



Liability Program July 1, 2014 – July 1, 2015

AORMA Self-Insured Retention Liability Program and Reinsurance

Insurer: CSURMA AORMA Self-Insured Retention Liability Program

Covered Entity: CSURMA Auxiliary Organizations Risk Management Alliance (AORMA)
(List of covered Auxiliary Organizations is on file with Company)

MOC No.: AORMA-1415-01

Limits:

\$5,000,000	Ultimate Net Loss for Each Member During the Policy Period; including Bodily Injury, Property Damage and Personal Injury
\$20,000,000	General Aggregate – Annual Aggregate for Each Member
\$5,000,000	Completed Operations Hazard – Each Occurrence
\$5,000,000	Unfair Employment Practices Liability – Each Occurrence
\$5,000,000	Errors & Omissions, including Directors & Officers Liability – Each Occurrence
\$5,000	Medical Payments – Per Any One Person
\$5,000,000	Non-Salaried Employees (of the California State University) Auto Liability – Each Occurrence
\$5,000,000	Automobile Liability – Each Accident
\$250,000	California Uninsured or Underinsured Motorist (Bodily Injury Only) – Each Accident
\$50,000	Domestic Hired Automobile Physical Damage – Each Accident
\$350,000	Fiduciary Liability, Including Employee Benefits Liability Coverage (Claims Made Coverage Basis) – Each Occurrence
\$250,000	Funds, Grants or Appropriations (Defense Only) – Each Occurrence
\$250,000	Land Use (Defense Only) – Per Ultimate Net Loss
\$250,000	Nuclear Materials (Limited Coverage) – Each Occurrence
\$600,000	Mold – Each Occurrence for Each Member
\$850,000	Mold – Aggregate for Each Member

Note: *AORMA's pooled layer limit is \$350,000 per claim. General Reinsurance Corporation reinsures AORMA's limit - \$4,650,000 excess of \$350,000.*

Deductibles:

\$0	Bodily Injury, Property Damage and Personal Injury
\$25,000	Unfair Employment Practices Liability (all Members except as noted below))
\$50,000	Unfair Employment Practices Liability (CSU East Bay Foundation, California State University, Fresno Foundation, Cal State L.A. University Auxiliary Services, Inc., University Enterprises, Inc., CSU Sacramento, San Jose State University Research Foundation, Cal Poly Corporation)
\$75,000	Unfair Employment Practices Liability (California State University, Long Beach Research Foundation ,The Cal Poly Pomona Foundation, Inc., San Diego State University Research Foundation)

While we believe this Summary of Insurance fairly represents the terms, conditions and exclusions found in your insurance policies, in the event of any differences between the policies themselves and this summary, the policy provision will direct any resolution. This summary is not intended to replace or supersede any of your insurance contracts.

Liability Program
July 1, 2014 – July 1, 2015

\$0	Errors and Omissions, including Directors & Officers Liability
\$0	Employee Benefits Liability Coverage
\$0	Medical Payments
\$1,000,000	Non-Salaried Employees (of the California State University) Auto Liability – Each Occurrence
\$0	California Uninsured or Underinsured Motorists (Bodily Injury Only)
\$1,000	Domestic Hired Automobile Physical Damage – Comprehensive
\$1,000	Domestic Hired Automobile Physical Damage – Collision
\$0	Fiduciary Liability

Retroactive Dates:Fiduciary Liability, including Employee Benefits Liability Coverage:

7/01/05	Associated Students of CSU Chico
7/01/08	CSU Long Beach Research Foundation
7/01/07	Associated Students Inc. CSU Los Angeles
10/01/91	The University Corporation, CSU Northridge
10/01/99	University Student Union, CSU Northridge
4/15/10	Capital Public Radio, CSU Sacramento
7/01/02	San Jose University Research Foundation
2/01/98	Spartan Shops, Inc.
7/01/10	Auxiliaries Multiple Employer VEBA
7/01/10	All other insureds

Coverages:

1. General Liability
2. Automobile Liability (Owned, Non-owned, and Hired)
3. Errors & Omissions, including Directors & Officers Liability
4. Employment Practices Liability
5. Domestic Hired Automobile Physical Damage
6. Liquor Liability
7. Watercraft Liability, under 50 feet, or while on shore
8. Employee Benefits Liability
9. Fiduciary Liability

Exclusions:

- A. Aircraft (the exclusion does not apply to Unmanned Aerial Vehicles)
- B. Asbestos
- C. Assault and Battery
- D. Aviation Activities
- E. Contractual Obligation; except for liability assumed in a contract or agreement
- F. Cyber Liability
- G. Electronic Communication; if known to be false
- H. Employment Benefits (workers' compensation, disability benefits, etc.)
- I. Employment Liability (bodily injury to any employee)
- J. ERISA; except as provided under Fiduciary Liability Endorsement
- K. Fiduciary Liability; except as provided under Fiduciary Liability Endorsement

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Liability Program July 1, 2014 – July 1, 2015

- L. Fines, Penalties, Sanctions, Taxes or Fees
- M. Funds, Grants, or Appropriations; but defense is provided up to \$250,000
- N. Intentional Conduct
- O. Lack of Occurrence
- P. Land Use; but defense is provided up to \$250,000
- Q. Lead
- R. Medical Malpractice; limited coverage for your employees who are nurses, paramedics, EMTs, speech therapists, speech pathologists, nutritionists, psychologists, audiologists, or physical therapists
- S. Mold; limited coverage up to \$600,000 per occurrence and \$850,000 aggregate, per member
- T. Nuclear, except materials for instructional or research activities up to \$250,000
- U. Limited Time Element Pollution (7/40)
- V. Silica
- W. Subsidence
- X. War
- Y. Watercraft, over 50 feet, or not on shore

Errors and Omissions (Exclusions):

1. Bodily Injury, Property Damage, Employment Practices Liability or Personal Injury
2. Refund of Taxes, Fees or Assessments
3. Illegal remuneration or willful violation of a penal statute; etc.
4. Faulty bid specifications or plans, failure to award a contract; failure to perform or breach of a contractual obligation
5. Destruction or disappearance of tangible property
6. Breach of contractual obligation

Fiduciary Liability (Exclusions):

1. Fines, Penalties or Taxes
2. Payments due under a benefit plan or trust, unless recovery is based on a covered wrongful act
3. Personal injury or bodily injury, contractual obligation, illegal remuneration or discrimination in violation of any law
4. Any wrongful act which was reported to a prior insurer, any wrongful act known to the insured prior to inception of this policy or any deliberately fraudulent or dishonest act; willful violation of a statute or regulation

Liability Program July 1, 2014 – July 1, 2015

Claims Administrator & Reporting:

Tel No.: (805) 650-7020 ext. 1003

Fax No: (805) 658-9950

Email: mmcguire@carlwarren.com

Regular Mail

Carl Warren & Company

Attn: Mauri McGuire

P.O. Box 7059

Ventura, CA 93006-7059

Express Mail

Carl Warren & Company

Attn: Mauri McGuire

1000 South Hill Road, Suite 215

Ventura, CA 93003

Public Entity Excess Liability

Carrier: Ironshore Specialty Insurance Company
Policy No.: 000541304
Limits: \$5,000,000 Excess of \$5,000,000

Carrier: Allied World Assurance Company
Policy No.: 0305-7227
Limits: \$10,000,000 Excess of \$10,000,000

Excess Fiduciary Liability

Carrier: Lloyd's of London
Policy No.: B0621PCAL02014
Limits: \$4,650,000 Excess of \$350,000

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**CALIFORNIA STATE UNIVERSITY RISK MANAGEMENT AUTHORITY
AUXILIARY ORGANIZATIONS RISK MANAGEMENT ALLIANCE
SELF-INSURED RETENTION LIABILITY PROGRAM**

MEMORANDUM OF COVERAGE

DECLARATIONS

Memorandum Number: AORMA-1415-01

Item 1: Member

See the **Member** listing attached.

The AORMA Self-Insured Retention Liability Program agrees with the Named Member, in consideration of the payment of premium and in reliance upon statements in the Declarations and subject to the limits of liability, exclusions, conditions, and other terms of this memorandum, to provide the coverage as stated in this memorandum.

Item 2: Coverage Period:

July 1, 2014 to July 1, 2015

Item 3: Form of Business:

Auxiliary Organization of the California State University as defined by the Education Code of the State of California

Item 4: Limits of Liability:

1. Ultimate Net Loss for Each Member During the Policy Period; including Bodily Injury, Property Damage and Personal Injury \$5,000,000 – each occurrence
2. General Aggregate..... \$20,000,000 – annual aggregate for each Member
3. Completed Operations Hazard \$5,000,000 – each occurrence
4. Unfair Employment Practices Liability.....\$5,000,000 - each occurrence
5. Errors and Omissions, including directors & officers liability..... \$5,000,000 – each occurrence
6. Medical Payments\$5,000 – per any one person
7. Non-Salaried Employees (of the California State University) Auto Liability \$5,000,000 – each occurrence

- 8. Automobile Liability:\$5,000,000 - each accident
- 9. California Uninsured or Underinsured Motorists
(bodily injury only):\$250,000 - bodily injury only
- 10. Domestic Hired Automobile Physical Damage.....\$50,000 - each accident
- 11. Fiduciary Liability, including Employee Benefits
Liability Coverage:.....\$350,000 – each occurrence
- 12. Funds, Grants or Appropriations (defense only)\$250,000 – each occurrence
- 13. Land Use (defense only).....\$250,000 – per ultimate net loss
- 14. Nuclear Materials (limited coverage):.....\$250,000 – each occurrence
- 15. Mold\$600,000 – each occurrence for each Member
- 16. Mold\$850,000 – aggregate for each Member

Item 5: Member’s Retained Limit:

- 1. Bodily Injury, Property Damage and Personal Injury:\$0
- 2. Unfair Employment Practices Liability (all Members
except as noted below):\$25,000 - each occurrence
- 3. Unfair Employment Practices Liability
(California State University, East Bay Foundation,
Inc.):\$50,000 - each occurrence
- 4. Unfair Employment Practices Liability
(California State University, Fresno Foundation):\$50,000 - each occurrence
- 5. Unfair Employment Practices Liability
(California State University, Long Beach Research
Foundation):\$75,000 - each occurrence
- 6. Unfair Employment Practices Liability
(Cal State L.A. University Auxiliary Services, Inc.):\$50,000 - each occurrence
- 7. Unfair Employment Practices Liability
(Cal Poly Pomona Foundation, Inc.):\$75,000 - each occurrence
- 8. Unfair Employment Practices Liability
(Cal Poly Corporation):\$50,000 - each occurrence
- 9. Unfair Employment Practices Liability
(San Diego State University Research Foundation):.....\$75,000 - each occurrence
- 10. Unfair Employment Practices Liability
(San Jose State University Research Foundation):.....\$50,000 - each occurrence
- 11. Errors and Omissions, including Directors & Officers
Liability:\$0
- 12. Employee Benefits Liability Coverage\$0
- 13. Medical Payments:\$0
- 14. Non-Salaried Employees (of the California State
University) Auto Liability\$1,000,000 – each occurrence
- 15. California Uninsured or Underinsured Motorists
(bodily injury only):\$0
- 16. Domestic Hired Automobile Physical Damage -
Comprehensive\$1,000 - each accident

- 17. Domestic Hired Automobile Physical Damage -
 Collision \$1,000 - each accident
- 18. Fiduciary Liability: \$0

Item 6: Retroactive Dates:

Fiduciary Liability, including Employee Benefits Liability Coverage:

- 1. Associated Students of CSU Chico July 1, 2005
- 2. CSU Long Beach Research Foundation July 1, 2008
- 3. Associated Students Inc., CSU Los Angeles July 1, 2007
- 4. The University Corporation, CSU Northridge October 1, 1991
- 5. University Student Union, CSU Northridge October 1, 1999
- 6. Capital Public Radio, CSU Sacramento April 14, 2010
- 7. San Jose University Research Foundation July 1, 2002
- 8. Spartan Shops, Inc. February 1, 1998
- 9. Auxiliaries Multiple Employer VEBA July 1, 2010
- 10. All other Named Members July 1, 2010

Item 7: Claims Administrator:

Carl Warren & Company
 Attn: Mauri McGuire
 P.O. Box 7059
 Ventura, CA 93006
 (805) 650-7020 Ext 1003
 mmcguire@carlwarren.com

To be valid, this agreement must be signed by our Program Administrator.



Item 1: Member

Member Listing

1	Bakersfield	Associated Students, California State University, Bakersfield, Inc.
2	Bakersfield	California State University, Bakersfield Auxiliary for Sponsored Programs and Administration
3	Bakersfield	California State University, Bakersfield Foundation
4	Bakersfield	California State University, Bakersfield Student Union, Inc.
5	Chancellor's Office	California State University Foundation
6	Chancellor's Office	California State University Institute
7	Channel Islands	Associated Students of California State University, Channel Islands, Inc.
8	Channel Islands	California State University Channel Islands Foundation
9	Channel Islands	University Glen Corporation
10	Chico	Associated Students of California State University, Chico
11	Chico	Auxiliary Organization Associations
12	Chico	The CSU, Chico Research Foundation
13	Chico	The University Foundation, California State University, Chico
14	Dominguez Hills	Associated Students, California State University, Dominguez Hills
15	Dominguez Hills	California State University, Dominguez Hills Foundation
16	Dominguez Hills	Donald P. and Katherine B. Loker University Student Union, Incorporated
17	East Bay	Associated Students, California State University, East Bay
18	East Bay	Cal State East Bay Educational Foundation
19	East Bay	California State University, East Bay Foundation, Inc.
20	Fresno	Associated Students, Inc. of California State University, Fresno
21	Fresno	California State University, Fresno Association, Inc.
22	Fresno	California State University, Fresno Foundation
23	Fresno	Fresno State Programs for Children, Inc.
24	Fresno	The Agricultural Foundation of California State University, Fresno
25	Fresno	The California State University, Fresno Athletic Corporation
26	Fullerton	Associated Students, California State University, Fullerton, Inc.
27	Fullerton	Cal State Fullerton Philanthropic Foundation
28	Fullerton	CSU Fullerton Auxiliary Services Corporation
29	Fullerton	CSU Fullerton Housing Authority
30	Humboldt	Associated Students, Humboldt State University

31	Humboldt	Humboldt State University Advancement Foundation
32	Humboldt	Humboldt State University Center Board of Directors
33	Humboldt	Humboldt State University Sponsored Programs Foundation
34	Long Beach	Associated Students, California State University, Long Beach
35	Long Beach	California State University, Long Beach Research Foundation
36	Long Beach	CSULB 49er Foundation
37	Long Beach	Forty-Niner Shops, Inc., CSU Long Beach
38	Los Angeles	Associated Students, California State University, Los Angeles, Inc.
39	Los Angeles	Cal State L.A. University Auxiliary Services, Inc.
40	Los Angeles	California State University, Los Angeles Foundation
41	Los Angeles	University-Student Union Board, California State University, Los Angeles
42	Maritime Academy	California Maritime Academy Foundation, Inc.
43	Maritime Academy	The Associated Students of the California Maritime Academy
44	Monterey Bay	Foundation of California State University, Monterey Bay
45	Monterey Bay	The University Corporation at Monterey Bay
46	Northridge	Associated Students, California State University, Northridge, Inc.
47	Northridge	California State University, Northridge Foundation
48	Northridge	North Campus University Park Development Corporation
49	Northridge	The University Corporation, CSU Northridge
50	Northridge	University Student Union of California State University, Northridge
51	Pomona	Associated Students Inc., California State Polytechnic University, Pomona
52	Pomona	The Cal Poly Pomona Foundation, Inc.
53	Sacramento	Associated Students of California State University, Sacramento
54	Sacramento	Capital Public Radio, Inc., CSU Sacramento
55	Sacramento	The University Foundation at Sacramento State
56	Sacramento	University Enterprises, Inc., CSU Sacramento
57	Sacramento	University Union Operation of CSUS, Inc.
58	San Bernardino	Associated Students Inc., California State University, San Bernardino
59	San Bernardino	CSUSB Philanthropic Foundation
60	San Bernardino	Santos Manuel Student Union of California State University, San Bernardino
61	San Bernardino	University Enterprises Corporation at CSUSB
62	San Diego	Associated Students, San Diego State University
63	San Diego	Aztec Shops, Ltd., San Diego State University
64	San Diego	San Diego State University Research Foundation

65	San Diego	The Campanile Foundation
66	San Francisco	Associated Students, Inc., San Francisco State University
67	San Francisco	San Francisco State University Foundation
68	San Francisco	The University Corporation, San Francisco State
69	San Francisco	Cesar Chavez Student Center, San Francisco State University
70	San Jose	Associated Student, San Jose State University
71	San Jose	San Jose State University Research Foundation
72	San Jose	Spartan Shops, Inc., San Jose State University
73	San Jose	The Student Union of San Jose State University
74	San Jose	The Tower Foundation, San Jose State University
75	San Luis Obispo	Associated Students, Inc., California Polytechnic State University at San Luis Obispo
76	San Luis Obispo	Cal Poly Corporation
77	San Luis Obispo	California Polytechnic State University Foundation
78	San Marcos	California State University San Marcos Foundation
79	San Marcos	San Marcos University Corporation
80	San Marcos	The Associated Students of California State University, San Marcos
81	San Marcos	University Auxiliary and Research Services Corporation
82	Sonoma	Associated Students of Sonoma State University
83	Sonoma	Sonoma State Enterprises, Inc.
84	Sonoma	Sonoma State University Academic Foundation, Inc.
85	Stanislaus	Associated Students, Inc., California State University, Stanislaus
86	Stanislaus	California State University, Stanislaus Auxiliary and Business Services
87	Stanislaus	California State University, Stanislaus Foundation
88	Stanislaus	University Student Union of California State University, Stanislaus



**CALIFORNIA STATE UNIVERSITY RISK MANAGEMENT AUTHORITY
AUXILIARY ORGANIZATIONS RISK MANAGEMENT ALLIANCE
(CSURMA AORMA)
LIABILITY PROGRAM
MEMORANDUM OF COVERAGE**

Throughout this Memorandum, words and phrases that appear in **boldface** type have special meanings. They are defined in SECTION VI, **DEFINITIONS** and/or with respect to **Covered Parties** in Section IV - **Covered Parties**.

The California State University Risk Management Authority Auxiliary Organizations Risk Management Alliance (hereinafter called CSURMA AORMA) is an intergovernmental agency, risk sharing, joint powers authority, duly formed pursuant to California Government Code Sections 6500-6512, and other provisions of law.

This Memorandum of Coverage does not provide insurance, but instead provides for pooled-insurance. This Memorandum is a negotiated agreement among the **Members** of the CSURMA AORMA, and none of the parties to the Memorandum is entitled to rely on any contract interpretation principles which require interpretation of ambiguous language against the drafter of such agreement. This Memorandum shall be applied according to the principles of contract law, giving full effect to the intent of the **Members** of the CSURMA AORMA.

In consideration of payment of the contribution and subject to the limit of liability set forth in the Declarations and other terms of this Memorandum, as follows:

SECTION I - COVERAGES

Subject to the **Member's retained limit**, the CSURMA AORMA agrees:

To pay on behalf of any **Covered Party** those sums for **ultimate net loss** which the **Covered Party** shall become obligated to pay as **damages**, by reason of liability imposed by law, because of **bodily injury, property damage, errors and omissions, unfair employment practices liability, and personal injury**, to which this Memorandum applies, caused by an **occurrence**.

SECTION II - DEFENSE AND SETTLEMENT

CSURMA AORMA shall assume charge of the control, negotiation, investigation, settlement, defense or appeal of any claims made, or suits brought, or proceedings instituted against the **Covered Party**, which in the opinion of the CSURMA AORMA is or may be covered by CSURMA AORMA under the terms of this Memorandum.

In accordance with the CSURMA AORMA Legal Counsel Selection Memorandum and Procedure, CSURMA AORMA shall appoint, through its' claims administrator, all legal counsel to represent the **Covered Parties** in defense of a covered claim. The **Covered Party** has the right to recommend legal counsel from the approved legal counsel list; however, CSURMA AORMA shall make the final selection of legal counsel. If the **Covered Party** disapproves of the selection as outlined in the CSURMA AORMA Legal Counsel Selection Memorandum and Procedure, the **Covered Party** may submit an appeal in writing.

In the event of an **occurrence** which involves more than one **Covered Party**, all **Covered Parties** involved agree to joint legal representation as selected by CSURMA AORMA.

The **Covered Party** may select and engage, at its own expense, monitoring counsel in addition to the legal counsel selected and engaged by CSURMA AORMA. However, legal counsel selected by CSURMA AORMA shall manage and control the litigation.

If there is a conflict of interest between CSURMA AORMA and a **Covered Party** which would be considered a “conflict of interest” between an insured and its insurer within the meaning of California Civil Code Section 2860, the **Covered Party** has the same rights to select and engage independent counsel as would an insured under Section 2860. CSURMA AORMA has all of the rights reserved to an insurer under Section 2860.

The **Covered Party** shall fully cooperate with the CSURMA AORMA in all matters pertaining to such claim, suit or proceeding. CSURMA AORMA shall have the right to settle any claim that in the CSURMA AORMA’s sole opinion may create indemnification obligations for the CSURMA AORMA under this Memorandum.

No claim, suit or proceeding shall be settled, whether by out of court settlement, stipulated judgment or otherwise, by a **Covered Party** wherein the **ultimate net loss** exceeds the **retained limit**, without the prior written consent of the CSURMA AORMA.

SECTION III - LIMITATIONS UPON CSURMA AORMA'S LIABILITY

Regardless of the number of (1) persons or entities covered under this document, or (2) persons or organizations who sustain injury or damage, or (3) claims made, proceedings or suits brought because of injury or damage, CSURMA AORMA’s liability for **damages** is limited as follows:

The CSURMA AORMA’s liability for **damages** shall only be for the **ultimate net loss** less the amount of the **Member’s Retained Limit** not to exceed the limit of coverage shown in Item 1 of the Declarations, as the result of any one **occurrence** or the amount shown in Item 4 because of all **occurrences** for any one **Member** during each **coverage period**.

However, in the event of an **occurrence**, which involves more than one CSURMA AORMA **Member**, only one **retained limit** and one limit of liability shall apply to such **occurrence**, irrespective of the number of CSURMA AORMA **Members** involved in that **occurrence**. Liability for the **retained limit** shall be apportioned among all of the involved **Members** according to the amounts of their respective **retained limits** under this Memorandum.

For the purpose of determining the CSURMA AORMA limit of liability and the **retained limit** of the **Member**, all **damages** arising out of continuous repeated exposure to substantially the same general conditions shall be considered as arising out of one **occurrence**.

This Memorandum applies to **occurrences**, which take place anywhere during the specified **coverage period** stated in the Declarations of this Memorandum. An **occurrence** with duration of more than one **coverage period** shall be treated as a single **occurrence** arising during the **coverage period** when the **occurrence** ends (which shall in no event be deemed later than the date on which the claimant files suit), and under no

circumstances shall the fact that said **occurrence** has a duration of more than one **coverage period** entitle a **Covered Party** to more than one limit of coverage.

With respect to liability for **damages** of the **Covered Party** arising from the conduct or activities of a third party, as between the **Member** and the CSURMA AORMA, the amount of the **Member's retained limit** as set forth in the Declarations of this Memorandum shall be satisfied in whole or in part (as applicable, depending on how much other coverage is available) by any insurance coverage of said third party/parties which is available and applicable to the liability for **damages** of the **Covered Party**. If such third-party insurance coverage exceeds the **Member's retained limit**, all of such third-party insurance coverage (whether written on a primary or an excess basis, or written as reinsurance) shall apply to the loss before the CSURMA AORMA's limits hereunder shall attach.

Bodily injury or **personal injury** damages resulting from **non-employment harassment** will be deemed to have occurred at the time of the last **non-employment harassment** and all such **bodily injury** or **personal injury** will be deemed to be a single occurrence whether committed by the same perpetrator or two or more perpetrators acting in concert and without regard to the number of (1) incidents of **non-employment harassment** taking place thereafter, (2) victims of **non-employment harassment**, or (3) locations where the **non-employment harassment** took place. Only the Memorandum of Coverage in effect during which such **non-employment harassment** last occurred will apply to such single occurrence of **non-employment harassment**. Coverage does not apply to any **covered party** who is found by a court of law to have committed a criminal act of **non-employment harassment**.

SECTION IV - COVERED PARTIES

The parties covered by this Memorandum are:

- A. The **Member** is a signatory to the CSURMA Joint Powers Authority and is named on the Declarations Page.
- B. The following individually and collectively are covered parties, when acting solely within the scope of their duties, office, or employment for the named **Member**:
 - 1. The governing board;
 - 2. Officers;
 - 3. **Employees**; and
 - 4. Authorized Individuals acting as volunteers.
- C. Any person while using an **owned automobile**, or **non-owned automobile**, or a **hired automobile** and any person or organization legally responsible for the use thereof, including garage operations, provided the actual use of the **automobile** is by or with permission of the named **Member**.

Coverage provided by this Memorandum with respect to any person or organization other than the named **Member** does not apply under this paragraph:

1. To any person or organization, or to any agent or **employee** thereof, engaged in selling, repairing, servicing, delivering, testing, road testing, parking or storing **automobiles**, with respect to any **occurrence** arising out of any such occupation, if there is other valid and collectible insurance available to such person as a named insured or as an agent or **employee** of the named insured under that other insurance Memorandum with limits at least equal to the requirements of the applicable Financial Responsibility Laws; or
2. With respect to any **hired automobile**, to the owner, or a lessee thereof other than the **Member**, or to any agent or **employee** of such owner or lessee.

D. **Additional Covered Party** as defined in Section VI A. of this Memorandum.

E. Any employee pension benefits or employee welfare benefits trust, formed under U.S. Internal Revenue Code Section 501(c)(9), in which a **Member** participates, provided the trust only serves auxiliary organizations who are **Members**.

The board of trustees of the trust are covered parties, when acting solely within the scope of their duties, office, or employment for the trust.

Coverage provided by this Memorandum with respect to covered trusts will not extend to any third party service provider to the covered trust.

Fraternal organizations are not covered parties under this Memorandum of Coverage.

SECTION V – EXCLUSIONS

The coverage provided by this Memorandum does not apply to any of the following:

A. Aircraft

To any liability for **damages** arising out of the ownership, maintenance, loading or unloading, use or operation of any aircraft capable of flight, airfields, runways, hangers, buildings or other property in connection with aviation activities. This exclusion does not apply to static aircraft, or to an **unmanned aerial vehicle**.

B. Asbestos

To any liability for **damages** arising, in whole or in part, out of actual or alleged, threatened or suspected, inhalation of, ingestion or, contact with, exposure to, existence or, or presence of asbestos; or

Any loss, cost or expense arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating, or disposing of or in any way responding to or assessing the effects of asbestos by any **Covered Party** or by any other person or entity.

C. Assault and Battery

To any liability for **damages** arising out of assaults and batteries, except for assault and battery committed or directed for the purpose of protecting persons or property or where same are not committed by or at the direction of the **Member**.

D. Aviation Activities

To liability for **damages** arising out of the ownership, maintenance, loading or unloading, use or operation of any:

1. **Aircraft**
2. Airfields;
3. Runways;
4. Hangars; or
5. Buildings of other properties in connection with aviation activities.

This exclusion shall not apply, however, to those areas open to the public for the purpose of entering, leaving, or using the airport facilities (including parking lots and garages).

This exclusion shall not apply, however, to the maintenance and operations of permanently stationary **aircraft** used for instructional purposes only.

E. Contractual Obligations

1. To any liability for **damages** of non-tort causes of action related to breach of contract proceedings; or
2. To any liability for which the **Member** is obligated to pay **damages** by reason of assumption of liability in any contract or agreement. This exclusion does not apply to liability for **damages**:
 - a. Assumed in a contract or agreement that is an executed **Member** contract as that term is defined herein, provided the **bodily injury** or **property damage** occurs subsequent to the execution of the contract or agreement: or
 - b. Liability for **damages** that the **Member** would have in the absence of the contract or agreement.

F. Cyber Liability

Damages, or loss, costs or expenses because of **bodily injury, personal injury, property damage or errors and omissions** arising directly or indirectly out of:

1. Any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information; or

2. The loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

This exclusion applies even if **damages** are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, costs or expenses incurred by any **covered party** or others arising out of that which is described in Paragraphs 1 and 2 above.

G. Electronic Communication

1. Arising out of electronic or other publication, transmission, dissemination or storage of material, if done by or at the direction of the **Member** with knowledge of its falsity;
2. Arising out of electronic or other publication, transmission, dissemination or storage of material whose first publication, transmission, dissemination or storage took place before the beginning of the policy period; or,
3. Arising out of the willful violation of a penal statute or ordinance committed by or with the consent of the **Member**.

This exclusion does not apply to:

1. Personal injury arising from a **Member's** broadcasting activities; or,
2. Liability arising from the managerial, advisory, supervisory or controlling obligation of one **Covered Party** over the actions of another **Covered Party**.

H. Employment Benefit

To any obligation for which the **Member** may be held liable under any Workers' Compensation or disability benefits law or under any similar law, plan or agreement; except as provided within the Fiduciary Liability Coverage endorsement.

I. Employment Liability

To **bodily injury**, to any **employee** of the **Member** arising out of and in the course of his/her employment by any **Member**; but this exclusion does not apply to liability assumed by any **Member** under any written contract.

J. ERISA

To any obligation of the **Member** under the "Employment Retirement Income Security Act of 1974" and any law amendatory thereto or any similar federal, state or local statute; except as provided within the Fiduciary Liability Coverage endorsement.

K. Fiduciary Liability

To liability arising out of;



California State University Risk Management Authority
Auxiliary Organizations Risk Management Alliance

1. The purchase, or sale, or offer of sale, or solicitation of any security, debt, bank deposit or financial interest or instrument;
2. Any representation made at any time in relation to the price or value of any security, debt, bank deposit or financial interest or instrument; or
3. Any depreciation or decline in price or value of any security, debt, bank deposit or financial interest or instrument;

Except as provided within the Fiduciary Liability Coverage endorsement.

L. Funds, Grants or Appropriations

To any liability for **damages** for either the actual or alleged use, misuse, mismanagement or loss of funds, grants, or appropriations, nor for the return of such funds, grants, or appropriations for any reason(s).

However, CSURMA AORMA will defend any action or suits brought against any **Covered Party** for the actual or alleged use, misuse, mismanagement or loss of funds, grants, or appropriations or for the return of such funds, grants or appropriations for such causes of action, unless their alleged conduct was outside the scope of employment, subject to the CSURMA AORMA SIR program sublimit of \$250,000 per **occurrence**.

M. Intentional Conduct

Any liability arising out of criminal, fraudulent, known false or dishonest acts or omissions committed by or at the direction of the **Covered Party**. CSURMA AORMA may at its sole discretion, agree to waive this exclusion in order to supply certain payments under Section II. Defense and Settlements if the judgment or final adjudication is adverse to the participating **Covered Party**, the **Covered Party** will reimburse CSURMA AORMA for all defense costs.

This exclusion does not apply to liability arising from the managerial, advisory, supervisory, or controlling obligations of any **Covered Party** over the actions of another **Covered Party**.

N. Lack of Occurrence

To injuries or **damages** which do not arise out of an **occurrence** as defined in this Memorandum.

O. Land Use

To any liability for **damages** arising from any claim, suit or proceeding arising from allegations related to land use, land planning or land development. However, CSURMA AORMA shall defend the **Covered Party** up to an amount not exceeding \$250,000 **ultimate net loss** for such liability.

This exclusion shall not apply, however, to any land use litigation where suits or claims for land use litigation are a result of negligence proven on the part of a **Covered Party**. Nothing herein shall act to increase the limit of liability.

P. Lead

Any loss or liability arising out of, or contributed to or caused by lead as described below:

1. **Bodily injury, property damage or personal injury** arising out of , resulting from, caused by or contributed to by the toxic or pathological properties of lead, lead compounds or lead contained in any materials;
2. Any cost or expense to abate, mitigate, remove or dispose of lead, lead compounds or materials containing lead;
3. Any supervision, instructions, recommendations, warnings or advice given or which should have been given in connection with parts 1 or 2 above; or
4. Any obligation to share damages with or repay someone else who much pay damages in connection with parts 1, 2 or 3 above.

Q. Medical Malpractice

Liability arising out of the operation of any hospital, clinic, or health care facility, owned or operated by any **Member** including individuals providing professional medical services (Professional Medical Services include anyone engaged in the practice of medicine and whose operations are not exempted elsewhere in this exclusion). This includes, but is not limited to:

1. The rendering or failure to render:
 - a. Medical, surgical, dental, x-ray or nursing services or treatment, or the furnishing of food or beverages in connection therewith;
 - b. Any service or treatment related to physical or mental health or of a professional nature; or
 - c. Any cosmetic or tonsorial service or treatment.
2. The furnishing of or dispensing of drugs or medical, dental or surgical supplies or appliances.

This exclusion does not apply to any liability arising out of:

1. Ambulance operations, occupational physical examinations, student nursing programs, other student medical training programs, infirmaries, non-clinic nursing services or services of the **Member's employees** who are nurses, paramedics, emergency medical technicians, speech therapists, speech pathologists, nutritionists, psychologists, audiologists, or physical therapists;
2. **Unfair employment practices** liability;
3. First Aid to any person;
4. Any medical services clinic that does not perform invasive surgery of any kind; or
5. Operations performed by coroners.

R. Mold

Any **bodily injury, personal injury, advertising injury** or **property damage** arising directly or indirectly out of, resulting from, caused by or contributed to by:

1. Any fungus(es) or spore(s);
2. Any solid, liquid, vapor, or gas produced by or arising out of any fungus(es) or spore(s);
3. Any material, product, building component, or building structure that contains, harbors, nurtures or acts as a medium for any fungus(es) or spore(s);
4. Any intrusion, leakage, or accumulation of water or any other liquid that contains, harbors, nurtures or acts as a medium for fungus(es) or spore(s);
5. The actual or threatened abatement, mitigation, removal or disposal of fungus(es) or spore(s) or any material, product, building component, or building structure that contains, harbors, nurtures or acts as a medium for any fungus(es) or spore(s);
6. Any supervision, instructions, recommendations, warnings or advice given or which should have been given in connection with subparagraphs 1, 2, 3, 4 or 5 above; or

For the purpose of this exclusion fungus(es) includes, but is not limited to, any form or type of mold, mushroom or mildew and spore(s) include any reproductive body produced by or arising out of any fungus(es).

However, CSURMA AORMA will provide coverage up to an amount not exceeding \$600,000 each occurrence and each **Member**, subject to an \$850,000 aggregate limit, per **Member**.

S. Nuclear Material

To any liability for **damages** arising out of injury, sickness, disease, death or destruction:

1. With respect to which a **Member** is insured under a nuclear energy liability memorandum issued by the Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters or Nuclear Insurance Association of Canada, or would be a **Covered Party** under any such memorandum 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 **Member** is, or had such coverage 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.
3. Resulting from the hazardous properties of nuclear material, if:

- a. The nuclear material is at any nuclear facility owned by, or operated by or on behalf of a **Member**, or has been discharged or dispersed therefrom;
- b. The nuclear material is contained in spent fuel or waste at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of a **Member**; or
- c. The injury, sickness, disease, death or destruction arises out of the furnishing by a **Member** of services, materials, parts or equipment in connection with the planning, construction, maintenance, operations or use of any nuclear facility, but if such facility is located within the United States of America, its territories or possessions or Canada, this part c. applies only to injury to or destruction of property at such nuclear facility.

However, this Exclusion shall not apply to liability arising from the use of radioactive materials in instructional laboratories operated by the **Member** and/or research activities sponsored by the **Member**, but only to a sublimit of \$250,000 each **occurrence**.

T. Pollution

To any liability for **damages**, loss, cost or expense:

1. Arising out of, or that would not have occurred in whole or in part but for, the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of **pollutants** anywhere in the world;
2. Arising out of any claim, suit, governmental direction or request, demand or order, whether by or on behalf of a governmental direction that any **Covered Party** or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize or in any way respond to, or assess the effects of pollution or **pollutants**; or
3. Arising from the cost of investigation or attorney's fees, incurred by a governmental unit or any other person or organization to test for, monitor, clean-up, remove, contain, treat, detoxify, neutralize, or in any way respond to **pollutants**.

However, this exclusion does not apply to liability arising out of:

- a. Water, whether recycled, reconditioned or reclaimed;
- b. Any discharge, dispersal, seepage, migration, release or escape directly or indirectly caused by fire, explosion, lightning, windstorm, vandalism, or malicious mischief, riot and civil commotion, flood, collision, or upset of a motor vehicle, railroad vehicle, mobile equipment, automatic sprinkler leakage or **aircraft**;
- c. Any liability arising out of police use of mace, oleoresin capsicum (o.c.), pepper gas or tear gas;
- d. Any liability arising from weed abatement or spraying;
- e. The products hazard or the completed operations hazard; and

- f. Any discharge, dispersal, seepage, migration, release or escape of **pollutants** that meets all of the following conditions:
- i. It was accidental and neither expected nor intended by the **Covered Party**. This condition would not serve to deny coverage for a specific incident where such discharge, dispersal, seepage, migration, release or escape of **pollutants** was a result of an attempt by any **Covered Party** to mitigate or avoid a situation where substantial third party **bodily injury, property damage or personal injury** could occur; and
 - ii. It was demonstrated as having commenced on a specific date during the **coverage period**; and
 - iii. Its commencement became known to any **Covered Party** within seven (7) calendar days and was further reported to the person responsible for risk management at the **Member** within a reasonable time frame; and
 - iv. Its commencement was reported in writing to CSURMA AORMA within forty (40) calendar days of becoming known to the person responsible for risk management for the **Member**; and
 - v. Reasonable effort was expended by the **Member** to terminate the situation as soon as conditions permitted.

However, nothing contained in this provision f., shall operate to provide any coverage with respect to:

- a. Any site or location principally used by any **Member**, or by others on the **Member's** behalf, for the handling, storage, disposal, dumping, processing, or treatment of waste material;
- b. Any fines or penalties;
- c. Any clean-up costs ordered by the superfund program, or any federal, state or local governmental authority. However, this paragraph shall not serve to deny coverage for third party clean-up costs otherwise covered by this exception to this exclusions simply because of the involvement of a governmental authority;
- d. Acid rain;
- e. Clean up, removal, containment, treatment, detoxification or neutralization of **pollutants** situated on premises the **Member** owns, rents or occupies at the time of the actual discharge, dispersal, seepage, migration, release or escape of said **pollutants**; or
- f. Water pollution caused by oil or its derivatives.

U. Silica

Any loss or liability arising out of, or contributed to or caused by silica as described below:

1. Bodily injury, property damage or personal injury arising out of, resulting from, caused by, or contributed to by silica, exposure to silica or the use of silica;
2. Any damages or any loss, cost or expense arising out of any (1) claim or suit by or on behalf of any governmental authority or any other alleged responsible party because of, or (2) request, demand, order or statutory or regulatory requirement that any covered party or any other person or entity should be, or should be responsible for:
 - a. Assessing the presence, absence or amount or effects of silica;
 - b. Identifying, sampling or testing for, detecting, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, abating, disposing of or mitigating silica; or
 - c. Responding to silica in any way other than as described in (a) or (b) above;
3. Any supervision, instructions, recommendations, warnings or advice given or which should have been given in connection with any of the subsections above; or
4. Any obligation to share damages with or repay someone else in connection with any of the subsections above.

V. Subsidence

To **property damage** arising out of subsidence for any reason.

W. War

Any loss or damage arising directly or indirectly, out of war, including undeclared civil war; warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

X. Watercraft

For liability for **damages** arising out of the ownership, maintenance, operation, use, entrustment to others, loading or unloading of any watercraft owned or operated by or rented or loaned by any **Member**, but this exclusion does not apply to:

1. Watercraft while ashore; or
2. Watercraft less than fifty (50) feet in length at the waterline.

Y. Under Errors and Omissions Liability

1. **Bodily injury** or **property damage** or **unfair employment practices** or **personal injury** as defined in the Memorandum;
2. The refund of taxes, fees or assessments;

3. a. Liability of any **Member** arising in whole or in part, out of any **Covered Party** obtaining remuneration or financial gain to which the **Covered Party** was not legally entitled;
- b. Liability arising out of the willful violation of a penal statute, code or ordinance committed by or with the knowledge or consent of any **Member**; except that any act for which a **Covered Party** is responsible shall not be imputed to any other **Covered Party** for purposes of this subpart 3.

This exclusion does not apply to liability arising from the managerial, advisory, supervisory, or controlling obligations of any **Covered Party** over the action of another **Covered Party**;

4. Liability for any **Member** arising out of estimates of probable costs or cost estimates being exceeded or faulty preparation of bid specifications or plans or failure to award contracts in accordance with statute or ordinance which under law must be submitted for bids;
5. Injury to, destruction or disappearance of any tangible property (including money) or the loss of use thereof; or
6. Liability arising out of the failure to perform or breach of a contractual obligation.

Nothing contained in this exclusion shall limit the **Covered Party's** right of recovery, where applicable, under **bodily injury, property damage, unfair employment practices liability, and personal injury** coverages as provided in this Memorandum.

SECTION VI – DEFINITIONS

- A. **Additional Covered Party** means any person(s), entity(ies), or organization(s) to whom the **Member** is obligated by virtue of any written contract to provide coverage solely with respect to **bodily injury, property damage and personal injury** arising out of the **Member's** operations or premises owned by or rented to the **Member**; and

For which a certificate of coverage has been issued to such person(s), entity(ies) or organization(s) and is on file with CSURMA AORMA evidencing their status as an additional insured under this coverage.

The coverage provided does not apply to any **occurrence** taking place:

1. Prior to the **Members'** operations or occupation of the premises; or
2. After the **Members'** operations have been completed or occupation of the premises has ceased.

The limits of coverage will be limited to the limits required within the terms of the written contract of the limits of liability of this Memorandum, whichever is less, and will apply in excess of the **Members' retained limit** shown in the Declarations. CSURMA AORMA will not be obligated for limits of coverage shown in the written contract that are greater than the limits of liability of this Memorandum.

- B. **Aircraft** means a vehicle designed for the transport of persons or property principally in the air, but does not include **unmanned aerial vehicle**.

- C. **Automobile** or **Auto** shall mean a land motor vehicle, trailer, or semi-trailer, subject to motor vehicle registration, including any attached machinery or equipment and including Mobile Equipment.

Mobile equipment means any of the following types of land vehicles, including any attached machinery or equipment:

1. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
 2. Vehicles maintained for use solely on or next to premises you own or rent;
 3. Vehicles that travel on crawler treads;
 4. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - a. Power cranes, shovels, loaders, diggers or drills; or
 - b. Road construction or resurfacing equipment such as graders, scrapers or rollers;
 5. Vehicles not described in Paragraph a., b., c. or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - a. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 - b. Cherry pickers and similar devices used to raise or lower workers;
 6. Vehicles not described in Paragraph a., b., c. or d. above maintained primarily for purposes other than the transportation of persons or cargo.
- D. **Bodily Injury** means bodily harm, sickness, disability or disease. **Bodily injury** shall also mean mental injury, mental anguish, humiliation, shock or death if directly resulting from **bodily injury**, sickness, disability or disease. **Bodily injury** shall include cause and loss of services resulting at any time from the **bodily injury** of any person or persons.
- E. **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 Member. 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 **Additional Covered Party** under the contract have been completed; or
 2. When all operations to be performed by or on behalf of the **Additional Covered Party** at the site of the operations have been completed; or

3. When the portion of the work out of which the injury or **damages** arise has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations as a part of the same project.

Operations with 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 liability arising out of the existence of tools, uninstalled equipment or abandoned or unused materials.

- F. Coverage Period** means the period beginning with the effective date shown in the Declarations and ending on the expiration date shown in the Declarations, unless terminated.
- G. Damages** mean compensation in money which a **Covered Party** is legally obligated to pay as a result of a claim. **Damages** include: (1) attorney fees not based on any contract awarded against the **Covered Party**, (2) interest on judgments, or (3) costs, for which the **Covered Party** is liable either by adjudication or by compromise with the prior, written consent of the CSURMA AORMA, if the fees, interest or costs arise from an **occurrence** to which this coverage applies.

Damages shall not include those sums determined to be owed by a **Covered Party** as contract **damages**, including, but not limited to retroactive or prospective benefits, or any **damages** determined to be owed for breach of an express contract of employment or under an express obligation to make payments in the event of termination of employment.

Damages shall not include sums paid pursuant to any judgment or agreement, whether injunctive or otherwise, to undertake actions to correct past discriminatory or unlawful conduct or to establish practices or procedures designed to eliminate or prevent future discriminatory or other unlawful conduct, or any non-monetary relief.

Damages shall not include fines, penalties, sanctions, taxes or fees assessed against any **covered party**.

- H. Discrimination**, as respects **unfair employment practices**, means the actual or alleged failure to employ, failure to promote, or transfer, or the suspension, demotion or termination of, any **employee** because of race, color, creed, national origin, sex, sexual orientation or preference, religion, age, gender, disability or handicap or pregnancy.
- I. Employee**, as respects **unfair employment practices** and when appearing in boldface type in this Memorandum, means any present or former **employee** of the named **Member** or any applicant for employment by the named **Member**, including independent contractors and /or persons working on retainer, while acting for or on behalf of the named Member but only as respects unfair employment practices.
- J. Errors and Omissions** means any actual or alleged misstatement or misleading statement or act or omission or neglect or breach of duty including misfeasance, malfeasance or nonfeasance by any **Covered Party** individually or collectively in the discharge of their duties with the **Member**, or any matter claimed against them solely by reason of their being or having been public officials.

K. Hired Automobile shall mean an **automobile** used under contract on behalf of the **Member** provided such **automobile** is not owned in full or in part by or registered in the name of (1) the **Member**, or (2) any **Covered Party** who is granted an operating allowance of any sort for the use of such **automobile**.

L. Member Contract means:

1. A contract for a lease of premises including but not limited to premises rented or loaned to you;
2. A sidetrack agreement;
3. Any easement or license agreement;
4. An obligation, as required by ordinance;
5. An elevator maintenance agreement; or
6. That part of any contract or agreement pertaining to the **Member's** business under which the **Member** assumes tort liability of another party to pay for **bodily injury, property damage or personal injury** to a third party or organization or **unfair employment practices**. Tort liability means liability that would be imposed by law in the absence of any contract or agreement.

However, it does not include that part of any contract or agreement:

- a. That indemnifies an architect, engineer, or surveyor, his agents or “**employees**”, for injury or damage arising out of preparing, approving or failing to prepare or approve maps, drawings, opinions, reports, surveys, change orders, designs, or specifications or giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage.
- b. To any claim, judgment or agreement from any arbitration proceeding wherein CSURMA AORMA is not entitled to exercise with the **Covered Party**, the **Covered Party's** rights in the choice of arbitrators, and in the conduct of such proceedings.

M. Non-Owned Automobile shall mean an **automobile** not owned by or furnished for the regular use of the **Member**.

N. Non-employment harassment means actual or alleged unwelcome or offensive;

- a. Physical conduct, including sexual molestation; or
- b. Verbal or written conduct or conduct using visual images, including such conduct by electronic means,

against anyone other than a present or former employee of, or an applicant for employment with, the **Member** and shall include any actual or alleged breach of duty by a **covered party** causing, contributing or leading to such **non-employment harassment**.

O. Occurrence means an accident or event, during the **coverage period** including continuous or repeated exposure to conditions, which result in injury or damage to which this coverage applies; provided, such injury or damage is neither expected nor intended from the standpoint of the **Member**.

With respect to **personal injury**, "**occurrence**" means an offense described in the definition of that term in this "Section VI - Definitions," that is committed during the **coverage period**.

With respect to **Errors & Omissions**, "**occurrence**" means an offense described in the definition of that term in this "Section - VI Definitions" that is committed during the **coverage period**, provided that the injury is neither expected nor intended from the standpoint of the **Member**.

P. Owned Automobile shall mean an **automobile** owned in full or in part by or registered in the name of the **Member**. **Automobile** furnished by the **Member** for driver education purposes shall be considered an **owned automobile**.

Q. Personal Injury means:

1. False arrest, detention, or imprisonment or malicious prosecution;
2. Publication or utterance of libel or slander or of other defamatory or derogatory material, or a publication or utterance in violation of an individual's right of privacy;
3. Wrongful entry or eviction or other invasion of the right of private occupancy;
4. **Discrimination** or violation of civil rights other than **unfair employment practices**, not intentionally committed by or at the direction of the **Member**;
5. Sexual harassment not intentionally committed by or at the direction of the **Member**; or
6. **Unfair Employment Practices**.

R. Pollutants mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and **waste**. **Waste** includes materials to be recycled, reconditioned or reclaimed. The term **pollutants** as used herein are not defined to mean potable water or agricultural water or water furnished to commercial users.

S. Property Damage means:

1. Physical injury to or destruction of tangible property which occurs during the **coverage period**, including the loss of use thereof at any time resulting there from; 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 **coverage period**.

T. Retained Limit, as contained in the Declarations of this Memorandum, means the amount of paid claim liability for **damages** covered by this Memorandum, for which the **Member** is responsible on a per **occurrence** basis, and which the **Member** actually pays in cash, after making proper deduction for all recoveries and salvages collectible. The **Member's retained limit** also includes defense fees and costs expended by the **Member** in defense of a claim to the extent that the claim is potentially covered under this Memorandum, and also includes court costs, allocated loss adjustment expenses and other associated costs and expenses, but does not include any salaries of the **Member's** regular **employees**, nor any defense fees or costs incurred in the defense of claims for which there was never any potential for coverage under this Memorandum.

U. **Ultimate Net Loss** as contained in the Declarations of this Memorandum, means the amount of paid claims liability for **damages** for which the **Covered Party** is liable, on a per **occurrence** basis, either by (1) adjudication, or (2) compromise with the prior written consent of the CSURMA AORMA, and which the **Member** actually pays in cash, after making proper deduction for all recoveries and salvages collectible. The **ultimate net loss** also includes defense fees and costs incurred by the **Member** in defense of the claim and also includes court costs, allocated loss adjustment expenses, and other associated costs and expenses, but does not include any salaries of the **Member's** regular **employees**. **Ultimate net loss** shall not include any **damages** recovered against a **Member** or defense expenses incurred because of liability that is not covered by this Memorandum.

V. **Unfair Employment Practices** means:

1. Any circumstance relating to a past, present or prospective **employee** of the **Member** (and the spouse, child, parent, brother or sister of that person as a consequence of **unfair employment practices** that person at whom any of the employment-related practices described below is directed) for or arising out of any actual or alleged wrongful dismissal, discharge, or termination either actual or constructive, of employment, employment related misrepresentation, retaliation, wrongful failure or refusal to employ or promote, wrongful deprivation of career opportunity or reassignment, wrongful discipline, failure to grant tenure or negligent **employee** evaluations; or
2. Sexual or workplace harassment or humiliation of any kind, including but not limited to, the alleged operation of a workplace harassing workplace environment, or
3. Actual or alleged negligence resulting in **damages** to a person that is a “whistle blower”, unlawful **discrimination**, whether direct, indirect, intentional or unintentional, or
4. Failure to provide adequate **employee** policies and procedures.

Unfair employment practices shall include actions brought under state, local, or federal law, whether common or statutory, and shall include, but not be limited to allegations of violations of the following federal laws, as amended, including regulations promulgated there under:

1. Americans with Disabilities Act of 1992 (ADA);
2. Civil Rights Act of 1991;
3. Age **Discrimination** in Employment Act of 1967 (ADEA), including the Older Workforce Benefit Protection Act of 1990;
4. Title VII of the Civil Rights Law of 1964, as amended (1983), including the Pregnancy **Discrimination** Act of 1978;
5. Civil Rights Act of 1866, Section 1981; and
6. Fifth and Fourteenth Amendments of the U.S. Constitution.

W. **Unmanned Aerial Vehicle** means any vehicle without a human pilot aboard capable of flight principally in the air that is designed for the transport of equipment and weighing no more than 100 lbs maximum take-off weight.

X. The following definitions are applicable only to Exclusion I:

Hazardous properties include radioactive, toxic or explosive properties;

Nuclear material means source material, special nuclear material or byproduct material;

Source material, special nuclear material and byproduct material have the meaning given in the Atomic Energy Act of 1954 or in any law amendatory thereof;

Spent fuel means 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 a byproduct material and (b) resulting from the operation by any person or organization of any nuclear facility included within the definition of **nuclear facility** under paragraph a. or b. thereof:

Nuclear Facility means:

- a. Any **nuclear reactor**;
- b. Any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing spent fuel, or (3) handling, processing or packaging **waste**;
- c. Any equipment or device used for the processing, fabricating or alloying of special nuclear material if at any time the total amount of such material in the custody of the **Member** at the premises where such equipment or device is located consists of or contains more than 25 grams plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235; or
- d. Any structure, basin, excavation site 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 supporting chain reaction or to contain a critical mass of fissionable material.

With respect to injury to or destruction of property, the word injury or destruction includes all forms of radioactive contamination of property.

SECTION VII – CONDITIONS

- A. Contribution Payment: The annual contribution payment shall be due and payable upon inception of coverage and each renewal thereafter. The amount of the annual contribution will be computed in accordance with CSURMA AORMA's rules and rates. CSURMA AORMA shall not be required to perform any obligations under this Memorandum if contributions are not paid.
- B. Termination: Coverage provided under this Memorandum, may be terminated by the CSURMA Board of Directors at any time in accordance with the JPA Agreement Section 23 Termination.

- C. Statutory Provisions: Terms of the Memorandum which are in conflict with the statutes of the State of California are amended to conform to such statutes.
- D. Other Coverage: If other valid and collectible coverage is available to the **Covered Party** for a covered claim, CSURMA AORMA's obligations are limited as follows:

1. Primary Coverage

This coverage is primary except when Paragraph 3 below applies. If this coverage is primary, CSURMA AORMA's obligations are not affected unless any of the other coverage is also primary. Then, CSURMA AORMA will share with all other coverage by the method described in Paragraph 3 below.

2. Excess Coverage:

- a. With respect to liability for **damages** of the **Covered Party** arising from the conduct or activities of a third party, as between the **Member** and the CSURMA AORMA, the amount of the **Member's retained limit** as set forth in the Declarations of this Memorandum shall be satisfied in whole or in part (as applicable, depending on how much other coverage is available) by any insurance coverage of said third party/parties which is available and applicable to the liability for **damages** of the **Covered Party**. If such third-party insurance coverage exceeds the **Member's retained limit**, all of such third-party insurance coverage (whether written on a primary or an excess basis, or written as reinsurance) shall apply to the loss before the CSURMA AORMA's limits hereunder shall attach.
- b. When this coverage is excess, CSURMA AORMA will have no duty to defend the **Covered Party** against any suit if any other coverage provider has a duty to defend the **Covered Party** against that suit. If no other coverage provider defends, CSURMA AORMA will undertake to do so, but CSURMA AORMA will be entitled to the **Covered Party's** rights against all those other coverage providers.
- c. CSURMA AORMA will share the remaining **ultimate net loss**, if any, with any other coverage that is not described in this provision and was not bought specifically to apply in excess of the limits of liability shown in the Declarations.

3. Method of Sharing:

- a. If all of the other coverage permits contribution by equal shares, CSURMA AORMA will also permit contribution by equal shares. Under this approach, each coverage provider contributes equal amounts until the applicable limit of liability has been paid or none of the **ultimate net loss** remains, whichever comes first; or
- b. If any of the other coverage providers does not permit contribution by equal shares, CSURMA AORMA will contribute by limits. Under this method, each coverage

provider's share is based on the ratio of its applicable limit of liability to the total applicable limits of liability of all coverage providers.

- E. Duties in the Event of an Accident, Occurrence, Offense, Claim, Suit or Proceeding: The following provisions and the provisions of the CSURMA AORMA Memorandum and Policy and Procedure on claims reporting and Claims Administration and Litigation Management are conditions precedent to coverage under this Memorandum. The **Covered Party's** failure to comply with any of these provisions will be cause for a reduction in or denial of coverage by CSURMA AORMA.
1. In the event of any **occurrence** or an offense which may result in a claim, suit or proceeding against a **Covered Party**, written notice (includes e-mail correspondence, fax transmissions and original hard copy notifications) shall be given by the **Member** to the Third Party Claims Administrator (TPA) as soon as practicable.
 2. When the **Member** submits the first claim report, the following information shall be included, if available and applicable:
 - a. How, when and where the **occurrence** or offense took place;
 - b. The names and addresses of any injured persons and witnesses;
 - c. The nature and location of any injury or damage arising out of the **occurrence** or offense;
 - d. Incident reports;
 - e. Investigation reports;
 - f. Police reports;
 - g. Claim notices and **Member** and any other involved **Covered Party** response(s);
 - h. Medical reports; and
 - i. Other information helpful to CSURMA AORMA.
 3. The **Member** and any other involved **Covered Party** shall provide immediate notice of any Pleadings, Summons, Complaints and any other legal papers received by the **Member** or other involved **Covered Party** to the TPA and authorize CSURMA AORMA to obtain records and other information;
 - a. Late Reporting Penalties
 - i. If an **occurrence**, offense, claim, suit or proceeding is not reported by the **Member** to the TPA within the timeframes set below; the following late reporting schedule shall apply;
 - ii. If an **occurrence**, offense, claim or suit is reported 1-6 months late as determined by the TPA, a 25% reduction of coverage will apply;

- iii. If an **occurrence**, offense, claim or suit is reported 7-12 months late as determined by the TPA, a 50% reduction of coverage will apply; or
 - iv. If an **occurrence**, offense, claim or suit is reported more than 12 months late as determined by the TPA, no recovery will be available to the **Member** or other involved **Covered Party**.
4. The **Member** and any other involved **Covered Party** will cooperate with CSURMA AORMA in the investigation or settlement of the claim, suit or proceeding or defense against and assist CSURMA AORMA, in the enforcement of any right against any person or organization which may be liable to the **Member** because of injury or damage to which this coverage may also apply.
- F. No Voluntary Payments: Except as stated below, no **Member** will, except at that **Member**'s own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without the consent of CSURMA AORMA.
- With respect to **unfair employment practices**, as stated in CSURMA AORMA Policy and Procedure on Claims Reporting, in no event shall any payments be made by CSURMA AORMA for any costs incurred to defend a covered claim more than thirty (30) days prior to written notification of an **occurrence**, offense, claim or suit to the TPA.
- Moreover, no settlement of any claim shall be paid by CSURMA AORMA without prior written authorization of the Liability Claims Administrator.
- G. Bankruptcy or Insolvency: Bankruptcy or insolvency of the **Covered Party** shall not relieve CSURMA AORMA of any of its obligations hereunder.
- H. Separation of Insureds: Except with respect to the Section III – Limitations Upon CSURMA AORMA's Liability, and any rights or duties specifically assigned to this Memorandum, this coverage applies:
- 1. As if each **Covered Party** were the only **Covered Party**; and
 - 2. Separately to each **Covered Party** against whom the claim is made or suit is brought.
- I. Limit of Liability: As provided in the Declarations.
- J. Assignment: No purported assignment of rights or interests under this Memorandum shall bind CSURMA AORMA without its written consent.
- K. Changes: This Memorandum may not be amended or changed in any respect, nor shall any provision of this Memorandum be deemed to have been waived by the CSURMA AORMA, unless and until a written endorsement which expressly so amends this Memorandum or waives a provision thereof has been duly issued by the CSURMA AORMA and made a part of the Memorandum, or unless the CSURMA AORMA Policies and Procedures regarding claims reporting and claims administration and litigation management have been amended by the CSURMA AORMA.

L. Transfer of Rights of Recovery Against Others to CSURMA AORMA: If the **Member** or any other **Covered Party** has rights to recover all or part of any payment CSURMA AORMA has made under this coverage, those rights are transferred to CSURMA AORMA. The **Member** or any other **Covered Party** shall do nothing after the loss to impair the recovery. At CSURMA AORMA's request, the **Member** or any other **Covered Party** will bring suit or transfer the rights to CSURMA AORMA and help CSURMA AORMA enforce them.

M. Claims Settlement: As stated in the CSURMA AORMA Policy and Procedures regarding Claims Reporting and Claims Administration and Litigation Management:

1. Claim Settlement Authority

The following guidelines apply to settlement authority of CSURMA AORMA, within this Memorandum:

a. \$0 to 25,000 – Claims Administrator

The Liability Claims Administrator has authority to settle claims up to, and including, \$25,000 per claim.

b. Up to the **Pooled Layer Limit** – AORMA Committee

The AORMA Committee has authority to authorize claims settlement up to the **Pooled Layer Limit**.

2. Claims Settlement Responsibility:

AORMA Committee shall have the primary responsibility to control and direct settlement negotiations and to determine the terms of any settlement. However, before effecting any settlement, AORMA Committee shall give notice to the **Member** of the terms of the proposed settlement.

3. Member Appeal Process:

First Level Appeal

If a **Member** wishes to appeal a decision regarding whether or not coverage is provided or to appeal a settlement decision, the **Member** must present an appeal in writing to the AORMA Committee within thirty (30) days of the disputed decision. The AORMA Committee will review the appeal at its next regularly scheduled meeting and inform the **Member** within five (5) business days of its final decision.

Second Level Appeal

If a **Member** wishes to appeal the AORMA Committee's decision, the **Member** will notify the CSURMA Secretary in writing within five (5) business days of receipt of the AORMA Committee's decision. The CSURMA Executive Committee will then review the appeal at its next meeting or sooner. The CSURMA Executive Committee's decision will be the final determination.



California State University Risk Management Authority
Auxiliary Organizations Risk Management Alliance

- N. Action Against CSURMA AORMA: No action shall lie against CSURMA AORMA unless, as a condition precedent thereto, the **Covered Party** shall have fully complied with all the terms of this Memorandum or until the amount of the **Covered Party's** obligation to pay shall have been finally determined whether by judgment against the **Covered Party** after actual trial or by written agreement of the **Covered Party**, the claimant and CSURMA AORMA. Said judgment shall not be deemed final, if an appeal is prosecuted there from, until the suit has been finally determined on appeal. Any person or organization or legal representative thereof who has secured such judgment or written agreement shall thereafter be entitled to recover under this Memorandum to the extent of the coverage afforded by this Memorandum. Nothing contained in this Memorandum shall give any person or organization any right to join CSURMA AORMA as a co-defendant in any action against the **Covered Party** to determine such **Covered Party's** liability.



**CALIFORNIA STATE UNIVERSITY RISK MANAGEMENT AUTHORITY
AUXILIARY ORGANIZATIONS RISK MANAGEMENT ALLIANCE
(CSURMA AORMA)
LIABILITY PROGRAM
MEMORANDUM OF COVERAGE**

**DOMESTIC HIRED AUTOMOBILE PHYSICAL DAMAGE
AMENDATORY ENDORSEMENT - #1**

***THIS ENDORSEMENT CHANGES THE MEMORANDUM OF COVERAGE
PLEASE READ IT CAREFULLY***

The term “auto(s)” as used in this endorsement means a land motor vehicle designed for travel on public roads, but does not refer to those types of automobiles excluded under Exclusion # 1 below or to mobile equipment.

The term “loss” as used in this endorsement means direct and accidental loss or damage.

SECTION I - COVERED AUTOS

Domestic Hired Autos Only – Only “autos” the **Covered Party** may hire, lease, rent or borrow for no more than thirty (30) consecutive days by execution of a contract within the coverage territory. This does not include any **automobile** a **Covered Party** may lease, hire, rent or borrow from any of **Member employees** or **members** of their household.

SECTION 2 - PHYSICAL DAMAGE COVERAGE

A. Coverage Extensions

1. CSURMA AORMA will pay for “loss” to a covered auto or its equipment under Comprehensive and Collision coverage.
2. The coverage provided by this Endorsement is excess over any other collectible coverage
3. For **Hired Auto** Physical Damage, CSURMA AORMA will pay expenses for which a **Covered Party** becomes legally responsible to pay for loss of use of a vehicle rented or hired without a driver under a written rental contract or agreement. However, the most CSURMA AORMA will pay for any expenses for loss of use is \$60 per day, to a maximum of \$1,800.

CSURMA AORMA will pay up to the limits shown in the Declarations for towing and labor costs incurred each time a covered auto of the private passenger type is disabled. However, the labor must be performed at the place of disablement.

B. Limit of Coverage

1. The most CSURMA AORMA will pay for “loss” in any one “accident” is the lesser of:
 - (1) The actual cash value of the damaged or stolen property at the time of the “loss”; or
 - (2) The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality.

C. Deductible

For each covered auto, CSURMA AORMA’s obligation to pay for repair, return or replace damaged or stolen property will be reduced by the applicable deductible of \$1,000.

D. Coverage Territory

Under this Endorsement, CSURMA AORMA will cover accidents and losses occurring:

1. During the Memorandum period shown in the Declarations Page.
2. Within the coverage territory.

The coverage territory is:

- a. The United States of America;
- b. The territories and possessions of the United States of America; and Puerto Rico.

SECTION 3 – EXCLUSIONS

- A. CSURMA AORMA will not pay for loss to any expensive, exotic or antique automobile, 15- passenger vans; semi-trailer trucks; motorcycles, mopeds, or motorbikes. Antique automobile is defined as any vehicle over twenty (20) years old or any vehicle that has not been manufactured for ten (10) years or more. Examples of excluded expensive or exotic automobiles include but are not limited to those manufactured by Aston Martin, Bentley, Bricklin, Daimler, DeLorean, Excalibur, Ferrari, Jensen, Lamborghini, Lotus, Maaserati, Porsche and Rolls Royce. However, selected models of BMW, Mercedes-Benz, Cadillac and Lincoln are covered.
- B. CSURMA AORMA will not pay for loss to any covered auto while used in any professional or organized racing or demolition contest or stunt activity, or while practicing for such contest or activity. CSURMA AORMA will also not pay for loss to any covered auto while that covered auto is being prepared for such contest or activity.
- C. CSURMA AORMA will not pay for loss caused by or resulting from any of the following unless caused by other loss that is covered by this coverage:

1. Wear and tear, freezing or mechanical or electrical breakdown; or
 2. Blowouts, punctures or other road damage to tires.
- D. CSURMA AORMA will not pay for loss to any of the following:
1. Tapes, records, discs, or other similar audio, visual data electronic devices designed for use with audio, visual or data electronic equipment.
 2. Any device designed or used to detect speed measuring equipment such as radar or laser detectors and any jamming apparatus intended to elude or disrupt speed measuring equipment.
 3. Any electronic equipment, without regard to whether the equipment is permanently installed, that receives or transmits audio, visual, or data signals and that is not designed solely for the reproduction of sound.
 4. Any accessories used with the electronic equipment described in Paragraph c. above Exclusions 2.c. and 2.d. do not apply to:
 - a. Equipment designed solely for the reproduction of sound and accessories, provided such equipment is permanently installed in the covered auto at the time of the loss or such equipment is removable from a housing unit which is permanently installed in the covered auto at the time of loss, and such equipment is designed to be solely operated by use of the power from the auto's electrical system, in or upon the covered auto
 - b. Any other electronic equipment that is:
 - 1) Necessary for the normal operation of the covered auto or the monitoring of the covered auto's operating system
 - 2) An integral part of the same unit housing any sound reproducing equipment described above in i. above and permanently installed in the opening of the dash or console of the covered auto normally used by the manufacturer for installation of a radio.
- E. CSURMA AORMA will not pay for loss to a covered auto due to diminution of value.
- F. CSURMA AORMA will not recognize any assignment or grant any coverage for the benefit of any person or organization holding, storing or transporting property for a fee regardless of any other provisions of this Endorsement.
- G. CSURMA AORMA will not pay for loss arising out of any violation of the rental car agreement.
- H. CSURMA AORMA will not cover damage to **autos** that are hired, rented or borrowed for more than thirty (30) consecutive days.
- I. CSURMA AORMA will not pay for loss or theft of personal belongings.
- J. CSURMA AORMA will not pay for loss caused by or resulting from the use of **auto** by **Member** volunteers.
- K. CSURMA AORMA will not pay for damages resulting from any **Covered Party's** personal liability.
- L. CSURMA AORMA will not pay for depreciation of the rental **auto** caused by loss or damage including but not limited to "diminished value".
- M. CSURMA AORMA will not pay for loss due to intentional acts, or due to the driver(s) being under the influence of alcohol, intoxicants, or drugs, or due to contraband or illegal activities.

~~N. CSURMA AORMA will not cover loss due to off road operation of the rented **auto**.~~

~~Q.N.~~ _____ CSURMA AORMA will not pay for confiscation by authorities.

~~P.O.~~ _____ CSURMA AORMA will not pay for **autos** that do not meet the definition of covered **autos**.

~~Q.P.~~ _____ CSURMA AORMA will not pay for losses reported more than forty-five (45) days from the date of loss.

All other terms and conditions in the Memorandum remain unchanged.

**CALIFORNIA STATE UNIVERSITY RISK MANAGEMENT AUTHORITY
AUXILIARY ORGANIZATIONS RISK MANAGEMENT ALLIANCE
(CSURMA AORMA)
LIABILITY PROGRAM
MEMORANDUM OF COVERAGE**

**MEDICAL PAYMENTS
AMENDATORY ENDORSEMENT - #2**

***THIS ENDORSEMENT CHANGES THE MEMORANDUM OF COVERAGE
PLEASE READ IT CAREFULLY***

It is agreed that this Memorandum will pay medical expense limit of \$5,000 per any one person as described below for **bodily injury** caused by an accident:

1. On premises the **Member** owns or rents,
2. On ways next to premises the **Member** owns or rents, or
3. Because of the **Member's** operations;
4. Provided that:
 - a. The accident takes place in the covered territory and during the **coverage period**;
 - b. The expenses are incurred and reported to CSURMA AORMA within one (1) year or the date of the accident; and
 - c. The injured person submits to examination, at CSURMA AORMA's expense, by physicians of the CSURMA AORMA's choice as often as CSURMA AORMA reasonably require.

CSURMA AORMA will make these payments regardless of fault. These payments will not exceed the applicable limit of coverage. CSURMA AORMA will pay reasonable expenses for:

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

The Program will not pay expenses for **bodily injury**:

1. To any **Member**;
2. To a person hired to do work for or on behalf of any **Member** or a tenant of any **Member**;
3. To a person injured on that part of premises the **Member** owns or rents that the person normally occupies;

4. To a person, whether or not an employee of any **Member**, if benefits for **bodily injury** are payable or must be provided under workers' compensation or disability benefits law or a similar law;
5. To a person injured while taking part in athletics;
6. To a person who is a student of the California State University or a participant enrolled in a CSU sponsored program;
7. Included with the products-completed operations hazard; and
8. Due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion or revolution.

All other terms and conditions in the Memorandum remain unchanged.



**CALIFORNIA STATE UNIVERSITY RISK MANAGEMENT AUTHORITY
AUXILIARY ORGANIZATIONS RISK MANAGEMENT ALLIANCE
(CSURMA AORMA)
LIABILITY PROGRAM
MEMORANDUM OF COVERAGE**

**CALIFORNIA UNINSURED OR UNDERINSURED MOTORISTS
COVERAGE BODILY INJURY
AMENDATORY ENDORSEMENT - #3**

***THIS ENDORSEMENT CHANGES THE MEMORANDUM OF COVERAGE
PLEASE READ IT CAREFULLY***

For a covered **automobile** licensed or principally garaged in or with operations conducted in California this endorsement modifies the Memorandum provided under the following:

Bodily injury to which this additional coverage applies.

With respect to the additional coverage provided by this endorsement, the provisions of the Memorandum apply unless modified by this endorsement. This endorsement changes the Memorandum effective on the inception date unless another date is indicated below.

SCHEDULE: Limit of Liability - \$250,000 per **occurrence**

A. Coverage

1. CSURMA AORMA will pay all sums the **Covered Party** is legally entitled to recover as compensatory damages from the owner or driver of an **uninsured or underinsured motor vehicle**. The damages must result from “**bodily injury**” sustained by the **Covered Party** caused by an **occurrence**. The owner’s or driver’s liability for these damages must result from the ownership, maintenance or use of the **uninsured or underinsured motor vehicle**.
2. CSURMA AORMA will pay only after the limits of liability under any liability bonds or policies have been exhausted by payment of judgments or settlements.
3. Any judgment for damages arising out of a claim, suit or proceeding brought without the written consent of CSURMA AORMA is not binding.

B. Exclusions

This additional coverage does not apply to any of the following:

1. Punitive or exemplary **damages**.

2. Any claim settled without consent of the CSURMA AORMA. However, this exclusion does not apply to a settlement made with the insurer of an **auto** described in Paragraph b. of the definition of **uninsured or underinsured motor vehicle**.
3. The direct or indirect benefit of any insurer or self-insurer under any worker's compensation, disability benefits or similar law or to the direct benefit of the United States, a state or its political subdivisions.
4. **Bodily injury** sustained by any **Covered Party** while occupying or when struck by any **auto** owned by that **Covered Party** that is not a covered **automobile** for **uninsured or underinsured motorists** Coverage under this Coverage Form;

However, Exclusion 4 shall not apply to **bodily injury** sustained by any **Covered Party** when struck by an **auto** owned by the **Member** and operated or caused to be operated by a person without that **Member's** consent in connection with criminal activity that has been documented in a police report and to which that **Covered Party** is not a party to.

5. Anyone using an **automobile** without a reasonable belief that the person is entitled to do so.
6. **Bodily injury** sustained by a **Covered Party** while occupying any **automobile** that is rented or leased to that **Covered Party** for use as a public or livery conveyance.
7. **Bodily injury** arising directly or indirectly out of:
 - a. War, including undeclared or civil war;
 - b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
 - c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

C. Limit of Liability

1. Regardless of the number of covered **automobiles**, the **Member**, premiums paid, claims made or **automobiles** involved in the **occurrence**, the most CSURMA AORMA will pay for all damages resulting from any one **occurrence** is the limit of liability for **uninsured or underinsured motorists** coverage shown in the schedule of declarations.
2. For an **automobile** described in Paragraph b. of the definition of **uninsured motor vehicle**, our limit of liability shall be reduced by all sums paid because of **bodily injury** by or for anyone who is legally responsible, including all sums paid or payable under this policy's liability coverage.
3. No one will be entitled to receive duplicate payment under this coverage for any element of **damages** for which payment has been made by or for anyone who is legally responsible.
4. CSURMA AORMA will not make a duplicate payment under this coverage for any element of **damages** for which payment has been made by or for anyone who is legally responsible.
5. CSURMA AORMA will not pay for any element of **damages** if a person is entitled to receive payment for the same element of **damages** under any workers' compensation, disability benefits or similar law.

D. Changes in Conditions

The conditions are changed for California **uninsured motorist's** coverage – **bodily injury** as follows:

1. Duties in the Event of Accident, Claim, Suit or Proceeding is changed by adding the following:
 - a. Promptly notify the police if a hit-and-run driver is involved; and
 - b. Send CSURMA AORMA copies of the legal papers if a claim, suit or proceeding is brought. In addition, a person seeking coverage under Paragraph b. of the definition of **uninsured motor vehicle** must:
 - (1) Provide CSURMA AORMA with a copy of the complaint by personal service or certified mail if the **Covered Party** brings an action against the owner or operator of such **uninsured motor vehicle**;
 - (2) Within a reasonable time, make all pleadings and depositions available for copying by CSURMA AORMA or furnish CSURMA AORMA copies at the expense of CSURMA AORMA; and
 - (3) Provide CSURMA AORMA with proof that the limits of liability under any applicable liability bonds or policies have been exhausted by payment of judgments or settlements.

2. Action Against CSURMA AORMA is replaced by the following:

No legal action may be brought against CSURMA AORMA under this endorsement until there has been full compliance with all the terms of this endorsement and with respect to Paragraphs a., c. and d. of the definition of **uninsured motor vehicle** unless within two (2) years from the date of the **occurrence**:

- a. Agreement as to the amount due under this Memorandum has been concluded;
 - b. The **Covered Party** has formally instituted arbitration proceedings against CSURMA AORMA. In the event that the **Covered Party** decides to arbitrate, the **Covered Party** must formally begin arbitration proceedings by notifying CSURMA AORMA in writing, sent by certified mail, return receipt requested; or
 - c. Claim, suit or proceeding, for **bodily injury** has been filed against the **uninsured motorist** in a court of competent jurisdiction.
3. Transfer of Rights of Recovery Against Others to CSURMA AORMA is replaced by the following:
 - a. With respect to Paragraphs a., c. and d. of the definition of **uninsured or underinsured motor vehicle**, if CSURMA AORMA makes any payment, CSURMA AORMA is entitled to recover what CSURMA AORMA paid from other parties. Any person to or for whom CSURMA AORMA makes payment must transfer to CSURMA AORMA his or her rights of recovery against any other party. This person must do everything necessary to secure these rights and must do nothing that would jeopardize them.
 - b. With respect to Paragraph b. of the definition of **uninsured or underinsured motor vehicle**, if CSURMA AORMA makes any payment and the **Covered Party** recovers from another party, the **Covered Party** shall hold the proceeds in trust for CSURMA AORMA and pay back the amount CSURMA AORMA has paid.

4. Other Insurance is replaced by the following:

If there is other applicable insurance available under one or more policies or provisions of coverage:

- a. The maximum recovery under all endorsements and the memorandum combined may equal but not exceed the highest applicable limit for any one **automobile** under any endorsement and the memorandum providing coverage on either a primary or excess basis.
- b. Any coverage CSURMA AORMA provides with respect to an **automobile** the **Member** does not own shall be excess over any other collectible **uninsured or underinsured motorists** insurance providing coverage on a primary basis.
- c. If the coverage under this endorsement is provided:
 - (1) On a primary basis, CSURMA AORMA will pay only the share of the **damages** that must be paid under this Memorandum providing coverage on a primary basis. CSURMA AORMA's share is the proportion that the limit of liability bears to the total of all applicable limits of liability for coverage on a primary basis.

E. Additional Definitions

- 1. **Occupying** means in, upon, getting in, on, out or off.
- 2. **Uninsured or underinsured motor vehicle** means a land motor **automobile** or trailer:
 - a. For which no liability bond or policy at the time of an **occurrence** provides at least the amounts required by the applicable law where a covered **automobile** is principally garaged;
 - b. That is an **underinsured motor vehicle**. An **underinsured motor vehicle** is a land motor vehicle or for which the sum of all liability bonds or policies at the time of an **occurrence** provides at least the amounts required by the applicable law where a covered **automobile** is principally garaged but that sum is less than the limit of liability for this coverage;
 - c. For which an insuring or bonding company denies coverage or refuses to admit coverage except conditionally or with reservation or becomes insolvent;
 - d. That is a hit-and-run **automobile** and neither the driver nor owner can be identified. The **automobile** must make physical contact with a **Covered Party**, a covered **automobile** or an **automobile** a **Covered Party** is occupying; or
 - e. That is owned by the **Member** and operated or caused to be operated by a person without the owner's consent in connection with criminal activity that has been documented in a police report.

However, **uninsured motor vehicle** does not include any **automobile**:

- a. Owned or operated by a self-insurer under any applicable motor vehicle law except a self-insurer who is or becomes insolvent and cannot provide the amounts required by that motor vehicle law;
- b. Owned by a governmental unit or agency; or
- c. Designed or modified primarily for use off public roads while not on public roads.

All other terms and conditions in the Memorandum remain unchanged.



**CALIFORNIA STATE UNIVERSITY RISK MANAGEMENT AUTHORITY
AUXILIARY ORGANIZATIONS RISK MANAGEMENT ALLIANCE
(CSURMA AORMA)
LIABILITY PROGRAM
MEMORANDUM OF COVERAGE**

**NON-SALARIED EMPLOYEE AUTO LIABILITY
AMENDATORY ENDORSEMENT - #4**

***THIS ENDORSEMENT CHANGES THE MEMORANDUM OF COVERAGE
PLEASE READ IT CAREFULLY***

The following is added to Section IV – COVERED PARTIES, Section C.

As respects motor vehicles operated by a **Non-Salaried Employee** of the California State University, CSURMA AORMA agrees to provide coverage directly in excess of the Motor Vehicle Liability Self-Insurance Program as defined by the State Administrative Manual of the State of California, section 2420 including any amendment or successor thereto, subject to all other terms and conditions of this Memorandum of Coverage. The coverage added does not involve the AORMA pooling layer of liability.

The coverage provided herein includes liability arising from the use of any owned, non-owned or hired vehicle operated by a **Non-Salaried Employee** while on **State** business.

For the purpose of the coverage provided by this endorsement, the following definitions are added:

1. **Non-Salaried Employee:** Means anyone, including but not limited to a student assistant or volunteer, operating a motor vehicle while on **State** business.
2. **State:** Means the State of California; the Trustees of the California State University; the California State University, and its campuses.

2420 MOTOR VEHICLE LIABILITY SELF-INSURANCE PROGRAM (Revised 12/04)

The ORIM administers the State Motor Vehicle Liability Self-Insurance Program (VELSIP), which provides unlimited self-insured liability coverage for the state, agencies, and employees who operate covered self-propelled land vehicles on state business (California Vehicle Code Sections 17000 and 17001). Effective January 1, 2004, liability coverage is limited to \$1 million per occurrence/accident when the state vehicle is operated by a non-salaried employee (i.e. student assistant, volunteer, etc.) on state business. The driver's employing department/agency will be financially responsible for the payment of any claims, settlements, judgments or verdicts in excess of \$1 million. The VELSIP provides excess liability coverage for state employees on state business while driving non-state vehicles, but only after the vehicle owner's liability policy limits have been paid. The VELSIP does not provide coverage for injury to state employees nor for damage to state vehicles. Employee injuries are handled through Workers' Compensation coverage. Damage to state vehicles are handled through the budget of the owning state agency.



**CALIFORNIA STATE UNIVERSITY RISK MANAGEMENT AUTHORITY
AUXILIARY ORGANIZATIONS RISK MANAGEMENT ALLIANCE
(CSURMA AORMA)
LIABILITY PROGRAM
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**FIDUCIARY LIABILITY
AMENDATORY ENDORSEMENT - #5**

***THIS ENDORSEMENT CHANGES THE MEMORANDUM OF COVERAGE
PLEASE READ IT CAREFULLY***

This is claims made and reported coverage; therefore, the coverage is limited to Claims that are first made against the Member during the coverage period and are reported to CSURMA AORMA during the coverage period.

With respect to the additional coverage provided by this endorsement, the provisions of the Memorandum of Coverage apply unless modified by this endorsement.

A. SUBJECT TO THE LIMIT STATED BELOW CSURMA AORMA AGREES:

To pay on behalf of any **Covered Party** those sums for **loss** including **Claims Expenses** incurred in the defense and settlement of any **Claim** first made against the **Covered Party** and reported to Underwriters during the **Policy Period**, alleging a **Wrongful Act(s)** of any Covered Party, first committed, or allegedly committed on or subsequent to the **Retroactive Date** shown herein, in the **administration** of **Covered Party's Employee Benefit Plans or Covered Party's Trusts**.

B. LIMIT OF LIABILITY: \$350,000 ANY ONE CLAIM

For the purpose of determining the limit of liability of CSURMA AORMA under this endorsement, all **damages** arising out of continuous repeated exposure to substantially the same general conditions shall be considered as arising out of one **loss**.

Loss, with duration of more than one **policy period** shall be treated as a single **loss** arising during the **policy period** when the **Claim** is first made, and under no circumstances shall the fact that said **loss** has duration of more than one **policy period** entitle a **Covered Party** to more than one limit of coverage.

C. EXCLUSIONS

Exclusions H - Employee Benefits; J – ERISA; and L - Fiduciary Liability do not apply to the **administration** of the **Covered Party's Employee Benefit Plans or Covered Party's Trusts**, but only up to the limit of liability stated above for CSURMA AORMA .

Underwriters shall not be liable to make any payment for that part of **Loss**, other than Defense Expenses:

1. Which constitutes civil or criminal fines or penalties, taxes, or the multiple portion of any multiplied damage award;
2. Which constitutes payments due under the terms of the Benefit Plan or Trust , unless recovery is based upon a covered **Wrongful Act**;
3. **Loss made against the Covered Party:**
 - a. For libel, slander, bodily injury, emotional distress, disease, sickness or death of any person. Or any damage to or destruction of any tangible property including loss of use thereof;
 - b. For liability of others assumed by the **Covered Party** under any oral, written or implied contract or agreement; however, this exclusion shall not apply to the extent the **Covered Party** would have been liable in the absence of such contract or agreement; or the liability was assumed in accordance with or under the **Benefit Plan or Trust** agreement or equivalent document pursuant to which the plan was established;
 - c. Any **Insured's** gain of any profit, remuneration or advantage to which they were not legally entitled; or
 - d. For discrimination in violation of any law.
4. CSURMA AORMA shall not be liable to make any payment for **Loss** in connection with any claim based upon, arising out of, directly or indirectly resulting from or in consequence of:
 - a. Any fact, circumstance, situation, transaction event or **Wrongful Act** which was the subject to any notice given under any prior coverage for fiduciary liability or other similar insurance;
 - b. Any litigation or administrative or regulatory proceeding against any **Insured** pending on or before the effective date of this endorsement, or any actual, alleged fact, circumstance, situation, transaction, event or **Wrongful Act** underlying or alleged therein which was known to the **Covered Party** prior to the inception of this endorsement, or
 - c. Any deliberately fraudulent or dishonest act or omission or any willful violation of any statute or regulation by any **Insured**; however, this exclusion shall not apply unless a judgment or other final adjudication adverse to such **Insured** establishes such a deliberately fraudulent or dishonest act or omission or willful violation.

D. DEFINITIONS

For the purpose of the coverage provided by this endorsement, the following definitions are added:

1. **Administration** means:

- a. Providing information, advice, counsel or notice to employees or **Trust** beneficiaries, with respect to the **Employee Benefits Plan** or **Trust**;
 - b. Providing interpretations of the **Employee Benefits Plan** or **Trust**;
 - c. Handling records in connection with the **Employee Benefits Plan** or **Trust**, or
 - d. Effecting enrollment, termination or cancellation of employees, participants, or beneficiaries under the **Employee Benefit Plan**.
2. **Claim** means:
- a. A written demand for specific monetary, non-pecuniary, or injunctive relief;
 - b. A criminal or civil proceeding for monetary, non-pecuniary or injunctive relief which is commenced by:
 - i. Service of a complaint or similar pleading; or
 - ii. Return of an indictment (in the case of criminal proceeding); or
 - iii. Receipt or filing of a notice of changes; or
 - c. A formal agency or regulatory proceeding to which a **Covered Party** is subject
Made against a Covered Party alleging a **Wrongful Act**.
3. **Claims Expenses** mean reasonable expenditures incurred by a **Covered Party** in defense of a Claim covered under this endorsement, including but not limited to, cost of investigations, experts, adjustment services, legal services, court costs and similar expenses; provided however that **Claims Expenses** does not include wages or salaries of a **Covered Party**, or cost of attachment or similar bonds.
4. **Covered Party** means any natural person who was, is now, or becomes:
- a. A trustee, member of the board of directors, officer, in-house general counsel or an employee of the Member of an **Employee Benefit Plan** or **Trust**, while acting in his or her capacity as a fiduciary of an **Employee Benefit Plan** or **Trust** or as a person performing **Administration** for an **Employee Benefit Plan** or **Trust**, or who is;
 - b. Assigned to act as a trustee, or an agent for finances of an **Employee Benefit Plan** or **Trust**.
5. **Employee Benefit Plan** means a program providing some or all of the following benefits to employees:
- a. Group life insurance, group accident or health insurance, dental, vision and hearing plans, and flexible spending accounts, provided that no one other than an employee may



California State University Risk Management Authority
Auxiliary Organizations Risk Management Alliance

- subscribe to such benefits and such benefits are made generally available to those employees who satisfy the plan's eligibility requirements;
- b. Pension plans, provided that no one other than an employee may subscribe to such benefits and such benefits are made generally available to all employees who are eligible under the plan for such benefits;
 - c. Unemployment insurance, social security benefits, workers' compensation and disability benefits; and
 - d. Vacation plans, including buy and sell programs; leave of absence programs, including military, maternity, family and civil leave, tuition assistance plans; transportation and health club subsidies.
6. **Insured** means:
- a. **Member**
 - b. CSU and CSU Campus Auxiliary Organizations
 - c. Elected/Appointed Officials: all past, present and future, including the Member Designated Professional Fiduciary
 - d. Employees: all past, present, and future
7. **Loss** means the amount which a **Covered Party** is legally and personally liability to pay on account of a **Claim** first made or instituted during the coverage period covered under and not excluded by this additional coverage endorsement.
8. **Member** means the signatory to the CSURMA Joint Powers Authority
9. **Retroactive Date** shall mean any Claim or Loss reported pursuant to the terms and conditions herein and rendered on or after the date set forth herein:

For all Members other than those Members specifically listed below the retroactive date for this endorsement is: July 1, 2010. For all Members listed below the retroactive date is as stated.

<u>Campus</u>	<u>AORMA Member</u>	<u>Retroactive Date</u>
Chico	Associated Students of CSU Chico	July 1, 2005
Long Beach	CSU Long Beach Foundation	July 1, 2008
Los Angeles	Associated Students Inc. CSU Los Angeles	July 1, 2007
Northridge	The University Corp., CSU Northridge	October 1, 1991
Northridge	University Student Union, CSU Northridge	October 1, 1999
Sacramento	Capital Public Radio, CSU Sacramento	April 15, 2010
San Jose	San Jose University Research Foundation	July 1, 2002
San Jose	Spartan Shops, Inc.	February 1, 1998



California State University Risk Management Authority
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10. **Trust(s)** means charitable remainder trusts, charitable lead trusts, pooled income funds, or any combination thereof, or any employee pension benefits or employee welfare benefits trust, formed under U.S. Internal Revenue Code Section 501(c)(9), in which a **Member** participates, provided the trust only serves auxiliary organizations who are **Members**.
11. **Wrongful Act** means:
 - a. Any actual or alleged breach of the responsibilities, obligations or duties imposed upon **Covered Party** for the **Trusts** by common or statutory law or regulation of the United States or any state;
 - b. Any other actual or alleged matter claimed against a **Covered Party** solely because of his or her service as the designated fiduciary of any **Employee Benefit Plans** or **Trusts**; or
 - c. Any actual or alleged negligent act, error or omission solely in the **Administration** of any **Employee Benefit Plan** or **Trust**, and
 - d. Any actual or alleged breach of duties, obligations and responsibilities imposed by ERISA or by COBRA or by any similar or related federal, state or local law or regulation in the discharge of the **Covered Party's** duties with respect to any **Employee Benefit Plans** or **Trust**.

All other terms and conditions in the Memorandum remain unchanged.



IRONSHORE SPECIALTY INSURANCE COMPANY


Mailing Address:
 75 Federal Street
 5th Floor
 Boston, MA 02110
 Toll Free: (877) IRON411

**SPECIAL EXCESS LIABILITY POLICY FOR PUBLIC ENTITIES
 DECLARATIONS**

Policy Number: 000541304

Renewal Of: 000541303

ITEM 1. Named Insured and Address		Agent Name and Address	
California State University Risk Management Authority (CSURMA) (Please see Endorsements 2 & 3) 401 Golden Shore Long Beach, CA 90802		AmWINS Insurance Brokerage of California 19867 Prairie Street, Suite 250 Chatsworth, CA 91311	
ITEM 2. Policy Period		From: July 01, 2014	To: July 01, 2015
ITEM 3.	INSURED'S RETAINED LIMIT:		
	Item 3A (1)	<u>\$ 5,000,000</u>	Any one Occurrence or Wrongful Act or series of continuous, repeated or related Occurrences or Wrongful Acts – Defense erodes Retained Limit
	COMPANY'S LIABILITY:		
	Item 3B (1)	<u>\$ 5,000,000</u>	Any one Occurrence or Wrongful Act or series of continuous, repeated or related Occurrences or Wrongful Acts in excess of your Retained Limit.
	Item 3B (2)	<u>\$ 5,000,000</u>	Aggregate Policy Limit during each Policy Period as a result of: Completed Operations Hazard
	Item 3B (3)	<u>\$ N/A</u>	Aggregate Policy Limit during each Policy Period as a result of: Wrongful Acts arising out of Public Officials' Errors and Omissions Liability
Limit of Liability	Item 3B (4)	<u>\$ N/A</u>	Aggregate Policy Limit during each Policy Period as a result of: Wrongful Acts arising out of Employment Practices Liability
	Item 3B (5)	<u>\$ N/A</u>	Aggregate Policy Limit during each Policy Period as a result of: Wrongful Acts arising out of Employee Benefits Liability

ITEM 4. Premium Compensation	
Minimum Premium	35%
ITEM 5. Policy Fee	Not applicable
Self-Insured Claims Servicing Organization: Self-Administered – Campus; Carl Warren & Company – AORMA	
Policy Coverage Form: CSURMA – Manuscript Form	
Endorsements Attached to Policy At Inception: Please see Schedule of Endorsements – Endorsement 1	
These Declarations together with the coverage form and endorsements, if any, issued to form a part of the Policy thereof, complete the above numbered Special Excess Liability Policy For Public Entities.	
Countersigned: <u>October 1, 2014</u> DATE	By:  AUTHORIZED REPRESENTATIVE



IRONSHORE SPECIALTY INSURANCE COMPANY

Mailing Address:
75 Federal Street
5th Floor
Boston, MA 02110
Toll Free: (877) IRON411

SPECIAL EXCESS LIABILITY POLICY FOR PUBLIC ENTITIES

Policy Number: 000541304

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

Throughout this Policy the words **you** and **your** refer to the **Named Insured(s)** shown in the **DECLARATIONS** and any other person(s) or organization(s) qualifying as an **Insured** under this Policy. The words **we**, **us**, and **our** refer to the **Company** providing this insurance.

Other words and phrases that appear in boldface have special meaning. Refer to **SECTION VII. DEFINITIONS**.

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, **we** agree with **you** as follows:

SECTION I. INSURING AGREEMENT

- Coverage A **Personal Injury** Liability
- Coverage B **Property Damage** Liability
- Coverage C **Public Officials' Errors and Omissions** Liability
- Coverage D **Employment Practices** Liability
- Coverage E **Employee Benefits** Liability

We will pay on **your** behalf the **Ultimate Net Loss** in excess of **your Retained Limit** hereinafter stated which **you** become legally obligated to pay as **Damages** because of.

- (A) **Personal Injury;**
- (B) **Property Damage;**
- (C) **Public Officials Errors and Omissions;**
- (D) **Employment Practices Claims; or**
- (E) **Employee Benefits Wrongful Act**

to which this Policy applies caused by an **Occurrence** or a **Wrongful Act** that takes place during the Policy Period.

SECTION II. DEFENSE AND DEFENSE COSTS

- (A) **We** will have the right and duty to defend any **Claim** or **Suit** against the **Insured** seeking **damages** arising out of any **Occurrence** or **Wrongful Act** to which this insurance applies even if the **Claim** or **Suit** is groundless, false or fraudulent when the **Retained Limit** has been exhausted by the payment of **damages**

including **defense costs** to which this insurance applies and provided further that no other insurer has a duty to defend or is defending such **Claim** or **Suit**.

- (B) We will have no duty to defend the **Insured** against any **Claim** or **Suit** seeking **damages** arising out of any **Occurrence** or **Wrongful Act** to which this insurance does not apply.
- (C) When **we** assume the defense of any **Claim** or **Suit** on **your** behalf, **we** will:
- (1) Investigate, negotiate and settle the **Claim** or **Suit** as we deem expedient; and
 - (2) Pay the following to the extent that they are not covered by any other insurance:
 - (a) Premiums on bonds to release attachments for amounts not exceeding our Limits of Insurance, but **we** are not obligated to apply for or furnish any such bond;
 - (b) Premiums on appeal bonds required by law to appeal any **Claim** or **Suit** **we** defend, but **we** are not obligated to apply for or furnish any such bond;
 - (c) All reasonable costs taxed against **you** in any **Claim** or **Suit** that **we** defend;
 - (d) Pre-judgment interest awarded against **you** on that part of the judgment **we** pay. If we make an offer to pay the applicable Limit(s) of Liability, we will not pay any pre-judgment interest accrued for that period of time after the offer;
 - (e) All interest that accrues after entry of judgment and before we have paid, offered to pay or deposited in court the part of the judgment that is within our applicable Limit(s) of Liability; or
 - (f) Your reasonable expenses incurred with **our** consent or at **our** request.
- (D) **We** will not defend any **Claim** or **Suit** after our applicable Limit(s) of Liability has been exhausted by payments of judgments or settlements including **Defense Costs**.
- (E) Except as provided in Paragraph A above, we will have no duty to defend any **Claim** or **Suit** against the **Insured**. We will, however, have the right, but not the duty, to participate in the defense of any **Suit** and the investigation of any **Claim** to which this Policy may apply, and the **Insured** shall cooperate fully with us in such participation. If we exercise this right, we will do so at our own expense.
- (F) All expenses **we** incur in the defense of any **Claim** or **Suit** are included in our Limit of Liability and are not paid in addition to our Limit of Liability.

SECTION III. YOUR RETAINED LIMIT - OUR LIMIT OF LIABILITY

Regardless of the number of (1) **Insureds** under this Policy, (2) persons or organizations who sustain injury or **Damage**, or (3) **Claims** made or **Suits** brought on account of **Personal Injury** Liability, **Property Damage** Liability, **Public Officials Errors & Omissions** Liability, **Employment Practices** Liability or **Employee Benefit** Liability, **our** liability is limited as follows:

With respect to **Personal Injury, Property Damage, Public Officials Errors & Omissions, Employment Practices or Employee Benefit Wrongful Act**, or any combination thereof, **our** liability shall be only for the **Ultimate Net Loss** in excess of **your Retained Limit** as specified in Item 3. of the Limit of Liability section of the **DECLARATIONS** as the result of any one **Occurrence** or **Wrongful Act**, and then for an amount not exceeding the amount specified in Item 3B(1) of the Limit of Liability section of the **DECLARATIONS** as the result of any one **Occurrence** or **Wrongful Act**.

This Policy is subject to aggregate Limits of Liability as stated in the **DECLARATIONS** as stated in Items 3B(2), 3B(3), 3B(4) and 3B(5). These aggregate Limits of Liability are the maximum amount that will be paid under this Policy for all **Occurrences, Wrongful Acts, Employee Benefit Wrongful Act or Related Employee Benefit Wrongful Acts**, as the case may be, during the Policy Period applying separately to:

- (A) **Completed Operations Hazard;**
- (B) **Public Officials' Errors and Omissions;**
- (C) **Employment Practices Claims**
- (D) **Employee Benefit Claims**

In the event the **Named Insured** is an entity established pursuant to a Joint Powers Authority or Joint Insurance Fund, by whatever name called, and there are multiple **Named Insureds** shown on the respective Named Insured endorsement under this policy, the **Company's** each **Occurrence** or **Wrongful Act** Limit of Liability and the **Named Insured's Retained Limit** under this policy shall apply separately to each **Named Insured**.

However, an **Occurrence** or **Wrongful Act** involving more than one **Named Insured** shall be treated as a single **Occurrence** or **Wrongful Act**. A single **Company** each **Occurrence** or **Wrongful Act** Limit of Liability and a single **Retained Limit** shall apply.

It is understood and agreed that nothing will be construed to increase our Limit of Liability. It is further understood and agreed that the Aggregate Limits of Liability as set forth in the **DECLARATIONS** shall be applied separately to each **Named Insured**.

For the purpose of determining the limit of **our** liability, the **Ultimate Net Loss** arising from **Damages** for **Personal Injury, Property Damage, Public Officials Errors and Omissions, Employment Practices Claims** or **Employee Benefit Wrongful Act** arising out of continuous, repeated, or related exposure to substantially the same general conditions shall be considered as arising out of one **Occurrence** or **Wrongful Act**.

Personal Injury, Property Damage, Public Officials Errors and Omissions, Employment Practices Claims or **Employee Benefit Wrongful Act** taking place over more than one Policy Period insured by **us** shall be deemed to have taken place during the last Policy Period and only that limit shall apply.

SECTION IV. POLICY PERIOD - TERRITORY

The Policy Period commences on the effective date shown in the **DECLARATIONS**. The Policy Period ends on the earlier of either the expiration date or the effective date of cancellation of this Policy. If a person or organization becomes an **Insured** under this Policy after the effective date, the Policy Period for that person or organization begins on the date the person or organization became an **Insured**.

This Policy applies to **Personal Injury, Property Damage, or Public Official's Errors and Omissions** arising out of an **Occurrence** or a **Wrongful Act** that takes place during the Policy Period, anywhere in the world, but only if a **Claim** is made and a **Suit** is brought for such **Occurrence** or **Wrongful Act** in the United States of America.

SECTION V. PERSONS OR ENTITIES INSURED

The following are **Insureds**;

- (A) The **Named Insured** as designated in the **DECLARATIONS**.
- (B) Commissions, boards, districts, authorities, committees, agencies, not-for-profit corporations or other entities under the direction or control of the **Named Insured**, while acting solely within the course and scope of their duties with and for the direct benefit or on behalf of the **Named Insured**.
- (C) Past or present employees, directors, officers, trustees or any equivalent position, volunteers, elected or appointed officials of the **Named Insured**, including **Contract Employees** of the **Insured**, while acting within

the course and scope of their employment or under the direction and control for or on behalf of the **Named Insured**. This does not include any person working on retainer or as an independent contractor.

(D) Any person:

- (1) Designated in paragraphs (A) through (C) with respect to any **Automobile** not owned by **you** that is used in **your** operations as a public entity; and
- (2) Using any **Automobile** owned by the **Named Insured** or hired **Automobile** or any person legally responsible for the use thereof, provided that the **Automobile** is being used with **your** permission and while acting on **your** behalf.

The coverage granted by this provision, however does not apply to:

- (1) Any person operating an **Automobile** while working in a business that sells, services, repairs, delivers, tests, parks, or stores **Automobiles** unless it is your business; or
- (2) The owner or lessee of any hired **Automobile**, other than you or any agent or employee of such owner or lessee.

However, with respect to California State University owned, hired or non-owned **Automobiles**, coverage afforded under **Section V – Persons or Entities Insured, (D)** – only applies to **Non-Employee Drivers**.

Non-Employee Drivers means any volunteer, student, or any individual who is not an employee of the **Named Insured** while driving an **Automobile** and acting for or on behalf of the **Named Insured**.

(E) Student Organizations including those involved with radio, television and publishing, but only those organizations formally recognized by the **Named Insured** as student organizations.

(F) Students, but only with respect to liability arising out of service by the student as a teaching assistant or student teacher; while serving in a supervised internship program in satisfaction of course requirements; while participating in activities required to complete nurse training or similar allied health courses; while participating in teacher certification programs; while serving or acting under the direction of an entity included as a **Named Insured**.

(G) All special districts governed by the entity's board and all other districts or agencies named on the policy.

(H) Police Officers currently employed by you as respects secondary employment specifically authorized by your Police Department (commonly referred to as "moonlighting"); however:

- (1) This coverage would only apply to extent that you were joined in any Suit naming said Police Officers; and
- (2) This coverage is excess over any other valid and collectible insurance covering any loss for which this insurance would otherwise be applicable; and
- (3) Nothing provided hereunder would serve to increase any Limits of Liability of this Policy.

SECTION VI. EXCLUSIONS

This Policy does not apply:

(A) To any obligation for which **you** or any carrier as the insurer for **you** may be held liable under any workers compensation, occupational disease, unemployment compensation or disability benefits law, or under any similar federal, state or local law.

(B) To **Bodily Injury** to any of **your** employees arising out of and in the course of employment by **you**, but this exclusion does not apply to Workers' Compensation Coverage B, Employers Liability, or Stop Gap Liability, as defined by the National Council on Workers' Compensation Insurance or **Employment Practice Liability**.

(C) To any liability for **Property Damage** to:

(1) Real property owned, occupied by or leased to **you, your** agents or subcontractors;

(2) Real or personal property in **you, your** agents or subcontractors care, custody or control or as to which **you, your** agents or subcontractors are for any purpose exercising physical control;

The above exclusions (C)(1) and (C)(2) do not apply to:

(a) Real and personal property including **Automobiles** and mobile equipment that is in **your** custody as part of the operations of impound lots or seizure activities as well as personal property in **your** care, custody and control at the time of arrest or incarceration;

(b) Non-owned **Automobiles** that are in **your** care, custody or control;

(c) Real property that is leased or rented by **you** for losses arising out of fire, smoke or resulting water damage.

(a), (b) and (c) are subject to a maximum limit of coverage of \$1,000,000 per **Occurrence**.

(D) As respects liability assumed by **you** under any contract:

(1) To any **Claim**, judgment or agreement from any arbitration proceeding wherein **we** are not entitled to exercise **your** rights in the choice of arbitrators, and in the conduct of such proceedings;

(2) If the indemnitee of the **Insured** is an architect, engineer or surveyor, for the liability of the indemnitee, his agents or employees, arising out of:

(a) The preparation or approval of contracts, maps, plans, drawings, opinions, reports, tests, inspections, surveys, change orders, designs or specifications;

(b) The giving or the failure to give directions or instructions by the indemnitee, his agents or employees, provided such giving or failure to give results in **Personal Injury** or **Property Damage**.

(E) To liability arising out of the ownership, maintenance, **Loading** or **Unloading**, use of, or operation of any **Aircraft**, airfields, runways, hangars, buildings, or other properties in connection with aviation activities. **Loading** or **Unloading** of **Aircraft** shall not apply to paramedics, nurses or emergency medical technicians employed by **you** or a static aircraft used for instructional aircraft maintenance training, non-flight purposes only.

This exclusion shall not apply, however, to those areas open to the public for the purpose of entering, leaving, or using the airport facilities (including parking lots, and garages) or to liability arising out of the ownership, operation, rental, or loan of vehicles licensed for highway use while being operated away from the premises of any airfield

(F) To any liability arising out of the operation of any hospital, clinic, or health care facility, owned or operated by any **Insured**. This includes, but is not limited to:

a. The rendering or failure to render:

(1) Medical, surgical, dental, x-ray or nursing service or treatment, or the furnishing of food or beverages in connection therewith;

(2) Any service or treatment related to physical or mental health or of a professional nature;
or

(3) Any cosmetic or tonsorial service or treatment.

b. The furnishing of or dispensing of drugs or medical, dental or surgical supplies or appliances.

This exclusion does not apply to any liability arising out of

1. Ambulance operations, occupational physical examinations, student nursing programs, infirmaries, non-clinic nursing services or services of the **Insured's** employees who are nurses, physician assistants, paramedics, emergency medical technicians, speech therapists, speech pathologists, nutritionists, psychologists, audiologists, or physical therapists;
2. **Employment Practices Liability;**
3. First aid to any person. For the purposes of this exception, first aid means the immediate and emergency care given to an ill or injured person before regular medical aid can be obtained.
4. Any nursing services clinic that does not perform invasive surgery of any kind; or
5. Operations performed by coroners.
6. Volunteer medical personnel while attending an activity sponsored by the Insured or while on school premises under the **Insured's** control.

(G) To **Claims** for loss or **Damage** or any liability arising out of or in connection with the principles of eminent domain, condemnation proceedings or inverse condemnation, or by whatever name used whether such **Claims** are made directly against **you** or by virtue of any agreement entered into, by or on **your** behalf.

(H) To liability arising out of the failure to adequately supply electrical power, fuel or water or to liability arising out of the interruption of the electrical power, fuel or water supply.

However, this exclusion does not apply to the failure to supply water if:

- (1) Such failure is caused by an **Occurrence** or **Wrongful Act** as defined in this Policy; and
- (2) The combined capacity of **your** installed production facilities and contractual supply arrangements is equal to or greater than one hundred (100) percent of the water demand on **your** water system.

(I) To **Personal Injury** or **Property Damage** arising out of out of the ownership, maintenance, operations, use, **Loading** or **Unloading** of (1) any **Watercraft** owned or operated by or rented or loaned to you, or (2) **Watercraft** operated by any person in the course of employment by you.

However, this exclusion shall not apply to: (a) any owned and/or non-owned **Watercraft** less than fifty-one (51) feet in length, (b) any **Watercraft** while ashore or on premises owned or controlled by you, or (c) rowing or sculling shells regardless of length.

(J) To **Personal Injury, Property Damage** or **Public Officials' Errors and Omissions:**

- (1) With respect to which **you** are also an **Insured** under a nuclear energy policy issued by the Nuclear Energy Liability-Property Insurance Association, Mutual Atomic Energy Liability Underwriters or Nuclear Insurance Association of Canada, 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 (i) any person or any organizations required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, (ii) **you** are, or had this Policy not been available 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;
- (3) Under any liability coverage, to **Bodily Injury** or **Property Damage**, resulting from **hazardous properties** of **nuclear material**, if:
 - (a) The **nuclear material** (i) is at any **nuclear facility** owned by, or operated by or on **your** behalf, or (ii) has been discharged or dispensed therefrom;

- (b) The **nuclear material** is contained in **spent fuel** or waste at any time possessed, handled, used, processed, stored, transported or disposed of by or on **your** behalf;
- (c) **Bodily Injury or Property Damage** arising out of the furnishing by **you** of services, materials, parts or equipment in connection with the planning, construction, maintenance, operating 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 (c) applies only to **Property Damage** to such **nuclear facility** and any property thereat.

(4) As used in this exclusion:

- (a) **hazardous properties** includes radioactive, toxic or explosive properties;
- (b) **nuclear material** means "source material", special "nuclear material" or "byproducts material";
- (c) **source material**, "special nuclear material" and "by-products material" have the meaning given them in the Atomic Energy Act of 1954 or any law amendatory thereof;
- (d) **spent fuel** means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a **nuclear reactor**;
- (e) **waste** means any waste material (1) containing "by-products 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** contents, and (ii) resulting from the operation by any person or organization of a **nuclear facility** included within the first two paragraphs of the definition of **nuclear facility** below;
- (f) **nuclear facility** means:
 - (i) Any **nuclear reactor**;
 - (ii) 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 **wastes**;
 - (iii) Any equipment or device used for the processing, fabricating, or alloying of special **nuclear material** if at any time the total amount of such material in **your** custody 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 grains of uranium 235;
 - (iv) Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of **waste**, including the site on which any of the foregoing is located and all operations conducted on such site and all premises used for such operations;
- (g) **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;
- (h) With respect to **Property Damage**, the words injury or destruction includes all forms of radioactive contamination of property.

(K) As respects any liability arising out of **Pollutants**:

- (1) To any **Claim** for **Personal Injury**, or **Property Damage**, or **Public Officials' Errors and Omissions** arising out of the actual or alleged generation, storage, transportation, discharge, dispersal, escape, treatment, removal of, disposal of smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids or gasses, waste materials or other irritants, contaminants or **Pollutants** into or upon the land, atmosphere or water, to include ground water;
- (2) To any obligation to defend any **Claim** or **Suit** against **you** alleging **Personal Injury**, or **Property Damage**, or **Public Officials' Errors and Omissions**, if such **Claim** or **Suit** arose from **Personal Injury**, or **Property Damage**, or **Public Officials' Errors and Omissions** arising out of the discharge, dispersal, release or escape of **Pollutants**, anywhere in the world;

- (3) To any loss, cost or expense arising out of any governmental demand, direction or request that **you** test for, monitor, clean up, remove, contain, treat, detoxify or neutralize **Pollutants**;
- (4) To any loss, cost or expense arising out of the arranging to dispose of, the transporting of, or disposing of **Pollutants**;
- (5) To any loss, cost or expense incurred by a governmental unit or other third party, including but not limited to costs of investigation and monitoring, and attorneys' fees, relating to activities in connection with efforts to test for, monitor, clean up, remove, contain, trace, detoxify or neutralize **Pollutants**;
- (6) To any loss, cost or expense arising from any **Underground Storage Tank** unless satisfactory documentation is received and approved by, and are on file with, the **Company**. Coverage is only available for those **Underground Storage Tanks** specifically approved in writing by the **Company** and scheduled in the Policy by endorsement.

However, this exclusion shall not apply to the following:

- (a) Loss or **Damage** arising out of **Pollution Conditions** caused by heat, smoke or fumes from a **Hostile Fire** involving a property which is owned, rented or occupied by the **Insured** or upon which operations are being performed by or on **your** behalf.
- (b) Loss or **Damage** arising out of **Pollution Conditions** caused by **your** fire fighting activities or on **your** behalf, including fires intentionally set for training, intentional demolition or fires intentionally set for the purpose of limiting or controlling a fire.
- (c) Loss or **Damage** arising out of **Pollution Conditions** caused by the collision, upset, or overturn of any **Automobile** or mobile equipment.
- (d) Loss or **Damage** arising out of **Pollution Conditions** caused by chemicals used in weed abatement or tree spraying activities conducted by **you**.
- (e) Loss or **Damage** arising out of **Pollution Conditions** caused by classroom activities conducted by or on **your** behalf.

However, exceptions (a) – (e) above do not apply to loss or **Damage** due to asbestos, silica or lead, including but not limited to lead based paint.

- (f) Loss or **Damage** arising out of **Pollution Conditions** caused by the use of pepper sprays, mace, or other chemicals designed to temporarily incapacitate persons as long as the use is deemed to be reasonable force.
- (g) **Personal Injury** or **Property Damage** which is within the Products Hazard or the Completed Operations Hazard
- (h) Loss or **Damage** arising out of **Pollution Conditions** caused by water, whether recycled, reconditioned or reclaimed.
- (i) Loss or **Damage** arising out of **Pollution Conditions** caused by explosion, lightning, windstorm, vandalism and malicious mischief, riot and civil commotion, flood.
- (j) Loss or **Damage** arising out of **Pollution Conditions** that meet the following conditions:
 - (I) It was accidental and neither expected nor intended by the **Insured**; and
 - (II) It was demonstrable as having commenced on a specific date during the term of this policy; and

- (III) Its commencement became known to the **Insured** within ten (10) calendar days; and was further reported to the person responsible for Risk Management within a reasonable timeframe; and
- (IV) Its commencement was reported in writing to the Company within forty (40) calendar days of becoming known to the person responsible for Risk Management; and
- (V) Reasonable effort was expended by the **Insured** to terminate the discharge, dispersal, release or escape of **pollutants** as soon as conditions permitted;
- (VI) Its termination was within seventy-two (72) hours of its commencement.

However, nothing contained in this provision (j) shall operate to provide any coverage with respect to:

- (a) Any site or location principally used by any **Insured**, or others on the **Insured's** behalf for the handling, storage, disposal, dumping, processing or treatment of waste material;
- (b) Any fines or penalties;
- (c) Any clean-up costs ordered by the superfund program, or any federal, state or local governmental authority. However, this paragraph shall not serve to deny coverage for third party clean-up costs otherwise covered by this exception to this exclusion simply because of the involvement of a governmental authority;
- (d) Acid rain;
- (e) Clean-up, removal, containment, treatment, detoxification or neutralization of **pollutants** situated on premises the **Insured** owns, rents or occupies at the time of the actual discharge, dispersal, seepage, migration, release or escape of said **pollutants**; or
- (f) Water pollution caused by oil or its derivatives.

As used herein loss or **Damage** means **Ultimate Net Loss** as defined in the **DEFINITIONS** section of this Policy.

- (L) As respects any liability arising out of asbestos and/or silica:
 - (1) To any liability arising out of the manufacture, mining, use, sale, installation, removal, storage, disposal, distribution, or exposure to asbestos products, asbestos fibers, silica or asbestos dust.
 - (2) To any liability to indemnify any party because of **Damage** arising out of **Personal Injury** or loss due to a **Wrongful Act** at any time as a result of the manufacture, sale installation, removal, distribution, transportation or exposure to asbestos, asbestos products, asbestos fibers, silica or asbestos dust.
 - (3) To any liability to defend any **Claim** or **Suit** against **you** seeking **Damages** arising out of **Personal Injury** or **Property Damage** or **Public Officials' Errors and Omissions** due to an **Occurrence** or loss due to a **Wrongful Act**, if such **Claim** or **Suit** results from any of the following: manufacture, mining, use, sale, installation, removal, distribution, transportation, or exposure to asbestos, asbestos products, asbestos fibers, silica or asbestos dust.
- (M) As respects any liability imposed upon **you** under the Employee Retirement Income Security Act of 1974 and any amendatory law thereof.
- (N) To any liability arising out of the rupture, bursting, overtopping, accidental discharge or partial or complete failure of any **Dam**.
- (O) Under Coverage C, **Public Officials' Errors and Omissions** Liability, for:

- (1) Personal Injury or Property Damage, as defined, that does not arise out of a Claim or Suit for Public **Officials' Errors and Omissions**;
- (2) Refund of taxes, fees or assessments;
- (3) **Your** liability arising out of estimates of probable costs or cost estimates being exceeded or for faulty preparation of plans or failure to award contracts in accordance with any statute or ordinance which under law must be submitted for bids;
- (4) Injury to, destruction or disappearance of any tangible property (including money) or the loss of use thereof;
- (5) Failure to perform or breach of a contractual obligation except employment contracts;
- (6) Liability arising from the deliberate violation of any statute, law, act, ordinance, rural, or regulation whether federal, state, city, county, district, or local committed by or with the knowledge or consent of any **Insured**;

We shall not pay any cost that results from the defense, investigation, and settlement of any **Occurrence** or **Wrongful Act** arising out of any losses excluded herein.

- (P) It is agreed that the following exclusions are hereby included in the Policy only for **Wrongful Acts** resulting from **your Employment Practices Claims**.
- (1) **Strikes and Lockouts.** This Policy does not apply to any **Claim** or **Claims** for loss arising out of a lockout, strike, picket line, replacement or similar actions in connection with labor disputes or labor negotiations.
 - (2) **W.A.R.N. Act.** This Policy does not apply to any **Claim** or **Claim** for loss arising out of the Workers Adjustment and Retraining Notification Act, Public Law 100-379 (1988), or any amendment thereto or any similar federal, state or local law.
 - (3) This Policy does not apply to any **Claim** or **Claims** for any costs incurred by **you** to modify any building or property in order to make said building or property more accessible or accommodating to any disabled person.
- (Q) To any **Claims** or **Suits** arising from all pending or prior litigation or hearing as well as future **Claims** or **Suits** arising out of said pending or prior litigation or hearing, and arising out of, based upon or attributable to the facts alleged, or to the same or related **Wrongful Acts**, alleged or contained in any **Claim** or **Suit** arising out of any **Wrongful Act** prior to the inception of this Policy.
- (R) For **Personal Injury, Property Damage, or Bodily Injury** or any other loss, cost or expense arising in whole or part, out of the installation, repair, removal, encapsulation, abatement, replacement or handling of, presence, ingestion, inhalation, absorption of or exposure to, or testing for, lead in any form or products containing lead.
- (S) For any loss, injury, **Damage**, cost or expense, including, but not limited to, losses, costs or expenses related to, arising from or associated with clean-up, remediation, containment, removal or abatement, caused directly or indirectly, in whole or in part, by:
- (1) Any **fungus(i), mold(s)**, mildew or yeast;
 - (2) Any **spore(s)** or toxins created or produced by or emanating from such **fungus(i), mold(s)**, mildew or yeast;

- (3) 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
- (4) 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)**, 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 loss, injury, **Damage**, cost or expense.

- (T) For injunctions, equitable relief, or any other form of relief other than the payment of money damages.
- (U) Liability arising out of an alleged willful commission of a crime by **you** or other dishonest fraudulent, or malicious act. At **our** discretion, however, **we** will pay for **Defense Costs** until final adjudication, judgment, or settlement to which **we** have agreed. If the judgment or final adjudication is adverse to **you**, **you** will reimburse **us** for all costs associated with the defense.

This exclusion shall not apply to any vicarious liability that any **insured** has with regard to the managerial, advisory, supervisory, or controlling obligations over the actions of another **insured**.

- (V) Liability arising out of **your Wrongful Act** for gain, profit, or advantage to which **you** are not legally entitled. At **our** discretion, however, **we** will pay for **Defense Costs** for any **Claim** or **Suit** arising from an alleged willful commission of a crime by **you** or other dishonor, fraudulent or malicious act, for any **Claim** or **Suit** arising out of **your Wrongful Act** for gain, profit, or advantage to which **you** are not legally entitled until final adjudication, judgment, or settlement to which **we** have agreed. If the judgment or final adjudication is adverse to **you**, **you** will reimburse **us** for all costs associated with the defense.

This exclusion shall not apply to any vicarious liability that any **insured** has with regard to the managerial, advisory, supervisory, or controlling obligations over the actions of another **insured**.

- (W) Liability arising out of a **Wrongful Act** by **you** or on **your** behalf in the handling of **Claims** or **Suits** within **your Retained Limit** whenever **you** investigate, defend, or settle such **Claims** or **Suits** or elect a third party to investigate, defend or settle such **Claims** or **Suits**.

- (X) To **Personal Injury, Property Damage** or **Wrongful Acts** arising, directly or indirectly, out of:

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

- (Y) To liability arising out of or in connection with any transit authority, transit system, or public transportation system owned, operated, or regulated by **you**. This exclusion shall not apply to transit or public transportation systems operating over non-fixed routes, including, but not limited to, Dial-a-Ride, senior citizen transportation, or handicapped persons transportation, or to contingent liability coverage where such services are contracted.

- (Z) For any **Property Damage** arising out of **Land Subsidence** for any reason whatsoever.

- (AA) For **Personal Injury**:

- (1) Arising out of oral or written publication of material, if done by or at the direction by **you** with knowledge if its falsity; or

- (2) Arising out of oral or written publication of material whose first publication took place before the beginning of the Policy Period. All **Personal Injury** arising out of publication of the same or similar material subsequent to the beginning of the Policy Period is also excluded.
- (BB) For any **Claim** or **Suit** under any Uninsured Motorists or Underinsured Motorists or any similar law, and to any sums you may be legally entitled to recover as **damages** from the owner or operator of any uninsured or underinsured **Automobile** because of **Bodily Injury** and **Property Damage** sustained by any **Insured**, caused by an Occurrence and arising out of the ownership, maintenance, operation, use, **Loading** or **Unloading** of such **Automobile**.
- (CC) To any liability arising out of the operation of an Automobile by an employee of the Named Insured as designated in the Declarations of this policy; however, this exclusion only applies to California State University owned, hired or non-owned **Automobiles**.
- (DD) Under Coverage E – Employee Benefit Liability, for **Claims**:
- (1) Arising out of any **Claims** or part thereof which may be alleged as covered under this Coverage Part if we have accepted coverage or coverage has been held to apply for such **Claim** or part thereof under any other Coverage Part (s) of this Policy.
 - (2) Arising out of any representations made at any time in relation to the price or value of any security, bank, bank deposit or financial interest or instrument, including, but not limited to, advice given to any person to participate in any plan included in the **Employee Benefit Program**.
 - (3) Arising out of any depreciation or decline in price or value of any security, debt, bank deposit or financial interest or instrument.
 - (4) Arising out of any insufficiency of funds to meet any obligation under any **Employee Benefit Program**.
 - (5) Arising out of an act, error, or omission by **you** to effect or maintain insurance or bonding for plan property or assets of **Employee Benefit Program**.
 - (6) Arising out of failure of performance or performance under any contract by an insurer of benefits subject to the **Employee Benefit Program**.
 - (7) Arising from any **Employee Benefit Wrongful Act** or Related **Employee Benefit Wrongful Act** of which **you** were aware prior to the Policy Period if such **Employee Benefit Wrongful Act** or Related **Employee Benefit Wrongful Act** could reasonably be expected to give rise to a **Claim**.
 - (8) For **damages** arising out of any intentional, dishonest, fraudulent, criminal or malicious act, error or omission, committed by **you**, including the willful or reckless violation of any statute.
 - (9) For **damages** arising out of **Bodily Injury, Property Damage, or Personal Injury**.
 - (10) For **damages** arising out of wrongful termination of employment, discrimination, or other employment related practices.
 - (11) For any **claim** arising out of **your** failure to comply with the mandatory provisions of any Workers' Compensation, Unemployment Compensation Insurance, Social Security or Disability Benefits Law or any similar law.
 - (12) For **damages** for which **you** are liable because of liability imposed on a fiduciary by the Employee Retirement Income Security Act of 1974 as now or hereafter amended, or by any similar Federal, State or Local laws.

- (13) For any **claim** for benefits to the extent that such benefits are available, with reasonable effort and cooperation by **you**, from the applicable funds accrued or other collectible insurance
- (EE) To any liability arising out of the purchase, sale, or offer of sale, or solicitation, or decline in price or value of any security, debt, bank deposit or financial interest or instrument

SECTION VII. DEFINITIONS

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

- (A) **Aircraft** means a vehicle designed for the transport of persons or property principally in the air.
- (B) **Automobile** means any licensed land motor vehicle, trailer, or semi-trailer.
- (C) **Bodily Injury** means bodily injury, sickness, disease or death, including but not limited to shock, mental anguish, mental injury and humiliation sustained by any person that occurs during the Policy Period.
- (D) **Claim(s)** means a demand for money
- (E) **Company** means the insurer(s) specified in the DECLARATIONS.
- (F) **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 **you**. **Operations** include materials, parts or equipment furnished in connection therewith. **Operations** shall be deemed completed at the earliest of the following time:
- (1) When all operations to be performed by or on behalf of you at the site of the operations have been completed.
 - (2) When all operations to be performed by or on behalf of you under the contract 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 working on 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 **Personal Injury** or **Property Damage** arising out of:
- (1) Operations in connection with the transportation of property unless the Personal Injury or Property Damage arises out of a condition in or on a vehicle created by the Loading or Unloading of that vehicle by any Insured; or
 - (2) The existence of tools, uninstalled equipment or abandoned or unused materials.
- (G) **Contract Employee** means:
- (1) Any employee who is under contract to you one hundred (100) percent of the time, or
 - (2) Whose only contract of employment is with you.
- (H) **Dam** means any artificial barrier together with appurtenant works, which does or may impound or divert water, and which either:
- (1) Is twenty five (25) feet or more in height from the natural bed of the stream or water course at the downstream toe of the barrier or from the lowest elevation of the outside limit of the barrier, if it is not across a stream channel or watercourse, to the maximum possible water storage elevation; or

(2) Has an impounding capacity of fifty (50) acre-feet or more.

(I) **Damages** includes damages for death and for care and loss of services resulting from **Personal Injury** and damages for loss of use of property resulting from **Property Damage**, and losses for **Wrongful Acts** as defined in this Policy.

(J) **Defense Costs** means attorney's fees, costs and expenses and other fees, costs and expenses incurred in connection with the investigation, settlement, adjustment, defense and appeal of a **Claim** or **Suit** covered hereunder. However, **Defense Costs** do not include **our** office expenses, **your** office expenses or the salaries of **our** employees or officers or **your** employees or officers.

Additionally, **we** may exercise the right to require that such counsel have certain minimum qualifications with respect to their competency including experience in defending **Claims** or **Suits** similar to the one against **you**, and to require that independent counsel have errors and omissions insurance coverage. **You** agree to instruct counsel, whether independent or in-house, to respond to **our** request(s) for information regarding the **Claim** or **Suit** in a timely manner.

(K) **Employee Benefit Program** includes any employee benefit plan including, but not limited to, the following: Group life insurance, group accident or life insurance, profit sharing plans, pension plans and stock subscription plans provided that no one other than an employee may subscribe to such insurance plans, unemployment insurance, Social Security Benefits, workers' compensation and disability benefits.

(L) **Employee Benefit Wrongful Act** means an actual or alleged negligent act, or omission that arises solely from **your** administration of **your Employee Benefit Program**

(M) **Employment Practices** means: Wrongful termination or discrimination arising out of or due to:

- (1) The refusal to employ any person who is an applicant for employment;
- (2) The termination of any person's employment; or
- (3) Employment-related practices, policies, acts or omissions such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation or discrimination directed at that person;
or
- (4) The spouse, child, parent, brother or sister of that person or persons as a consequence of any of the employment-related practices described in paragraphs (1), (2), or (3) above is directed;

It is agreed that this Policy shall apply to a **Wrongful Act** that **you** become legally obligated to pay or compensate others for an **Occurrence** resulting from **your Employment Practices Claims**. An **Employment Practice Claim** must arise out of the conduct of **your** operations.

(N) **Employment Practices Claim** means any **Wrongful Act** relating to a past, present, or prospective employee of **yours** and arising out of an actual or alleged wrongful dismissal, discharge or termination, either actual or constructive, of employment, employment related misrepresentation, wrongful failure to employ or promote, wrongful deprivation of career opportunity, wrongful discipline, failure to grant tenure or negligent employee evaluation or sexual or workplace harassment of any kind, including, but not limited to, the alleged operation of a harassing workplace environment, or unlawful discrimination, whether direct, indirect, intentional or unintentional, or failure to provide adequate employee policies and procedures.

Employment Practices Claim shall include **Wrongful Acts** brought under state, local, or federal law, whether common or statutory, and shall include, but not be limited to allegations of violations of the following laws, as amended, including regulations promulgated thereunder:

- (1) Americans with Disabilities Act of 1992 (ADA);
- (2) Civil Rights Act of 1991;
- (3) Age Discrimination in Employment Act of 1967 (ADEA), including the Older Workers Benefit Protection Act of 1990;

(4) Title VII of the Civil Rights Law of 1974, as amended (1983), including the Pregnancy Discrimination Act of 1978; and

(5) Fifth and Fourteenth amendments of the United States Constitution.

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

(P) **Hostile Fire** means a fire that becomes uncontrollable or breaks out from where it was intended to be.

(Q) **Injury or Damage** means any **Injury or Damage** covered under this Policy and includes but is not limited to **Bodily Injury, Property Damage, Personal Injury or Wrongful Acts** as may be defined under this Policy.

(R) **Insured** means the **Named Insured** designated in Item 1. of the **DECLARATIONS** and any person or organization qualifying as an **Insured** under **SECTION V. PERSONS OR ENTITIES INSURED** of this Policy.

(S) **Joint Powers Authority(ies)** means two or more public agencies joined together by a joint agreement in order to jointly exercise any power common to the contracting parties, including but not limited to the power to create risk pooling and joint purchase of private insurance.

(T) **Land Subsidence** means the movement of land or earth, including, but not limited to, sinking or settling of land, earth movement, earth expansion, and/or contraction, landslide, slipping, falling away, caving in, eroding, earth sinking, and earth rising or shifting or tilting.

(U) **Loading or Unloading** means the handling of property:

(1) After it is moved from the place where it is accepted for movement into or onto an **Aircraft, Watercraft or Automobile**;

(2) While it is in or on an **Aircraft, Watercraft or Automobile**; or

(3) While it is being moved from an **Aircraft, Watercraft or Automobile** to the place where it is finally delivered;

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

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

(W) **Municipality** means a legally incorporated or duly authorized association of inhabitants of a limited area limited to the following: city, town, county, village, township, borough, hamlet, burg, or state.

(X) **Named Insured** means the entity(ies) listed in Item 1 of the Declarations including endorsements thereto.

(Y) **Occurrence** shall mean an accident, or event, or continuous or repeated exposure which results in **Bodily Injury or Property Damage** during the Policy Period; neither expected nor intended by **you**.

(Z) **Personal Injury** means:

(1) **Bodily Injury**, including disability, shock, mental anguish, mental injury, or death resulting from any of the foregoing;

(2) False arrest, false imprisonment, wrongful detention, or malicious prosecution;

(3) Wrongful entry into, or eviction of any person from, a room, a dwelling or premises that a person occupies, or other invasion of the right of private occupancy;

(4) A publication or utterance that slanders or libels a person or organization or disparages a person's or an organization's good, products or services;

(5) A publication or utterance that violates a persons right to privacy;

- (6) Assault and battery not committed by or at the direction of, or with **your** consent. However, this limitation does not apply if committed or directed for the purpose of protecting persons from injury or death, or property from **Damage**; and
- (7) Discrimination other than as a result of **Employment Practices**.

all of the above seven (7) items which occur during the Policy Period.

- (AA) **Pollutants** means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials, which are intended to be, or have been, recycled, reconditioned or reclaimed.
- (BB) **Pollution Conditions** means the discharge, dispersal, release or escape of any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, medical waste and waste materials into or upon land, or any structure on land, the atmosphere or any watercourse or body of water, including groundwater, provided such conditions are not naturally present in the environment.
- (CC) **Products Hazard** includes **Bodily Injury** and **Property Damage** arising out of **your** products or reliance upon a representation or warranty with respect thereto, but only if the **Bodily Injury** or **Property Damage** occurs away from premises owned by or rented to **you** and after physical possession of **your** product (s) has been relinquished to others.
- (DD) **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.
- (EE) **Public Entity** refers to that **municipality**, governmental body, department, or unit, which is a **Named Insured** in the **DECLARATIONS**.
- (FF) **Public Officials' Errors and Omissions** means losses from **Wrongful Acts** committed by **you**.
- (GG) **Retained Limit** refers to the amount stated on the **DECLARATIONS**.

The **Retained Limit** shall be comprised of **Damages** and **Defense Costs**. **You** shall be responsible for all **Damages** and **Defense Costs** incurred without right to indemnification in accordance with the Policy's terms and conditions until the **Retained Limit** is exhausted as a result of **Damages** and **Defense Costs**.
- (HH) **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.
- (II) **Suit** means a civil proceeding in which damages are alleged because of **Bodily Injury** or **Property Damage**, or **Wrongful Act** to which this Policy applies. **Suit** includes:
 - (1) An arbitration proceeding in which such **Damages** are claimed and to which **you** must submit or do submit with **our** consent; or
 - (2) Any other alternative dispute resolution in which such **Damages** are claimed and to which **you** submit with **our** consent.
- (JJ) **Ultimate Net Loss** means the total amount of **Damages** including **Defense Costs** we are legally obligated to pay because of **Bodily Injury, Personal Injury, Property Damage, Wrongful Acts, Employment Practices Wrongful Acts or Employee Benefits Wrongful Acts**. **Ultimate Net Loss** shall be established after a contested **Suit** or by compromise settlement to which **we** have previously agreed in writing. **Ultimate Net Loss** shall be reduced by any recoveries or salvages which have been paid to or collected by **us**. **Ultimate Net Loss** includes **Defense Costs** incurred in the defense of an **Occurrence** or **Wrongful Act** to which this insurance applies.

- (KK) **Underground Storage Tank** means any tank, including associated underground piping connected to the tank, that has at least ten (10) percent of its volume below ground.
- (LL) **Underlying Insurance** refers to the policies listed in the Schedule of **Underlying Insurance** and includes:
- (1) Any renewal or replacement of such policies;
 - (2) Any other insurance available to the **you**; and
 - (3) Any other valid and collectible risk financing mechanism provided under a **Joint Powers Authority**.
- (MM) **Watercraft** means a vehicle designed for the transport of persons or property principally on water.
- (NN) **Wrongful Act** means any actual or alleged error, misstatement, omission, negligent act, or breach of duty, including misfeasance, and nonfeasance by the **Insured**.

SECTION VIII. CONDITIONS

(A) **Action Against Us.**

No person or entity has a right under this Policy to join **us** as a party to a lawsuit or to sue **us** under this Policy. **You** acknowledge and agree that this Policy was issued to **you** based upon the representations in **your** application for insurance that this Policy provides **you** with benefits unique to **your** needs for insurance, based upon **your** stated insurance requirements and decisions as to what insurance coverage **you** decided to purchase; and that this insurance policy is unique to **you**. **You** agree that there are no other persons or entities who have a unity of interest with **you** for any issues that may arise in connection with any dispute that **you** may have with **us** in connection with any aspect of this policy, including but not limited to its issuance and the coverage that it provides **you**. **You** agree that **your** right to bring any action against **us** in connection with any dispute is limited to arbitration or submission to small claims court, as per the provisions of **CONDITION (C), Arbitration**.

(B) **Appeals.**

In the event **you** elect not to appeal a judgment in excess of **your Retained Limit**, **we** may elect to do so at **our** own expense, but in no event shall **our** liability for **Ultimate Net Loss** exceed the applicable amount specified in the Limit of Liability section of the **DECLARATIONS** plus all **Defense Costs** necessary and incident to such appeal.

(C) **Arbitration.**

All controversy or **claim** of any nature, including the validity or formation of this Policy, that arises out of or relates to this agreement involving two or more parties to this agreement, that cannot be settled among the disputing parties, shall be resolved by submission to a single, neutral arbitrator for determination through arbitration in accordance with the then current rules of the National Arbitration Forum, Minneapolis, MN, and judgment upon the award may be entered in any court having jurisdiction thereof. The arbitrator shall have the power to decide all disputes between the parties, including but not limited to, the validity, formation, application or interpretation of the agreement, the amount of funds due, if any, and the award of damages only as provided for within this agreement. The arbitrator shall have no power to change, or add to the provisions of this agreement. The arbitrator shall provide a written opinion with his decision and findings of fact and law in accord with the laws in effect in the state in which the **Named Insured** is domiciled. In the event the arbitrator's findings are contrary to the laws of the state whose laws are applicable to the dispute, either party shall be entitled to appeal the arbitrator's ruling, at their own expense.

We will pay the cost of administering the arbitration. **We** will not pay the fees of **your** legal representative or the cost incurred in proving **your** case, unless such fees and costs are included in an arbitration award against **us**.

Notwithstanding the foregoing, all disputes between **you** and **us** shall be submitted to Small Claims Court procedure if the amount in dispute provides jurisdiction of the Small Claims Court or, at the option of the **Insured** only, disputes involving less than \$25,000. may be subject to arbitration.

The provisions of this paragraph, and the obligation to arbitrate as provided herein, applies to all persons or entities who are insured under the policy and to any other persons or entities who may be otherwise entitled to the recovery of any policy benefits under state or federal law.

(D) **Assignment.**

Assignment of interest under this Policy shall not bind **us** until **our** consent is endorsed hereon; however, if **you** die, such insurance as is afforded by this Policy shall apply (1) to **your** legal representative, as the **Named Insured**, but only while acting within the scope of his/her duties as such and (2) with respect to **your** property, to the person having temporary custody thereof as the **Insured**, but only until the appointment and qualification of the legal representative.

(E) **Bankruptcy and Insolvency**

Your bankruptcy, insolvency or inability to pay shall not relieve **us** of any of **our** obligations under this Policy.

But under no circumstances will such bankruptcy, insolvency, or inability to pay require **us** to drop down or in any way replace **your Retained Limit** or assume any obligation associated with **your Retained Limit**.

(F) **Cancellation.**

This Policy may be canceled by the **Named Insured** by surrender thereof to **us** or any of **our** authorized agents or by mailing to **us** written notice stating when thereafter the cancellation shall be effective. The Policy may be canceled by **us** by mailing to the **Named Insured**, at the address shown in this Policy, written notice stating when not less than ninety (90) days thereafter such cancellation shall be effective. If **you** fail to discharge when due any of **your** obligations in connection with the payment of premium for the Policy or any installment thereof, whether payable directly to **us** or **our** agent or indirectly under a premium finance plan or extension of credit, this Policy may be canceled by **us** by mailing to the **Named Insured** at the address shown in this Policy, written notice stating when not less than ten (10) days thereafter such cancellation shall be effective. 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 **us** shall be equivalent to mailing.

If **you** cancel, earned premium shall be computed in accordance with the customary short rate table and procedure. If we cancel, earned premium shall be computed pro rata. Premium adjustment may be made either at the time cancellation is effective or as soon as practicable after cancellation becomes effective, but payment or tender of unearned premium is not a condition of cancellation.

(G) **Changes**

Notice of any agent or knowledge possessed by any agent or by any other person shall not effect a waiver or change in any part of this Policy or estop **us** from asserting any right under the terms of this Policy, nor shall the terms of this Policy be waived or changed, except by endorsement issued and made a part of this Policy.

(H) **First Named Insured**

The **Insured** first named in Item 1. in the **DECLARATIONS** is authorized to act on behalf of all **Named Insureds** and other **Insureds** with respect to the giving and receiving of notice of cancellation and to receiving any returned

premium that may become payable under this Policy. The **Insured** first name in Item 1. in the **DECLARATIONS** is responsible for the payment of all premiums, but the other **Named Insureds** jointly and severally agree to make such premium payments in full if the first **Named Insured** in Item 1. fails to pay the amount due within thirty (30) days after **we** give written demand for payment to the first **Named Insured** in Item 1.

(I) **Inspection and Audit.**

We shall have the right, but not the obligation, to inspect **your** property and operations at any time. Neither **our** right to make inspections, nor the making thereof, nor any report thereon shall constitute an undertaking, on behalf or benefit of **you** or others, to determine or warrant that such property or operations are safe or healthy.

The **Named Insured** shall maintain records of such information as is necessary for premium computation, and shall send copies of such record to **us** at the end of the Policy Period and at such times during the Policy Period as **we** may direct. **We** may examine and audit **your** books and records as they related to this Policy at any time during the Policy Period and extensions thereof and within three (3) years after the final termination of this Policy.

(J) **Liberalization Clause**

If within sixty (60) days prior to or during the Policy Period **we** adopt any revision which would broaden coverage under this Policy without additional premium, such broadened coverage will immediately apply to this Policy.

(K) **Other Insurance**

If other valid and collectible insurance with any other insurer is available to **you** covering a loss also covered hereunder, whether on a primary, excess or contingent basis, the insurance hereunder shall be in excess of, and shall not contribute with such other insurance; provided, however, this clause does not apply with respect to excess insurance purchased specifically to be in excess of this Policy, or to other insurance which is intended to provide the remainder of the Limit of Liability stated in the **DECLARATIONS** of the Policy when the insurance afforded under this Policy provides less than one hundred (100) percent of the limit set forth on the **DECLARATIONS**.

(L) **Premium**

The premium designated in the Policy **DECLARATIONS** is flat and not adjustable, unless:

- (1) A material exposure is added under the Policy;
- (2) The Limits of Liability are increased or decreased;
- (3) The Policy is restricted or broaden by endorsement; or
- (4) The Policy Period is increased or shortened.

(M) **Subrogation**

We shall be subrogated to the extent of any payment hereunder, to all of **your** rights of recovery and **you** shall do nothing after loss to prejudice such rights and shall do everything necessary to secure such rights. **You** may elect to waive **your** right to subrogation prior to a loss. To the extent the **Named Insured** elects to waive such rights, **we** shall have no right of subrogation. Any amount recovered shall be apportioned as follows:

Any interest, including yours, having paid an amount in excess of **your Retained Limit** plus the Limit of Liability hereunder shall be reimbursed first to the extent of actual payment. **We** shall be reimbursed next, to the extent of **our** actual payment hereunder. If any balance then remains unpaid, it shall be applied to reimburse you. The expenses of all such recovery proceedings shall be apportioned in the ratio of the respective

recoveries. If there is no recovery in proceedings conducted solely by **you**, then **you** shall bear the expenses thereof.

(N) **Your Duties in the Event of Occurrence, Wrongful Act, Claim or Suit.**

- (1) In the event of an **Occurrence** or **Wrongful Act** that is reasonably likely to involve **us**, written notice containing particulars sufficient to identify **you** and also reasonably obtainable information with respect to the time, place and circumstances thereof, and the names and addresses of any injured persons and witnesses, shall be given by or for **you** to **us** or any of **our** authorized agents as soon as practicable after **your** Risk Manager, Chief Risk Officer, Assistant Vice Chancellor for Risk Management or a Chief Executive Officer of the **Named Insured** has knowledge of the **Occurrence** or **Wrongful Act**.
- (2) If **Claim** is made or **Suit** is brought against **you** that is reasonably likely to involve **us**, **you** shall immediately forward to **us** every demand, notice, summons or other process received by **you** or **your** representatives.
- (3) **You** shall cooperate with **us** and upon **our** request assist in making settlements, in the conduct of **Suits** and in enforcing any right of contribution or indemnity against any person or organization who may be liable to **you** because of **Personal Injury, Property Damage** or **Public Official's Errors and Omissions** with respect to which insurance is afforded under this Policy; and **you** shall attend hearings and trials and assist in securing and giving evidence and obtaining the attendance of witnesses. **You** will not, except at **your** own cost, voluntarily make any payment, assume any obligation or incur any expense; however, in the event that the amount of **Ultimate Net Loss** becomes certain either through trial court judgment or agreement among **you**, the claimant and **us**, **you** may pay the amount of **Ultimate Net Loss** to the claimant to effect settlement and upon submission of due proof thereof, **we** shall indemnify **you** for that part of such payment which is in excess of your **Retained Limit**, or upon **your** request, make such payment to the claimant on **your** behalf.
- (4) In the event of an **Occurrence** or **Wrongful Act**, which is reserved at greater than or equal to fifty (50) percent of **your** retention, **you** shall:
 - (a) Report said **Occurrence** or **Wrongful Act**; or
 - (b) Regardless of the reserve amount, report losses without regard to liability falling within the following classifications:
 - (I) Fatalities;
 - (II) Spinal cord or brain injuries;
 - (III) Amputations;
 - (IV) Loss of sight;
 - (V) Severe burns;
 - (VI) Serious head injury;
 - (VII) Psycho-neurotic disorders;
 - (VIII) Serious loss of use of any body functions;
 - (IX) Long term hospitalization; or
 - (X) Paralysis;
 - (XI) Civil Rights Allegations, including allegations involving police and law enforcement;
 - (XII) Sexual Abuse or Molestation.
- (5) Whenever **you** have information from which **you** may reasonably conclude that an **Occurrence** or **Wrongful Act** covered hereunder involves injuries or **Damages**, which in the event that **you** shall be held liable, are likely to involve this Policy, notice shall be sent to **us** as soon as practicable; provided, however, that failure to give notice of any **Occurrence** or **Wrongful Act** which at the time of its happening did not appear to involve this Policy, but which at a later date would appear to give rise to **Claims** hereunder, shall not prejudice such **Claims**.

Such notice is to be sent with all pertinent facts as respects Item (O) of **CONDITIONS** to:

YORK Claims Service, Inc.
99 Cherry Hill Road, Suite 102
Parsippany, New Jersey 07054
Attn: Jenai A. Russell, Manager
Fax: (973) 404-9034
Telephone: 1-866-391-9675 (YORK)
Email: 4068ironshorecasualty@york-claims.com
Website: www.york-claims.com

YORK Client Code for Ironshore Casualty: 4068

Key Contacts:

Jenai A. Russell, Manager, YORK Claims Intake Center
Telephone: (973) 404-1155
Email: jenai.russell@york-claims.com

Diane De Cristo, Director, Client Services
Telephone: (908) 595-0248
Email: diane.decristo@york-claims.com

Ironshore Specialty Insurance Company by:



Secretary



President



IRONSHORE SPECIALTY INSURANCE COMPANY

Mailing Address:
75 Federal Street
5th Floor
Boston, MA 02110
Toll Free: (877) IRON411

ENDORSEMENT # 1

Policy Number: 000541304

Effective Date of Endorsement: July 01, 2014

Insured Name: California State University Risk Management Authority (CSURMA)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SCHEDULE OF ENDORSEMENTS

(ATTACHED TO THE POLICY AT INCEPTION)

- 1. MANU.END.001 Schedule of Endorsements
- 2. MANU.END.002 Named Insured Endorsement - CAMPUSES
- 3. MANU.END.003 Named Insured Endorsement - AUXILIARIES
- 4. MANU.END.004 Amendatory Endorsement – Automatic Additional Insured Required by Written Contract
- 5. MANU.END.005 Crisis *Threesixty* Amendatory Endorsement
- 6. MANU.END.006 Amendment - Reporting Requirement - CSU Sacramento Capital Public Radio
- 7. MANU.END.007 Act of Terrorism Retention Endorsement
- 8. MANU.END.008 Evacuation Expenses Reimbursement Endorsement
- 9. MANU.END.009 Service of Suit
- 10. MANU.END.010 Minimum Earned Premium
- 11. MANU.END.011 Amendment - Expanded Coverage Territory
- 12. MANU.END.012 Violations of Economic Trade Sanctions Endorsement
- 13. MANU.END.013 Amendment – Unmanned Aerial Vehicles

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.



Authorized Representative

October 1, 2014
Date



IRONSHORE SPECIALTY INSURANCE COMPANY

Mailing Address:
75 Federal Street
5th Floor
Boston, MA 02110
Toll Free: (877) IRON411

ENDORSEMENT # 2

Policy Number: 000541304

Effective Date of Endorsement: July 01, 2014

Insured Name: California State University Risk Management Authority (CSURMA)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NAMED INSURED ENDORSEMENT CALIFORNIA STATE UNIVERSITY RISK MANAGEMENT AUTHORITY (CSURMA) – CAMPUSES

This endorsement modifies insurance provided under the following:
SPECIAL EXCESS LIABILITY POLICY FOR PUBLIC ENTITIES

ITEM 1: NAMED INSURED, as shown on the Declarations, is completed to read as follows:

California State University Risk Management Authority (CSURMA)
The State of California as respects the Trustees of the California State University
The California State University (CSU)

In addition, the following persons, entities, and organizations (members) are included as **Named Insureds** under this Policy:

CAMPUSES:

1. California State University, Office of the Chancellor
2. California State University, Bakersfield
3. California State University, Channel Islands
4. California State University, Chico
5. California State University, Dominguez Hills
6. California State University, East Bay
7. California State University, Fresno
8. Humboldt State University
9. California State University, Fullerton
10. California State University, Long Beach
11. California State University, Los Angeles
12. California Maritime Academy
13. California State University, Monterey Bay
14. California State University, Northridge
15. California State Polytechnic University, Pomona
16. California State University, Sacramento

17. California State University, San Bernardino
18. San Diego State University
19. San Francisco State University
20. San Jose State University
21. California Polytechnic State University, San Luis Obispo
22. California State University, San Marcos
23. California State University, Stanislaus
24. Sonoma State University

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.

A handwritten signature in blue ink, appearing to be 'S.M.C.', written over a horizontal line.

Authorized Representative

October 1, 2014
Date



IRONSHORE SPECIALTY INSURANCE COMPANY

Mailing Address:
 75 Federal Street
 5th Floor
 Boston, MA 02110
 Toll Free: (877) IRON411

ENDORSEMENT # 3

Policy Number: 000541304

Effective Date of Endorsement: July 01, 2014

Insured Name: California State University Risk Management Authority (CSURMA)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**NAMED INSURED ENDORSEMENT
 CALIFORNIA STATE UNIVERSITY RISK MANAGEMENT AUTHORITY (CSURMA) -
 AUXILIARIES**

This endorsement modifies insurance provided under the following:
 SPECIAL EXCESS LIABILITY POLICY FOR PUBLIC ENTITIES

ITEM 1: NAMED INSURED, as shown on the Declarations, is completed to read as follows:

California State University Risk Management Authority (CSURMA)
 Auxiliary Organizations of the California State University

In addition, the following persons, entities, and organizations (members) are included as Named Insureds under this Policy:

	<u>Campus</u>	<u>Auxiliary Organizations</u>
1.	Bakersfield	California State University, Bakersfield Auxiliary for Sponsored Programs
2.	Bakersfield	Associated Students, California State University, Bakersfield, Inc.
3.	Bakersfield	California State University, Bakersfield Foundation
4.	Bakersfield	California State University, Bakersfield Student Union, Inc.,
5.	Chancellor’s Office	California State University Foundation
6.	Chancellor’s Office	California State University Institute
7.	Channel Islands	Associated Students of California State University, Channel Islands, Inc.
8.	Channel Islands	California State University Channel Islands Foundation
9.	Channel Islands	University Glen Corporation
10.	Chico	Associated Students of California State University, Chico
11.	Chico	The CSU Chico Research Foundation
12.	Chico	The University Foundation, California State University, Chico
13.	Chico	Auxiliary Organization Associations
14.	Dominguez Hills	Associated Students, California State University, Dominguez Hills
15.	Dominguez Hills	California State University, Dominguez Hills Foundation
16.	Dominguez Hills	Donald P. and Katherine B. Loker University Student Union, Incorporated
17.	East Bay	Associated Students, California State University, East Bay

18.	East Bay	California State University, East Bay Foundation, Inc.
19.	East Bay	Cal State East Bay Educational Foundation
20.	Fresno	Associated Students Inc., of California State University, Fresno
21.	Fresno	California State University, Fresno Association, Inc.
22.	Fresno	California State University, Fresno Foundation
23.	Fresno	Fresno State Programs for Children, Inc.
24.	Fresno	The Agricultural Foundation of California State University , Fresno
25.	Fresno	The California State University, Fresno Athletic Corporation
26.	Fullerton	Associated Students, California State University, Fullerton, Inc.
27.	Fullerton	CSU Fullerton Auxiliary Services Corporation
28.	Fullerton	Cal State Fullerton Philanthropic Foundation
29.	Humboldt	Associated Students, Humboldt State University
30.	Humboldt	Humboldt State University Advancement Foundation
31.	Humboldt	Humboldt State University Sponsored Programs Foundation
32.	Humboldt	Humboldt State University Center Board of Directors
33.	Long Beach	Associated Students, California State University, Long Beach
34.	Long Beach	California State University, Long Beach Research Foundation
35.	Long Beach	Forty-Niner Shops, Inc. CSU Long Beach
36.	Long Beach	CSULB 49er Foundation
37.	Los Angeles	Associated Students, California State University, Los Angeles, Inc.
38.	Los Angeles	Cal State L.A. University Auxiliary Services, Inc.
39.	Los Angeles	California State University, Los Angeles Foundation
40.	Los Angeles	University - Student Union Board, California State University , Los Angeles
41.	Maritime Academy	The Associated Students of the California Maritime Academy
42.	Maritime Academy	California Maritime Academy Foundation, Inc.
43.	Monterey Bay	Foundation of California State University, Monterey Bay
44.	Monterey Bay	The University Corporation at Monterey Bay
45.	Northridge	Associated Students, California State University, Northridge, Inc.
46.	Northridge	California State University, Northridge Foundation
47.	Northridge	North Campus University Park Development Corporation
48.	Northridge	The University Corporation, CSU Northridge
49.	Northridge	University Student Union of California State University, Northridge
50.	Pomona	Associated Students Inc., California State Polytechnic University , Pomona
51.	Pomona	The Cal Poly Pomona Foundation, Inc.
52.	Sacramento	Associated Students of California State University, Sacramento
53.	Sacramento	Capital Public Radio, Inc., CSU Sacramento
54.	Sacramento	The University Foundation at Sacramento State
55.	Sacramento	University Enterprises, Inc., CSU Sacramento
56.	Sacramento	University Union Operation of CSUS, Inc.
57.	San Bernardino	Associated Students Inc., California State University , San Bernardino
58.	San Bernardino	University Enterprises Corporation at CSUSB
59.	San Bernardino	Santos Manuel Student Union of California State University, San Bernardino
60.	San Bernardino	CSUSB Philanthropic Foundation
61.	San Diego	Associated Students, San Diego State University
62.	San Diego	Aztec Shops, LTD, San Diego State University
63.	San Diego	San Diego State University Research Foundation
64.	San Diego	The Campanile Foundation
65.	San Francisco	Associated Students Inc., San Francisco State University
66.	San Francisco	San Francisco State University Foundation
67.	San Francisco	Cesar Chavez Student Center, San Francisco State University
68.	San Francisco	The University Corporation, San Francisco State

69.	San Jose	Associated Students, San Jose State University
70.	San Jose	San Jose State University Research Foundation
71.	San Jose	Spartan Shops, Inc., San Jose State University
72.	San Jose	The Student Union of San Jose State University
73.	San Jose	The Tower Foundation, San Jose State University
74.	San Luis Obispo	Associated Students Inc., California Polytechnic State University at San Luis Obispo
75.	San Luis Obispo	Cal Poly Corporation
76.	San Luis Obispo	California Polytechnic State University Foundation
77.	San Marcos	The Associated Students of California State University , San Marcos
78.	San Marcos	California State University San Marcos Foundation
79.	San Marcos	San Marcos University Corporation
80.	San Marcos	University Auxiliary and Research Services Corporation 83.
81.	Sonoma	Associated Students of Sonoma State University
82.	Sonoma	Sonoma State University Academic Foundation, Inc.
83.	Sonoma	Sonoma State Enterprises, Inc.
84.	Sonoma	Sonoma Student Union Corporation
85.	Stanislaus	Associated Students Inc., California State University, Stanislaus
86.	Stanislaus	California State University, Stanislaus Auxiliary and Business Services
87.	Stanislaus	California State University , Stanislaus Foundation
88.	Stanislaus	University Student Union of California State University , Stanislaus

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.



Authorized Representative

October 1, 2014

Date



IRONSHORE SPECIALTY INSURANCE COMPANY

Mailing Address:
75 Federal Street
5th Floor
Boston, MA 02110
Toll Free: (877) IRON411

ENDORSEMENT # 4

Policy Number: 000541304

Effective Date of Endorsement: July 01, 2014

Insured Name: California State University Risk Management Authority (CSURMA)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**AMENDATORY ENDORSEMENT
AUTOMATIC ADDITIONAL INSURED REQUIRED BY WRITTEN CONTRACT**

This endorsement modifies insurance provided under the following:

SPECIAL EXCESS LIABILITY POLICY FOR PUBLIC ENTITIES

SCHEDULE OF ADDITIONAL INSUREDS		
ADDITIONAL INSURED	SPECIFIED CONTRACT	CONTRACT DATE
WHERE REQUIRED BY WRITTEN CONTRACT		

SPECIAL NOTE: THIS POLICY PROVIDES INSURANCE IN EXCESS OF A **RETAINED LIMIT**. THE ADDITIONAL INSURED(S) LISTED ABOVE WILL BE SUBJECT TO THE SAME POLICY TERMS, CONDITIONS AND LIMITATIONS PROVIDED TO THE **NAMED INSURED**.


This policy is amended as follows:

- Any person(s), entity (ies) or organization(s) listed in the Schedule of this endorsement to whom the **Named Insured** is obligated by virtue of a written contract to provide insurance solely with respect to **personal injury** and **property damage** is an additional insured with regard to liability and defense of **claims** or **suits** arising from the operations and uses performed by or on behalf of the **Named Insured**.
- The Limits of Insurance afforded under this endorsement to such person(s), entity(ies) or organization(s) will be limited to the limits of insurance required within the terms of the written contract or the limit of insurance of this policy, whichever is less. We will not be obligated for limits of insurance indicated in the written contract that are greater than the limits of insurance of this policy.
- With respect to **claims** arising out of the operations and uses performed by or on behalf of the **Named Insured**, such insurance coverages afforded the Above-Named Additional Insured under the policy shall be considered the primary coverage, but will apply in excess of the **Named Insured's retained limit**. We shall not seek contribution from the other insurance held by the person(s), entity(ies), or organization(s) named above for amounts payable under this insurance.

This condition applies only with respect to liability for **personal injury** or **property damage** arising out of the negligent acts of the **Named Insured**.

4. Each insurance coverage under the policy shall apply separately to each Above-Named Additional Insured against whom **claim** is made or **suit** is brought except with respect to the limits of insurance afforded to the Additional Insured under the policy procured by the **Named Insured**.
5. However, Paragraphs 1, 2, 3, and 4 above do not apply to a person(s), entity(ies), or organization(s) unless the **Named Insured** had a specific written contract from that person(s), entity(ies) or organization(s) that requires that:
 - a. This insurance be primary;
 - b. They be an additional insured under this policy; and
 - c. The **Named Insured** received such request prior to the date that the **Named Insured's** operations for that person(s), entity(ies) or organization commenced.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.



Authorized Representative

October 1, 2014
Date



IRONSHORE SPECIALTY INSURANCE COMPANY

Mailing Address:
75 Federal Street
5th Floor
Boston, MA 02110
Toll Free: (877) IRON411

ENDORSEMENT # 5

Policy Number: 000541304

Effective Date of Endorsement: July 01, 2014

Insured Name: California State University Risk Management Authority (CSURMA)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CRISIS THREESIXTYSM AMENDATORY ENDORSEMENT

This policy is amended as follows:

Section I., INSURING AGREEMENT is amended to include the following additional provision:

Section I. INSURING AGREEMENT – Coverage F CRISIS ThreeSixty

A. Crisis ThreeSixty

We will advance **Crisis ThreeSixty Costs** directly to third parties on behalf of the **Named Insured**, regardless of fault, arising from a **Crisis Management Event** first commencing during the **Policy Period**, up to the amount of the **Crisis ThreeSixty Limit of Insurance**.

B. Specialty Casualty Fund

We will pay **Crisis Management Loss** on behalf of the **Named Insured** arising from a **Crisis Management Event** first commencing during the **Policy Period**, up to the amount of the **Specialty Casualty Fund Limit of Insurance**.

C. A **Crisis Management Event** will first commence at the time during the **Policy Period** when a **Key Executive** first becomes aware of an **Occurrence** that gives rise to a **Crisis Management Event** and will end when we determine in good faith that a crisis no longer exists or when the **Crisis ThreeSixty Limit of Insurance** has been exhausted, whichever occurs first.

D. There will be no **Retained Limit** applicable to **Crisis ThreeSixty Costs** or **Crisis Management Loss**.

E. Any advancement of **Crisis ThreeSixty Costs** or payment of **Crisis Management Loss** that we make under the coverage provided by this **Section I. Coverage F** will not be a determination of our obligations under this policy, nor create any duty to defend any **Suit** under any other part of this policy.

Section III., Your Retained Limit – Our Limit of Liability is amended to include the following additional provisions:

The **Crisis ThreeSixty Limit of Insurance** is the most we will pay for all **Crisis ThreeSixty Costs** under this policy, regardless of the number of **Crisis Management Events** first commencing during the **Policy Period**. This **Crisis ThreeSixty Limit of Insurance** will be in addition to the applicable **Limit of Insurance**.

The **Specialty Casualty Fund Limit of Insurance** is the most we will pay for all **Crisis Management Loss** under this policy, regardless of the number of **Crisis Management Events** first commencing during the **Policy Period**. This **Specialty Casualty Fund Limit of Insurance** will be in addition to the applicable **Limit Of Insurance**.

We will have no obligation to advance **Crisis ThreeSixty Costs** when we determine in good faith that **Crisis Management Event** has ended or when the **Crisis ThreeSixty Limit of Insurance** has been exhausted, whichever occurs first.

It is further understood and agreed, that **Item 3** of the **Declarations Page** is amended to include the following additional limits:

- 3B (6)** \$100,000 **Crisis ThreeSixty Limit of Insurance**
- 3B (7)** \$50,000 **Specialty Casualty Fund Limit of Insurance**

Section VIII., Conditions is amended to include the following additional condition as respects **Crisis ThreeSixty** only:

(O) (6) Your Duties in the Event of an Occurrence, Wrongful Act, Claim or Suit as respects to **Crisis ThreeSixty**:

You must report any **Crisis Management Event** to us within twenty-four (24) hours of the time that a **Key Executive** first becomes aware of an **Occurrence** that gives rise to a **Crisis Management Event**, or as soon as practicable thereafter, to be eligible for the advancement of **Crisis ThreeSixty Costs** and the payment of **Crisis Management Loss**.

Notice of a Crisis Management Event

Notice of a **Crisis Management Event** may be given 24 hours / 7 days by calling Ironshore @ 1.866.795.1414.

Approved Crisis Management Firms

The following firms are approved **Crisis ThreeSixty Firms**:

Crisis Management Firms:

The Abernathy MacGregor Group

501 Madison Avenue New York, NY 10022 (212) 371-5999	707 Wilshire Boulevard, Suite 3950 Los Angeles, CA 90017 (213) 630-6550
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Rhonda Barnat (cell) (917) 912-6378 rb@abmac.com	Ian Campbell (cell) (213) 422-7958 idc@abmac.com
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Mike Pascale (cell) (917) 860-2048 mmp@abmac.com	Charlie Sipkins (cell) (310) 600-0293 cfs@abmac.com
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Section VII., Definitions is amended to include the following additional definitions:

OO. Crisis Management Event means an **Occurrence** that in the good faith opinion of a **Key Executive** of the **Named Insured**, in the absence of **Crisis Management Services**, has or may reasonably result in:

1. damages covered by this policy that are in excess of the total applicable limits of **Scheduled Underlying Insurance** or the **Self-Insured Retention**: and

2. significant adverse regional or national media coverage.

Crisis Management Event will include, without limitation, man-made disasters such as explosions, major crashes, multiple deaths, burns, dismemberment, traumatic brain injury, permanent paralysis, or contamination of food, drink or pharmaceuticals, provided that any damages arising out of any of the aforementioned must be covered under this policy.

PP. **Crisis Management Firm** means any firm that is shown in Schedule A, Approved Crisis Management Firms, attached to and forming a part of this policy or any other firm that you select and we approve, which is hired by you to perform **Crisis Management Services** in connection with a **Crisis Management Event**.

QQ. **Crisis Management Loss** means the following amounts incurred during a **Crisis Management Event**:

1. amounts for the reasonable and necessary fees and expenses incurred by a **Crisis Management Firm** in the performance of **Crisis Management Services** for the **Named Insured** solely arising from a covered **Crisis Management Event**; and
2. amounts for reasonable and necessary printing, advertising, mailing of materials, or travel by directors, officers, employees or agents of the **Named Insured** or a **Crisis Management Firm** incurred at the direction of a **Crisis Management Firm**, solely arising from a covered **Crisis Management Event**.

RR. **Crisis Management Services** means those services performed by a **Crisis Management Firm** in advising the **Named Insured** on minimizing potential harm to the **Named Insured** from a covered **Crisis Management Event**.

SS. **Crisis ThreeSixty Costs** means the following reasonable and necessary expenses incurred during a **Crisis Management Event** directly caused by a **Crisis Management Event**, provided that such expenses have been pre-approved by us and may be associated with damages that would be covered by this policy:

1. Medical expenses;
2. Funeral expenses;
3. Psychological counseling;
4. Travel expenses;
5. Temporary living expenses;
6. Expenses to secure the scene of a **Crisis Management Event**; and
7. Any other expenses pre-approved by the Company.

Crisis ThreeSixty Costs do not include defense costs or **Crisis Management Loss**.

TT. **Crisis ThreeSixty Limit of Insurance** means the **Crisis ThreeSixty Limit of Insurance** shown in **item 3B (6) of the Declarations**.

UU. **Specialty Casualty Fund Limit of Insurance** means the **Specialty Casualty Fund Limit of Insurance** shown in **Item 3B (7) of the Declarations**.

VV. **Key Executive** means the Chairman, Chief Executive Officer, Chief Operating Officer, Director of Risk Management, Chief Risk Officer, Chief Financial Officer, President, General Counsel or general partner (if the **Named Insured** is a partnership) of the **Named Insured** or sole proprietor (if the **Named Insured** is a sole proprietorship). A **Key Executive** also means any other person holding a title designated by you and approved by us, which title is shown in Schedule A, Additional Key Executives attached to and forming part of this policy.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.

A handwritten signature in blue ink, appearing to be 'S.M.', is written above a horizontal line.

Authorized Representative

October 1, 2014

Date



IRONSHORE SPECIALTY INSURANCE COMPANY

Mailing Address:
75 Federal Street
5th Floor
Boston, MA 02110
Toll Free: (877) IRON411

ENDORSEMENT # 6

Policy Number: 000541304

Effective Date of Endorsement: July 01, 2014

Insured Name: California State University Risk Management Authority (CSURMA)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**AMENDMENT - REPORTING REQUIREMENT
CSU SACRAMENTO CAPITAL PUBLIC RADIO**

This endorsement modifies insurance provided under the following:

SPECIAL EXCESS LIABILITY POLICY FOR PUBLIC ENTITIES

SCHEDULE

CSU Sacramento Capital Public Radio

Prior Acts Time Period:

For any **Personal Injury Liability, Property Damage Liability, Public Officials' Errors and Omissions Liability or Employment Practices Liability** 11/01/02 to 11/01/07

Report Due Date: 7/01/15

Only with respect to CSU Sacramento – Capital Public Radio, the following is added to SECTION I. **INSURING AGREEMENT:**

This insurance applies to any **Personal Injury Liability, Property Damage Liability, Public officials' Errors and Omissions Liability or Employment Practices Liability**, in excess of the **Retained Limit**, occurring within the Prior Acts Time Period shown in the Schedule of this endorsement only if the **claim** or **suit** is reported to **us** by the Report Due Date shown in the Schedule of this endorsement. However, the insurance provided by this endorsement will not apply to such **Personal Injury Liability, Property Damage Liability, Public officials' Errors and Omissions Liability or Employment Practices Liability** if:

- 1. The **claim** or **suit** has been reported to or otherwise known by **you** prior to inception of this Policy;
- 2. The **claim** or **suit** has been reported under any policy whose limits of insurance have been exhausted;

3. The **claim** or **suit** is within and subject to any deductible or self-insured retention under another policy; or
4. Coverage under another policy is impaired by the other carrier's bankruptcy or insolvency

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.

A handwritten signature in blue ink, appearing to be 'SAR', is written above a horizontal line.

Authorized Representative

October 1, 2014

Date



IRONSHORE SPECIALTY INSURANCE COMPANY

Mailing Address:
75 Federal Street
5th Floor
Boston, MA 02110
Toll Free: (877) IRON411

ENDORSEMENT # 7

Policy Number: 000541304

Effective Date of Endorsement: July 01, 2014

Insured Name: California State University Risk Management Authority (CSURMA)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ACT OF TERRORISM RETENTION ENDORSEMENT

Solely with respect to any **Act of Terrorism**, this policy is amended as follows:

Section III., YOUR RETAINED LIMIT – OUR LIMIT OF LIABILITY, is amended to include the following **Act of Terrorism Retained Limit**:

As respects all liability arising out of an **Act of Terrorism**, an **Act of Terrorism Retained Limit** in the amount of \$5,000,000 shall apply per occurrence.

The **Act of Terrorism Retained Limit** applies whether or not there is any available **Underlying Insurance** providing coverage to the **Insured** for an **Act of Terrorism**. If there is **Underlying Insurance** providing coverage to the **Insured** for an **Act of Terrorism** covered by this policy, amounts received through such **Underlying Insurance** for payment of liability arising out of the **Act of Terrorism** may be applied to reduce or exhaust the **Act of Terrorism Retained Limit**.

Section VII., DEFINITIONS, is amended to include the following additional definitions:

Act of Terrorism means:

- a. any act which is verified or recognized by the United States Government as an act of terrorism, including a certified act of terrorism defined by Section 102. Definitions, of the Terrorism Risk Insurance Act of 2002 and any revisions, amendments, or extensions thereto; or
- b. the use or threatened use of force or violence against person or property or commission of an act dangerous to human life or property or commission of an act that interferes with or disrupts an electronic or communication system undertaken by any person or group whether or not acting on behalf of or in connection with any organization, government, power, authority or military force when the effect is to intimidate, coerce or harm a government, the civilian population or any segment thereof or to disrupt any segment of the economy.

Act of Terrorism Retained Limit means the amount to be borne by the **Insured** for liability arising out of an **Act of Terrorism** before this policy applies.

It is understood and agreed that if any other endorsement to this policy excludes coverage for an **Act of Terrorism** arising in one or more specified countries, the provisions of such exclusion shall supersede this endorsement.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.



Authorized Representative

October 1, 2014

Date



IRONSHORE SPECIALTY INSURANCE COMPANY

Mailing Address:
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Toll Free: (877) IRON411

ENDORSEMENT # 8

Policy Number: 000541304

Effective Date of Endorsement: July 01, 2014

Insured Name: California State University Risk Management Authority (CSURMA)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EVACUATION EXPENSES REIMBURSEMENT ENDORSEMENT

This **SPECIAL EXCESS POLICY FOR PUBLIC ENTITIES** policy is amended as follows:

Item 3 of the Declarations is amended to include the following additional limits:

3c. \$50,000 Evacuation Expenses Reimbursement Limit of Insurance

Section I., INSURING AGREEMENT, is amended to include the following additional provision:

Evacuation Expenses Reimbursement

We will reimburse the **Named Insured** shown in Item 1 of the Declarations for **Evacuation Expenses** actually paid by the **Named Insured** in connection with a single **Evacuation Event** occurring during the **Policy Period** shown in Item 2 of the Declarations, up to the amount of the **Evacuation Expenses Reimbursement Limit of Insurance**.

Section III., YOUR RETAINED LIMIT – OUR LIMIT OF LIABILITY, is amended to include the following additional provisions:

The **Evacuation Expenses Reimbursement Limit of insurance** is the most we will pay for all **Evacuation Expenses** under this policy. This **Evacuation Expenses Reimbursement Limit of Insurance** will be in addition to the applicable **Limits of Liability** shown in Item 3a and 3b of the Declarations.

We will pay **Evacuation Expenses** for only one **Evacuation Event** occurring during the **Policy Period** shown in Item 2 of the Declarations, regardless of the number of **Evacuation Events** occurring during the **Policy Period**.

Section VIII., CONDITIONS O, YOUR DUTIES IN THE EVENT OF OCCURRENCE, WRONGFUL ACT, CLAIM, OR SUIT, is amended to include the following additional condition as respects **Evacuation Expenses Reimbursement** only:

You must report any **Evacuation Event** to us within forty-eight (48) hours of the time that a **Key Executive** first becomes aware of an **Occurrence** that gives rise to an **Evacuation Event**, or as soon as practicable thereafter, to be eligible for **Evacuation Expenses Reimbursement**.

Notice of an Evacuation Event

Notice of an **Evacuation Event** may be given 24 hours / 7 days by calling Ironshore @ 1.866.795.1414.

Section VII., DEFINITIONS, is amended to include the following additional definitions:

Evacuation Event means the removal from one or more of the Named Insured's facilities to any other location of a majority of the occupants of such facility(ies) as a result of any natural or man-made **Occurrence** that, in the reasonable judgment of one or more **Key Executives** of the **Named Insured**, causes or could potentially cause such facility(ies) to be unsafe for such occupants.

Evacuation Expenses means reasonable costs incurred in connection with an **Evacuation Event**, including costs associated with transporting and lodging occupants who have been evacuated. **Evacuation Expenses** does not include any remuneration, salaries, overhead or benefit expenses of the **Named Insured**.

Evacuation Expenses Reimbursement means the **Evacuation Expenses Reimbursement Limit of Insurance** shown in **Item 3c.** of the Declarations.

Key Executive means the Chairman, Chief Executive Officer, Chief Operating Officer, Director of Risk Management, Chief Risk Officer, Chief Financial Officer, President, General Counsel or general partner (if the **Named Insured** is a partnership) of the **Named Insured** or sole proprietor (if the **Named Insured** is a sole proprietorship). A **Key Executive** also means any other person holding a title designated by you and approved by us, which title is shown in Schedule A, Additional Key Executives attached to and forming part of this policy.

Occurrence means an accident, offense or event, including continuous, repeated, or related exposure to substantially the same generally harmful conditions, which results in an **Evacuation Event** that is neither expected nor intended from the standpoint of the **Insured**.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.



Authorized Representative

October 1, 2014

Date



IRONSHORE SPECIALTY INSURANCE COMPANY

Mailing Address:
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Boston, MA 02110
Toll Free: (877) IRON411

ENDORSEMENT # 9

Policy Number: 000541304

Effective Date of Endorsement: July 01, 2014

Insured Name: California State University Risk Management Authority (CSURMA)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SERVICE OF SUIT

In the event of the Company's failure to pay any amount claimed to be due hereunder, the Company, at the request of the Insured will submit to the jurisdiction of a court of competent jurisdiction within the United States. Nothing in this condition constitutes or should be understood to constitute a waiver of the Company's rights to commence an action in any court of competent jurisdiction in the United States, to remove an action to a United States District Court, or to seek a transfer of a case to another court as permitted by the law; of the United States or of any state in the United States. It is further agreed that service of process in such suit may be made upon Legal Department, Ironshore Holdings, U.S. Inc., One State Street Plaza, 7th Floor, New York, NY 10004, or his or her representative, and that in any suit instituted against the Company upon this contract, the Company will abide by the final decision of such court or of any appellate court in the event of any appeal.

Further, pursuant to any statute of any state, territory, or district of the United States which makes provision therefore, the Company hereby designates the Superintendent, Commissioner, or Director of Insurance, other officer specified for that purpose in the statute, or his or her successor or successors in office as its true and lawful attorney upon whom may be served any lawful process in any action, suit, or proceeding instituted by or on behalf of an Insured or any beneficiary hereunder arising out of this contract of insurance, and hereby designate the above named Counsel as the person to whom the said officer is authorized to mail such process or a true copy thereof.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.



Authorized Representative

October 1, 2014
Date



IRONSHORE SPECIALTY INSURANCE COMPANY

Mailing Address:
75 Federal Street
5th Floor
Boston, MA 02110
Toll Free: (877) IRON411

ENDORSEMENT # 10

Policy Number: 000541304

Effective Date of Endorsement: July 01, 2014

Insured Name: California State University Risk Management Authority (CSURMA)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MINIMUM EARNED PREMIUM

It is understood and agreed that in the event of cancellation of this policy by or at the direction of the insured, the Company shall retain a Minimum Earned Premium of 35%.

It is further agreed that the provision regarding cancellation by the insured is amended to read:

“If the Insured cancels this policy, earned premium will be computed in accordance with the customary short-rate table and procedure, or the Minimum Earned Premium stated herein, whichever is greater”.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.



Authorized Representative

October 1, 2014
Date



IRONSHORE SPECIALTY INSURANCE COMPANY

Mailing Address:
75 Federal Street
5th Floor
Boston, MA 02110
Toll Free: (877) IRON411

ENDORSEMENT # 11

Policy Number: 000541304

Effective Date of Endorsement: July 01, 2014

Insured Name: California State University Risk Management Authority (CSURMA)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMENDMENT - EXPANDED COVERAGE TERRITORY

This endorsement modifies insurance provided under the following:

SPECIAL EXCESS LIABILITY POLICY FOR PUBLIC ENTITIES

SECTION IV. POLICY PERIOD - TERRITORY is deleted in its entirety and replaced by the following:

SECTION IV. POLICY PERIOD - EXPANDED COVERAGE TERRITORY

The Policy Period commences on the effective date shown in the **DECLARATIONS**. The Policy Period ends on the earlier of either the expiration date or the effective date of cancellation of this Policy. If a person or organization becomes an **Insured** under this Policy after the effective date, the Policy Period for that person or organization begins on the date the person or organization became an **Insured**.

This Policy applies to **Personal Injury, Property Damage, Public Official's Errors and Omissions, Employment Practices Claims, or Employee Benefits Wrongful Acts** arising out of an **Occurrence** or a **Wrongful Act** that takes place during the Policy Period, in the Expanded Coverage Territory, subject to the following:

1. If a **Claim** is made and a **Suit** is brought for such **Occurrence** or **Wrongful Act** in the United States of America, we will pay on your behalf the **Ultimate Net Loss** in excess of **your Retained Limit** hereinafter stated, which you become legally obligated to pay as **Damages**, to which this Policy applies caused by an **Occurrence** or a **Wrongful Act** that takes place during the Policy Period.
2. If a **Claim** is made and a **Suit** is brought for such **Occurrence** or **Wrongful Act** that is within the Expanded Coverage Territory but outside the United States of America, the **Insured** will initiate a defense of the **Claim** or **Suit** and **we** will indemnify the **Insured** for **Ultimate Net Loss** in excess of **your Retained Limit** hereinafter stated, which you become legally obligated to pay as **Damages**, to which this Policy applies caused by an **Occurrence** or a **Wrongful Act** that takes place during the Policy Period. We will, however, have the right, but not the duty, to participate in the defense of any **Suit** and the investigation of any **Claim** to which this Policy may apply, and the **Insured** shall cooperate fully with us in such participation. If we exercise this right, we will do so at our own expense.
3. All payments or reimbursements we make for **Damages** because of judgments or settlements will be made in U.S. currency at the prevailing exchange rate at the time the **Insured** became legally obligated to pay such sums.

4. The **Insured** must fully maintain any coverage required by law, regulation or other governmental authority during the policy period, except for reduction of the aggregate limits due to payment of **Damages**.

Failure to maintain such coverage required by law, regulation or other governmental authority will not invalidate this insurance. However, this insurance will apply as if the required coverage by law, regulation or other governmental authority was in full effect.

The following definition is added to **SECTION VII. DEFINITIONS: Expanded Coverage Territory** means anywhere in the world with the exception of any country or jurisdiction which is subject to trade or other economic sanction or embargo by the United States of America.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.



Authorized Representative

October 1, 2014

Date



IRONSHORE SPECIALTY INSURANCE COMPANY

Mailing Address:
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5th Floor
Boston, MA 02110
Toll Free: (877) IRON411

ENDORSEMENT # 12

Policy Number: 000541304

Effective Date of Endorsement: July 01, 2014

Insured Name: California State University Risk Management Authority (CSURMA)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

VIOLATION OF ECONOMIC OR TRADE SANCTIONS

This policy is amended as follows:

SECTION VIII. CONDITIONS is amended to include the following additional condition:

Violation of Economic or Trade Sanctions

If coverage for a claim or "suit" under this policy is in violation of any United States of America's economic or trade sanctions, 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") then coverage for that claim or "suit" shall be null and void.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.



Authorized Representative

October 1, 2014
Date



IRONSHORE SPECIALTY INSURANCE COMPANY

Mailing Address:
75 Federal Street
5th Floor
Boston, MA 02110
Toll Free: (877) IRON411

ENDORSEMENT # 13

Policy Number: 000541304

Effective Date of Endorsement: July 01, 2014

Insured Name: California State University Risk Management Authority (CSURMA)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMENDMENT - UNMANNED AERIAL VEHICLES

This endorsement modifies insurance provided under the following:
SPECIAL EXCESS LIABILITY POLICY FOR PUBLIC ENTITIES

SECTION VI. EXCLUSIONS, (E) is deleted in its entirety and replaced by the following:

- (E) To liability arising out of the ownership, maintenance, **Loading or Unloading**, use of, or operation of any **Aircraft**, airfields, runways, hangars, buildings, or other properties in connection with aviation activities.

This exclusion shall not apply to:

1. **Loading or Unloading of Aircraft** by paramedics, nurses or emergency medical technicians employed by **you** in the course of medical treatment.
2. Static aircraft used for instructional aircraft maintenance training, and classroom or travel activity associated with an **Aircraft** program or curriculum (non-flight purposes only).
3. Those areas open to the public for the purpose of entering, leaving, or using the airport facilities (including parking lots, and garages) or to liability arising out of the ownership, operation, rental, or loan of vehicles licensed for highway use while being operated away from the premises of any airfield.
4. **Unmanned Aerial Vehicles.**

SECTION VII. DEFINITIONS, is amended as follows:

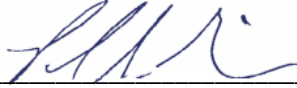
1. Definition **(A) Aircraft** is deleted in its entirety and replaced by the following:

Aircraft means any machine supported in the air by buoyancy or by the dynamic action of air on its surfaces including airplanes, helicopters, gliders, **Unmanned Aerial Vehicles** (aka "Drones"), rockets, satellites, and missiles.

The following definition is added to **SECTION VII. DEFINITIONS**:

Unmanned Aerial Vehicle (aka: "Drone") means any vehicle designed to fly in the air with no onboard pilot or crew used principally for the transport of equipment that has a flight weight of 100 lbs or less (flight weight includes the aircraft itself, fuel and other fluids, and all payload), and is used for research and/or educational purposes.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.

A handwritten signature in blue ink, appearing to be 'S.M.R.', is written above a horizontal line.

Authorized Representative

October 1, 2014

Date