policies for reimbursements of certain losses and *Allocated Loss Adjustment Expenses* we pay, subject to any *Minimum Cost* and *Maximum Cost* as described below, and surcharges. Our estimated amounts for such additional costs, if any, are shown in Section 9, Item C of PART II.

- A. **Minimum Cost:** If a *Minimum Cost* is applicable, that amount is the minimum you must pay for the *Subject Premium* and, if applicable, *Non-Subject Premium*, *Reimbursable Losses*, *Deductible Losses*, *Self-Insured Losses* and *ALAE* itemized in Section 6 Item A. c. of PART II. Component items not itemized in Section 6, Item A. c. of Part II are not included in the *Minimum Cost*. If an Adjustment Rate and a *Basis* of Adjustment are shown in Section 6, Item A. a. of PART II, the *Minimum Cost* will be determined by multiplying the Adjustment Rate by the actual *Basis* of Adjustment as determined by our final audit of your books and records.
- B. **Maximum Cost:** If a *Maximum Cost* is applicable, that amount is the maximum you must pay for *Subject Premium* and, if applicable, *Non-Subject Premium*, *Reimbursable Losses*, *Deductible Losses*, *Self-Insured Losses* and *ALAE* itemized in Section 6 Item B. c. of PART II. Component items not itemized in Section 6, Item B. c. of Part II are not included in the *Maximum Cost*. If an Adjustment Rate and a *Basis* of Adjustment are shown in Section 6, Item B. a. of PART II, the *Maximum Cost* will be determined by multiplying the Adjustment Rate by the actual *Basis* of Adjustment as determined by our final audit of your books and records.

Section 4. Definitions

- A. "*Aggregate Stop Amount*" means the maximum amount of benefits, damages and *ALAE* payable by you for losses under the policies described in Section I of PART II, subject to any *Aggregate Stop Limit*.
- B. "*Aggregate Stop Limit*" means the maximum amount of benefits, damages and *ALAE* above the *Aggregate Stop Amount* that we will not require you to reimburse us for under any Loss Reimbursement or Deductible terms of the policies described in Section I of PART II.
- C. "*Allocated Loss Adjustment Expenses*" or "*ALAE*" will include all fees for service of process and court costs and court expenses; pre- and post-judgment interest; attorneys' fees; cost of undercover operative and detective services; costs of employing experts; costs for legal transcripts, copies of any public records, and costs of depositions and court-reported or recorded statements; costs and expenses of subrogation; and any similar fee, cost or expense reasonably chargeable to the investigation, negotiation, settlement or defense of a loss or a claim or suit against you, or to the protection and perfection of your or our subrogation rights.

ALAE will not include loss adjustment expenses explicitly included in the premium calculation formula of Section 1, Paragraph A, Item 2 of this PART I or otherwise explicitly included in the rating values shown in PART II; nor the salary, employee benefits, or overhead of any of our employees, nor the fees of any attorney who is our employee or under our permanent retainer; nor the fees of any attorney we retain to provide counsel to us about our obligations, if any, under any policy issued by us or our affiliated companies, with respect to a claim or suit against you.

ALAE Option selected and shown in Section 3 of PART II is described below.

- a. **Option A:** *Subject Loss* includes all or a part of all *ALAE* such that the *Subject Loss* will not exceed the applicable *Retained Amount*.
- b. **Option B:** *Subject Loss* includes 100% of all *ALAE*.
- c. **Option C:** *Subject Loss* includes all or a part of *ALAE* calculated according to the following formula:
 - i. if we incur NO obligation under the policies to pay damages, benefits or indemnity resulting from a claim, *Subject Loss* under that claim will include all *ALAE* up to the applicable *Retained Amount* and a percentage of all *ALAE* in excess thereof. That percentage is shown in Section 3 of PART II under "Option C Excess %"; or

LARGE RISK RATING PLAN ENDORSEMENT

- ii. if we DO incur an obligation to pay damages, benefits or indemnity under the policies because of a claim, *Subject Loss* under that claim will include all *ALAE* incurred under that claim, multiplied by the amount of our obligation to pay damages or benefits up to the applicable *Retained Amount*, divided by the total amount of our obligation to pay damages or benefits.
 - d. Option D: *Subject Loss* includes none of the *ALAE*.
 - D. "*Basis*" will have the meaning(s) shown in Section 10 of PART II.
 - E. "*Deductible Loss*" means any amount that you must reimburse us under a Deductible Endorsement of the policies described in Section I of PART II.
 - F. "*Final Premium*" means the premium for the insurance afforded under the policies described in Section 1 of PART II and others as may be added by endorsement thereto, upon its final recalculation according to the terms of the policies and this endorsement. Prior to such final recalculation, the premium for such insurance is only the estimated premium.
 - G. "*Incurred Loss*" means the total amount we have paid and have reserved for payment as damages or benefits because of an occurrence, accident, claim or suit, and all the *Allocated Loss Adjustment Expenses* we incur in connection therewith under a policy described in PART II, including reserves for occurrences, accidents, claims or suits that have happened but have not been reported to us and for statistically expected loss development on claims that have been reported to us.
 - H. "*Minimum Cost*" means the minimum amount payable by you for the Schedule of *Subject Premium* and *Reimbursable Losses* and *Deductible Losses* and *Self-Insured Losses* and *ALAE*, if applicable, described in Section 6 of PART II.
 - I. "*Maximum Cost*" means the maximum amount payable by you for the Schedule of *Subject Premium* and *Reimbursable Losses* and *Deductible Losses* and *Self-Insured Losses* and *ALAE*, if applicable, described in Section 6 of PART II.
 - J. "*Non-Subject Premium*" means the premium not subject to the premium calculation of this endorsement.
 - K. "*Reimbursable Loss*" means any amount that you must reimburse us under a Loss Reimbursement Endorsement of the policies described in Section I of Part II.
 - L. "*Retained Amount*" means:
 - 1. the amount that is specified as your Self-Insured Retention or as the Loss Reimbursement amount or Deductible amount applicable to an *Incurred Loss* in the applicable policy; or
 - 2. if the foregoing does not apply, the largest part of any damages or benefits paid or payable under a policy because of any single accident, occurrence, claim or suit, that we will include in the computation of the *Subject Premium*.
- Such amount is shown in Section 4 of PART II for each type of insurance afforded under the policies described in Section 1 of PART II.
- M. "*Self-Insured Loss*" or "*SIR*" means any loss you incur under a Self-Insured Retention of the policies described in Section I of PART II.
 - N. "*Standard Premium*" means the premium as calculated according to the terms of each applicable policy, without application of this Endorsement, subject to the following:
 - 1. For Workers Compensation and Employers Liability Insurance, *Standard Premium* means the premium determined on the basis of our rates as approved by regulatory authority, the remuneration of your employees in the coverage period, your Experience Modifications and Schedule Modifications, Loss Constant, and Minimum Premiums. Determination of *Standard Premium* will exclude:
 - a. any discount that recognizes any reduction in our expense ratio based on premium size or other factors; or
 - b. any discount for a Loss Reimbursement or Deductible.
 - c. Expense Constant.
 - 2. For all other insurance, *Standard Premium* is the premium as calculated according to the terms of each applicable policy for insurance within the *Retained Amounts*, but without the application of this Endorsement, and without reduction for:
 - a. any discount that recognizes any reduction in our expense ratio based on premium size or other factors; or
 - b. any discount for a Loss Reimbursement or Deductible.

LARGE RISK RATING PLAN ENDORSEMENT

- O. "Subject Loss" means the entire *Incurred Loss* (including any reimbursable or deductible portion of it) up to the sum of:
1. the damages or benefits we must pay or have paid up to the *Retained Amount*, and
 2. all or a part of the *Allocated Loss Adjustment Expenses* we incur in accordance with the *ALAE* Option shown in Section 3 of PART II and defined in Item C of this section.
- P. "Subject Premium" means the premium subject to retrospective adjustment on the basis described in Section 1, Paragraph A of this PART I.

Section 5. Exceptions and Changes

All exceptions and changes, if any, to the provisions of PART I, PART II or PART III of this endorsement are set forth in Section 11 of PART II or in a written addendum hereto.

LARGE RISK RATING PLAN ENDORSEMENT

PART II. SCHEDULE of POLICIES and RATING VALUES

Section 1. APPLICATION of this Endorsement

RATING PERIOD: This Endorsement applies to the period beginning **07/01/2011** and ending **07/01/2012**.
 The *Basis of Premium, Subject Losses, Self-Insured Losses, Minimum Cost, Maximum Cost, Minimum Premiums and Estimated Premiums* shown in Section 5, Section 6, Section 7 and Section 9 of this PART II are estimated amounts for:

the first year of the Rating Period, or the entire Rating Period.

POLICIES: This Endorsement applies to the policies described below, and to their replacements and renewals effective during the Rating Period, or

This Endorsement applies to the policies described below, and to their replacements and renewals, and all subcontractor policies issued under a **Construction Project**. The Construction Project is described as follows:

N/A

- a. Workers Compensation and Employers Liability Insurance policies:
- b. Commercial General Liability Insurance policies:
GL 2449449 , GL 2449450.
- c. Automobile Liability Insurance policies:
CA 3506296 , CA 3506297.
- d. Other Insurance policies (described):

Section 2. Premiums for insurance on risks in states described below will be determined in accordance with the terms of the applicable policy other than this endorsement.

Kinds of Insurance	States
None	NONE

Section 3. Allocated Loss Adjustment Expenses Options

ALAE Option (enter ALAE Option A, B, C or D as applicable)	If ALAE Option C, enter Excess %	Applies to
B	0%	CA 3506296 , CA 3506297 , GL 2449449 , GL 2449450

LARGE RISK RATING PLAN ENDORSEMENT

- b. *Self-Insured Losses* you incur to which no insurance under the policies described in Section 1 of this PART II applies **will NOT** be included in determining whether or when the *Minimum Cost* has been reached, except as described herein:

Exceptions: N/A

Our forecast of your *Self-Insured Losses* included in paragraph a. above \$0

- c. The following *Minimum Cost* itemization schedule applies:

Item B. *Maximum Cost*: applicable, or not applicable

Line of Insurance: None

The *Maximum Cost* will not be less than the estimated amount shown below, unless otherwise set forth in Section 11 of PART Two.

- a. *Maximum Cost*, adjustable on the *Basis* and rate shown below: \$0

Basis of Adjustment: None Per 0

Estimated *Basis* amount: 0 Adjustment Rate: 0.0000

- b. *Self-Insured Losses* you incur to which no insurance under the policies described in Section 1 of this PART II applies **will NOT** be included in determining whether or when the *Maximum Cost* has been reached, except as described herein:

Exceptions: N/A

Our forecast of your *Self-Insured Losses* included in paragraph a. above \$0

- c. The following *Maximum Cost* itemization schedule applies:

LARGE RISK RATING PLAN ENDORSEMENT

Section 7. Claims Service Charges

Charge shown in Section 9, Item A *Subject Premium* of PART II, or fee schedule described below.

The Claims Service Provider is: AIGCS

FEE SCHEDULE

If X'ed here, the following fee schedule applies:

Claims Services Fee Schedule - Rates per Claimant

Type of Claim	Rate per Claimant	Estimated No. of Claimants	Estimated Fee
Workers Comp			
Medical	0.00	0	\$0
Indemnity	0.00	0	\$0
California	0.00	0	\$0
Texas	0.00	0	\$0
AOS	0.00	0	\$0
Surcharge Claims	0.00	0	\$0
Other	0.00	0	\$0
General Liability			
Bodily Injury	0.00	0	\$0
Property Damage	0.00	0	\$0
Other	0.00	0	\$0
Product Liability			
Bodily Injury	0.00	0	\$0
Property Damage	0.00	0	\$0
Other	0.00	0	\$0
Automobile Liability			
Bodily Injury	0.00	0	\$0
Property Damage	0.00	0	\$0
Physical Damage	0.00	0	\$0
Other	0.00	0	\$0
Incident Reports	0.00	0	\$0
Int. to Designated States	0.00	0	\$0
Other	0.00	0	\$0
Estimated Total Rate-per-Claimant Fee			\$0

LARGE RISK RATING PLAN ENDORSEMENT

If X'ed here, the following fee schedule applies:

Additional Service Fees Details

Additional Service Fees	Item Count	Rate/Item	Estimated Fee
Quarterly Loss Report	0	0.00	\$0
Subcontractor Interoffice Supervision	0	0.00	\$0
Magnetic Tape Fee	0	0.00	\$0
Subrogation	0	0.00	\$0
Appraisals	0	0.00	\$0
TPA Expenses	0	0.00	\$0
GAB Expenses	0	0.00	\$0
Cash Management Account Services	0	0.00	\$0
Claim File Reviews	0	0.00	\$0
Contingency Recovery Fees	0	0.00	\$0
Incoming Quality Control	0	0.00	\$0
Legal Cost Control	0	0.00	\$0
Location Visits	0	0.00	\$0
Semiannual Client Meetings	0	0.00	\$0
RMIS Reports	0	0.00	\$0
Customized Account Servicing	0	0.00	\$0
Structured Settlement Program	0	0.00	\$0
Reporting	0	0.00	\$0
Conversion	0	0.00	\$0
Minimum Adjusting Fee	0	0.00	\$0
Intellirisk Charges	0	0.00	\$0
Administration Fee	0	0.00	\$0
Estimated Additional Services Fee			\$0

Tail Fees Details

Tail Fees	Item Count	Rate/Item	Estimated Fee
Workers Comp Med. Only	0	0.00	\$0
Workers Comp. Indemnity	0	0.00	\$0
General Liability	0	0.00	\$0
Products Liability	0	0.00	\$0
Auto Liability	0	0.00	\$0
Maintenance	0	0.00	\$0
Estimated Tail Fee			\$0

LARGE RISK RATING PLAN ENDORSEMENT

If X'ed here, the following fee schedules applies:

Fee Schedule - Time and Expenses

Type of Charge	Rate	Per	Est. Units	Estimated Fee
Investigating Service by Employed Staff		Hour		
Adjuster		Hour		
General Adjuster		Hour		
Executive General Adjuster		Hour		
Heavy Equipment Appraiser		Hour		
Auto Damage Appraiser		Hour		
Property Damage Appraiser		Hour		
Supervisor		Hour		
Examiner		Hour		
Account Manager		Hour		
Subcontracted Investigations And Appraisals		Hour		
Clerical and Statistical Processing		Hour		
Other Expenses, including				
Telephone		Minute		
Postage & Express Mail		Cost		
Auto Mileage, Rental, Tolls, Parking		Mile		
Photocopies		Copy		
Photography		Photo		
Public Transportation		Cost		
Overhead		Flat		
Services Outside of USA				
Estimated Total Time and Expense				\$0
Estimated Total Claims Service Expenses				\$0

LARGE RISK RATING PLAN ENDORSEMENT

Section 8. Taxes and Assessments

The taxes and assessments determined by the method indicated by the box "X'd" below shall apply in determining the *Final Premium* earned under the policies described in Section 1 of Part II during the first annual term of this endorsement. If the Rating Period under this endorsement is longer than 1 year, we will provide you written notice of the applicable taxes and assessments for the subsequent term of the Rating Period not less than thirty (30) days prior to each anniversary of this endorsement.

Item A. Fixed Rates

The Average Rates for taxes and assessments are shown in Item A. of Section 9 of PART II. The Average Rates will be fixed and applied without change in determining the *Final Premiums* earned under the policies described in Section I of PART II during the first annual period of this Endorsement.

Item B. Rates to be Recalculated

The Average Rates for taxes and assessments are shown in Item A. of Section 9 of Part II. The Average Rates will be recalculated to determine the *Final Premium* under the policies described in Section I of PART II, based on the rates shown in the chart below.

LARGE RISK RATING PLAN ENDORSEMENT

Section 9. The Rating Values and Amounts shown below apply as the *Basis* of the *Final Premium* for the policies described in Section 1 of this Part II.

If the Rating Period exceeds one year; and if the estimated *Basis* of Premium, Minimum Premiums and Estimated Premiums shown below apply only to the first year, on or about each anniversary of the beginning of the Rating Period, we will issue an extension of this Section to show the rating values and amounts for each subsequent year of the Rating Period.

Item A. Subject Premium, part of Final Premium							
Line Items	Rates	Per	Basis Types	Estimated Basis	Minimum Premium	Estimated Premium	
Expected Primary Losses	0.0000	1	Ultimate Losses	0	\$0	\$59,373,209	
Chartis Claims Administration	0.0000	1	Flat	0	\$2,590,000	\$2,590,000	
Profit and Administration	0.0000	1	Flat	0	\$1,100,000	\$1,100,000	
Broker Commission	0.0000	1	Flat	0	\$200,000	\$200,000	
Subtotal						\$63,263,209	
Taxes/Assessments %	0.0000%	or	Taxes/Assessments Divisor:	0.0000	\$0		
Estimated Total Subject Premiums						\$63,263,209	

Item B. Non-Subject Premiums, part of Final Premium							
Coverage Description	Rates	Per	Basis Types	Estimated Basis	Minimum Premium	Estimated Premium	
	0.0000	1		0	\$0	\$0	
Estimated Total Non-Subject Premiums						\$0	

Item C. Summary of Expected Total Cost							
Estimated Final Premium (Part A. plus Part B)						\$63,263,209	
Expected Reimbursable Losses and Deductible Losses and Self-Insured Losses and ALAE, if applicable						\$0	
Minimum Cost from Section 6. If not applicable, show \$0						\$0	
Maximum Cost from Section 6. If not applicable, show \$0						\$0	
Surcharges:	0.0000	1	Audited Earned Premium	0	\$0	\$0	
EXPECTED TOTAL COST						\$63,263,209	

LARGE RISK RATING PLAN ENDORSEMENT

Section 10. Basis of Premium:

- Payroll:** means all of the money or the substitute for money earned during the terms of the policies described in Section 1 of this PART II by you if you are the proprietor of the insured business, by all partners or joint venturers if you are a partnership or joint venture, by all members if you are a limited liability company, and by all employees including temporary employees and workers leased by you from any employee leasing organization for their services to you during the policy period, subject to limitations set forth in the New York Workers Compensation Rating Bureau's manual rules, if applicable.
- Sales:** means the gross amount of money you or others trading in your name have charged for all goods and services you or they have sold or distributed during the terms of the policies described in Section 1 of this PART II, including charges for delivery, installation, service and repair, and including taxes other than taxes which you or such others collect as a separate item and remit directly to a government division.
- Receipts:** means the gross amount of money you have charged others for work that you, your partners, your employees, your contractors and subcontractors at all levels have performed during the terms of the policies described in Section 1 of this PART II, including taxes other than taxes which you or such others collect as a separate item and remit directly to a government division.
- Cost:** means the total cost to you for all work performed for you during the terms of the policies described in Section 1 of this PART II by independent contractors and their subcontractors at all levels, including the cost of all labor, materials, equipment and supplies furnished, used or delivered for use in the execution of such work, whether furnished by the owner, by contractors, or subcontractors at any level, including but not limited to all fees, allowances, bonuses, and commissions either made, paid or due, as well as taxes other than taxes which you collect as a separate item and remit directly to a government division.
- Units:** means the number of items of the type specified in this endorsement. Units that you hold for use in your business will mean the sum of their number at the inception of the terms of the policies described in Section 1 of this PART II plus their number at their expiration or termination, times 50% of the fraction of a full year that such policies were in force. Units that you sell to others whether for your own account or the account of another means the total number of such units that you sell during the term of such policies.
- Indemnity Losses:** means the total amount we have paid and have reserved for payment as Workers Compensation benefits other than Medical benefits under a policy described in this PART II, including reserves for accidents or illness that have happened but have not been reported to us and for statistically expected loss development on claims that have been reported to us.
- Ultimate Losses:** means the Forecast of *Subject Losses* in *Final Premium* from Part II Section 5.b.
- Other:** (Other)

Section 11. Exceptions

PART I. GENERAL TERMS and CONDITIONS, Section 1. Premium Calculation, A. Total *Subject Premium*, 1. is amended to read: **Subject Losses:** The first part of the *Subject Premium* will be the sum of all *Subject Losses* under any applicable terms of the policies described in Section 1 of PART II and as identified in Section 5, Item b. of PART II.

PART I. GENERAL TERMS AND CONDITIONS, Section 4. Definitions, C. Allocated Loss Adjustment Expense is amended to include the following additional wording:

Medical Management Fees which may include medical bill audit fees, utilization management fees, network access fees, case management fees and any other costs associated with medical management services.

LARGE RISK RATING PLAN ENDORSEMENT

PART III. AGGREGATE STOP

The *Aggregate Stop Amount* and the *Aggregate Stop Limit*, if any, shown in the Schedule below will be applied as explained below.

Section I. Aggregate Stop Amount

1. If an *Aggregate Stop Amount* is shown in the Schedule below, we will not include more than the *Aggregate Stop Amount* in the computation of the *Final Premium* and determination of maximum benefits, damages and "ALAE" payable or reimbursable by you under the terms of the policies described in Section I of PART II, subject to any *Aggregate Stop Limit* shown in the Schedule below.

The maximum benefits, damages and *ALAE* to be included in the computation of the *Final Premium* will be the *Aggregate Stop Amount* shown in the Schedule below, less the following:

- a) all *Subject Losses* that you must reimburse us for under any Loss Reimbursement or Deductible terms applicable to the policy covering the *Incurred Loss*, and
 - b) such amounts as described in Section III below that you have paid as *Self-Insured Losses*.
2. **Adjustment:** If an Adjustment Rate and an Adjustment *Basis* are shown in the Schedule below, the *Aggregate Stop Amount* shown in the Schedule below is only an estimate. The *Aggregate Stop Amount* will be finally determined by multiplying the Adjustment Rate by the final Adjustment *Basis* as determined by our audit of your books and records. The *Aggregate Stop Amount* will not be less than the estimated amount shown in the Schedule below, unless otherwise set forth in Section 11 of PART Two
 3. The *Aggregate Stop Amount* will not be reduced on account of the cancellation of any policy to which this Endorsement applies.

Section II. Aggregate Stop Limit

1. If an *Aggregate Stop Limit* is shown in the Schedule below, that Limit is the most *Subject Losses* above the *Aggregate Stop Amount* that will be excluded from the computation of the *Final Premium* and which you will not be required to reimburse us for under any Loss Reimbursement or Deductible terms of the policies described in Section I of PART II.
2. The *Aggregate Stop Limit* will not be reduced on account of the cancellation of any policy to which this Endorsement applies.

Section III. Self-Insured Losses

Self-Insured Losses: Losses you incur to which no insurance applies under the policies described in Section I of PART II will NOT be included in determining whether or when the *Aggregate Stop Amount* or *Aggregate Stop Limit* have been reached, except as described herein:

Exceptions: None

SCHEDULE

Aggregate Stop Amount and Aggregate Stop Limit

The *Aggregate Stop Amount* and the *Aggregate Stop Limit* apply to the first year of, or entire Rating Period.

Line of Insurance: None

- | | | | | | |
|--|------|-----|---|--------------------------------|--------|
| a. <i>Aggregate Stop Amount</i> , adjustable on the <i>Basis</i> and rate shown below. | | | | | \$0 |
| b. <i>Basis</i> of Adjustment | None | Per | 0 | Estimated <i>Basis</i> Amount: | 0 |
| | | | | Adjustment Rate: | 0.0000 |
| c. <i>Aggregate Stop Limit</i> | | | | | \$0 |

Countersigned by _____ Date _____
(Authorized Signature)