

RESOLUTION NO. 67-22

A RESOLUTION APPROVING THE ILLINOIS PUBLIC RISK FUND AND ILLINOIS COUNTIES RISK MANAGEMENT TRUST INSURANCE PROGRAM RENEWALS AND APPROVING THE UNDERWRITERS OF LLOYD'S CYBERSECURITY POLICY

WHEREAS, the Village of Chatham ("Village") is an Illinois Municipal Corporation existing and operating under the Illinois Municipal Code and the laws of the State of Illinois; and

WHEREAS, Illinois Public Risk Fund ("IPRF") is one of the leading workers' compensation coverages and currently provides workers' compensation coverage to the Village; and,

WHEREAS, the Village Board of Trustees believes the proposed renewal of the IPRF workers' compensation coverage for the period between January 1, 2023 and January 1, 2024, is both cost effective and in the best interest of the Village; and

WHEREAS, the Illinois Counties Risk Management Trust ("ICRMT") is one of the leading insurance programs in Illinois, providing property, and casualty coverages for Illinois public entities since 1983; and

WHEREAS, ICRMT has approximately 425 members and a retention rate of 97% and currently provides property and casualty coverage to the Village; and

WHEREAS, the Village Board of Trustees believes the proposed renewal of ICRMT coverage for the period between December 1, 2022 and December 1, 2023, is both cost effective and in the best interest of the Village; and

WHEREAS, coverage for network security and privacy liability was previously a part of the ICRMT policy and is now separate policy; and

WHEREAS, Underwriters of Lloyd's is the proposed insurer on a Network Security / Privacy Liability Policy ("CFC") with a policy period between December 1, 2022 and December 1, 2023 which the Village believes is both cost effective and in the best interest of the Village; and

WHEREAS, the Village has received proposals for renewal of its IPRF and ICRMT plans, and received proposals for the CFC plan, and desires to approve same.

NOW THEREFORE, BE IT RESOLVED by the President and Board of Trustees of the Village of Chatham, Sangamon County, Illinois, as follows:

Section 1. Recitals. The foregoing recitals shall be and are hereby incorporated into and made a part of this Resolution as if fully set forth in this Section 1.

Section 2. Approval of Renewals and CFC Policy. The Village Board hereby approves the Illinois Counties Risk Management Trust Insurance Program Renewal effective December 1, 2022, as attached hereto as **Exhibit A**, approves the Illinois Public Risk Fund Workers' Compensation renewal effective January 1, 2023 as attached hereto as **Exhibit B**, approves the Network Security / Privacy Liability proposal effective December 1, 2022 as attached hereto as **Exhibit C**, and authorizes the Village Manager and/or Village President to execute any documents necessary to effectuate same.

Section 5. Effective Date. This Resolution shall be in full force and effect from and after its passage and approval.


	AYE	NAY	ABSTAIN	ABSENT
KRISTEN CHIARO	✓			
MEREDITH FERGUSON	✓			
JOHN FLETCHER	✓			
BRETT GERGER	✓			
TIM NICE				✓
CARL TRY	✓			
DAVE KIMSEY				
TOTAL	5	0	0	1

APPROVED by the President of the Village of Chatham, Illinois this 22 day of November, 2022.



Dave Kimsey, Village President

Attest:



Dan Holden, Village Clerk

EXHIBIT A

Illinois Counties Risk Management Trust Insurance Program Renewal

ILLINOIS COUNTIES RISK MANAGEMENT TRUST

INSURANCE PROGRAM RENEWAL



Chatham, Village of

PRESENTED BY:

Alliant Mesirow Insurance Services

POLICY YEAR:

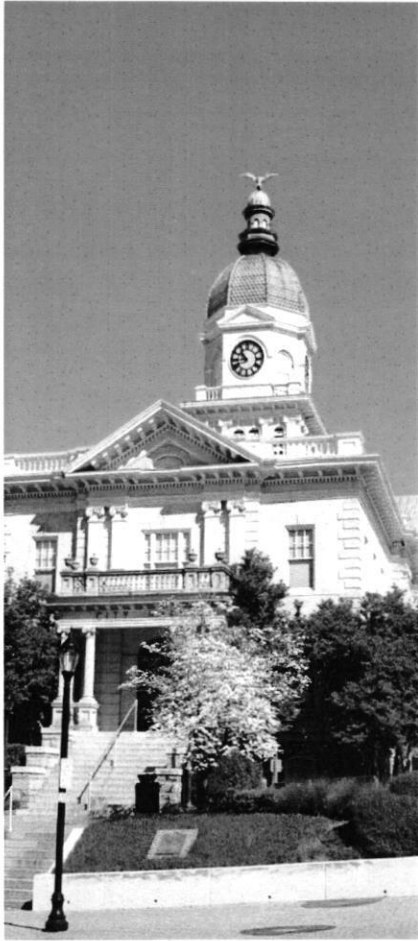
DEC 01, 2022 - DEC 01, 2023

Quote Number:

R2-1000510-2223-02

ADMINISTERED BY:





ABOUT ICRMT

Providing insurance and risk management services to Illinois Public Entities since 1983.

Illinois Counties Risk Management Trust (ICRMT) is one of the leading insurance programs in Illinois, providing property, and workers' compensation coverages for Illinois public entities since 1983. Owned by its members and administered by IPMG, ICRMT provides an integrated approach to risk management, claims administration, and underwriting tailored to fit the needs of your entity. ICRMT provides broad coverage and the most comprehensive service package specifically designed to protect the entity's exposures and budgetary constraints.



Size: 425+ Members



Retention Rate: 97%



Total Premium: \$102+ Million



PROGRAM MANAGEMENT

PROVIDED BY INSURANCE PROGRAM MANAGERS GROUP

ACCOUNT EXECUTIVES

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UNDERWRITING

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PROGRAM ADMINISTRATION

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TIM OLSON

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RISK MANAGEMENT & LOSS CONTROL SERVICES

ICRMT Risk Management Services consultants deliver a catalog of resources with material expertise in public entity risk management. The staff has field-based experts in clinical medicine, physical therapy, and advanced degree safety experts. ICRMT's risk consultants have a background working in local law enforcement, fire, and emergency medical services.

The RMS consultants work with each entity to facilitate risk mitigation efforts through policy, training and engineering controls. These controls are delivered onsite and through online training options. ICRMT RMS consultants provide policy and training solutions for all lines of coverage with focus on industry and client loss trends and emerging risks.

SERVICES INCLUDED:

- Use of Force Training
- Jail Policies and Procedures Audits
- Policy and Procedure Implementation
- Auto/Driving Exposure Evaluation
- Employment Practices Strategies, Education, and Training
- Safety Committee Development
- Hiring and Management Strategies
- Law Enforcement Seminars
- Fire Fighter/EMS Training
- Regulatory Compliances
- Essential Functions Testing Policy
- Background Check Policy
- Supervisors/Leadership Development
- Loss Analysis and Trending
- Slip and Fall Prevention Program
- Supervisory/Personnel Safety Training
- Accident Investigation Training
- Hazard Communication Training
- Blood Borne Pathogens Training



RISK MANAGEMENT & LOSS CONTROL CONSULTANTS

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BRANDON BEYER

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CLAIMS MANAGEMENT SERVICES

IPMG Claims Management Services offers a full-service claims team specializing in the public entity sector. IPMG CMS services claims for property, casualty and workers compensation claims.

IPMG CMS has a staff of 39 including 21 seasoned claims professionals with an average claims experience of over ten years. IPMG CMS's leadership team boasts well over 20 years of experience. IPMG CMS's staff specializes in program business, including unique self-insured retention structures.

SERVICES INCLUDED:

- Dedicated service adjuster approach, which promotes service continuity and trust
- On-line claim reporting and investigation tool through In-Sight with loss experience access
- On-line claim review and claim report generation
- 24-hour contact on every new claim submission
- Clients are updated on all critical events and participate in all major claims decisions
- Quarterly claim file reviews
- Data analytics to quickly identify potential high cost claims
- Tailor made service plans
- Nurse Case Management

CONTACT:

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SUSANNE SKJERSETH
PC Claims Manager
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314.293.9723



ICRMT FEATURES AND BENEFITS

Program Highlights

- Property and Casualty Policy is Non-Auditable
- Terrorism Coverage Included
- The ICRMT Trust Agreement contains a Resolution by the Executive Board making the program Non-Assessable
- Specialized Law Enforcement Risk Management Services
- Open Door Legal Consultation
- Tailored Risk Management Services
- Professional Property Appraisals
- Online Claims Reporting
- Crisis Management Assistance
- Enhanced Case Management
- PEDDA Coverage Available
- Unemployment Insurance Program

Who is an Insured

- An individual while appointed as a director or executive officer
- A volunteer, unpaid worker, leased or temporary worker
- A board member, commissioner, trustee, or council person
- An employee or staff member
- An elected or appointed official or a member of your governing body, board, commission, council or agency of yours
- A partnership or Joint Venture, including a mutual assistance pact, joint powers agreement or similar agreement
- Your Medical Directors in conjunction with the medical facilities covered under this Policy, but only with respect to their administrative duties on your behalf.

Visit our page for more information:

www.ICRMT.com

This is a summary of coverages provided. Please refer to the full policy for complete coverage, exclusions, and terms & conditions.



COVERAGE SUMMARY: GENERAL LIABILITY

GENERAL LIABILITY

LIMITS

Each Occurrence	\$1,000,000
General Annual Aggregate	\$3,000,000
Products/Completed Operations Annual Aggregate	\$1,000,000
Advertising and Personal Injury	\$1,000,000
Premises Medical Payments	
Each Person	\$5,000
Each Occurrence	\$50,000

Deductible: \$1,000 each occurrence

Sexual Abuse Liability – Claims Made

Each Occurrence	\$100,000
Annual Aggregate	\$100,000

Retroactive Date: **01/01/2016**

Innocent Party Defense Coverage Included

Deductible: \$2,500

COVERAGES INCLUDE

- Liquor Liability
- Medical Professional (Excluding Doctors & Dentists)
- Special Events
- Terrorism
- Volunteers
- Non-Auditable
- Herbicides & Pesticides - \$50,000 Coverage Limits
- Premises Liability



COVERAGE SUMMARY: VIOLENT EVENT RESPONSE COVERAGE

COVERAGE

LIMITS

- Violent Event Response Coverage	\$500,000/\$500,000
- Crisis Investigation	Included
- Personal Crisis Management Event Response Team	Included
- Crisis Communication Support, Media Management, Public Relations	Included
- Temporary Security Measures	Included
- The following Sublimited Coverages:	
o Medical Expenses	\$25,000 Per Person
o Counseling Service Expenses	\$10,000 Per Person
o Funeral Service Expenses	\$15,000 Per Person
o Per Event Crisis Team Services	\$100,000
o Memorialization Expenses	\$250,000

Deductible: \$1,000 each occurrence

This is addition to the standard liability coverages offered under this policy.



COVERAGE SUMMARY: LAW ENFORCEMENT LIABILITY

COVERAGE

	LIMITS
Each Occurrence	\$1,000,000
General Annual Aggregate	\$3,000,000

Deductible: \$2,500 each occurrence

COVERAGES INCLUDE

ICRMT has partnered with Legal Liability Risk Management Institute, giving all members access to updated law enforcement policies and procedures and the necessary training. For more info please contact your designated ICRMT Risk Manager.

- Auxiliary Officers
- Intergovernmental/Mutual Aid Agreements
- Jails/Holding Cells
- Good Samaritan
- Commandeered Autos



COVERAGE SUMMARY: AUTO LIABILITY & PHYSICAL DAMAGE

AUTO LIABILITY

LIMITS

Each Occurrence	\$1,000,000
Auto Medical Payments	
Each Person	\$5,000
Each Occurrence	\$25,000

Deductible: \$0 each occurrence

UNINSURED & UNDERINSURED MOTORIST LIABILITY

Each Occurrence	\$40,000
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Deductible: \$0

AUTO PHYSICAL DAMAGE

Total Scheduled Value	\$3,291,575
Total Agreed Value	\$0
Number of Vehicles	68

Comprehensive Per Loss Deductible: \$1,000

Collision Per Loss Deductible: \$1,000

**Or as indicated on the Schedule*

COVERAGES INCLUDE

• Automatic Liability for Newly Acquired Vehicles (Non-Auditable)	Included
• Newly Acquired Automobiles Physical Damage (Non-Auditable)	\$500,000
• Hired/Non-Owned Liability	Included
• Hired Auto Physical Damage	Included
• Garagekeepers Legal Liability - per Occurrence	\$100,000
• Pollution Caused by Upset/Overturn	Included
• Commandeered Autos	Included
• Loss of Use and Lease Gap Coverage	Included
• Rental Reimbursement	Included



COVERAGE SUMMARY: PUBLIC OFFICIALS LIABILITY

PUBLIC OFFICIALS LIABILITY - CLAIMS MADE

LIMITS

Each Occurrence	\$1,000,000
Annual Aggregate	\$1,000,000

Retroactive Date: **01/01/2016**

Deductible: \$2,500 each occurrence

EMPLOYMENT PRACTICES LIABILITY - CLAIMS MADE

Each Occurrence	Included
Annual Aggregate	Included

Retroactive Date: **01/01/2016**

Deductible: \$2,500 each occurrence

EMPLOYEE BENEFITS LIABILITY

Each Occurrence	Included
Annual Aggregate	Included

Retroactive Date: **01/01/2016**

Deductible: \$2,500 each occurrence

COVERAGES INCLUDE

- Employee Wage Reimbursement

Each Occurrence	\$10,000
Annual Aggregate	\$20,000
- Non-Monetary Legal Defense

Each Occurrence	\$50,000
Annual Aggregate	\$50,000
- Sexual Harassment
- Discrimination
- Wrongful Termination
- FOIA/Open Meetings Act



COVERAGE SUMMARY: EXCESS LIABILITY

Coverage	Underlying Limits	Excess Limit
General Liability	\$1,000,000/\$3,000,000	\$10,000,000
Law Enforcement Liability	\$1,000,000/\$3,000,000	\$10,000,000
Auto Liability	\$1,000,000	\$10,000,000
Public Officials (Claims Made)	\$1,000,000/\$1,000,000	\$10,000,000

COVERAGES EXCLUDED

- Sanitary Sewer Backup
- Sexual Abuse
- Uninsured/Underinsured Motorist Coverage
- Workers Compensation and Employers Liability
- Unmanned Aircraft
- Cyber Liability
- Claims arising out of the actual or alleged transmission of a communicable disease or virus.



COVERAGE SUMMARY: PROPERTY

LIMITS OF INSURANCE: In no event shall liability in any one occurrence for any one Building, and one Structure or Business Personal Property at any one location exceed 125% of the individually stated value for such property as shown in the latest Statement of Values or other documentation on file with the Trust, nor shall liability exceed any specific Limit of Insurance applying to any Insured, Loss, coverage or location(s).

COVERED PROPERTY

	LIMITS
Building Value	\$31,383,416
Business Personal Property Including Stationary EDP	\$1,336,000
Personal Property of Others	\$100,000
Newly Constructed or Aquired Property	\$1,000,000
Footbridges	\$100,000
Covered Property in Transit	\$1,000,000

Deductible: \$2,500

***Or as indicated on the Schedule**

ADDITIONAL PROPERTY COVERAGES

Earthquake (including mine subsidence)	\$5,000,000
Program Aggregate	\$250,000,000

Deductible: \$50,000 or 2% of the damaged location; whichever is greater

Flood	\$5,000,000
Program Aggregate (Excluding Flood Zone A and V)	\$250,000,000

Deductible: \$50,000 per occurrence

COVERED COSTS & EXPENSES

Business Income/Extra Expense	\$1,000,000
Business Income/Extra Expense Increased Limits	\$0
Course of Construction (Builders Risk)	\$1,000,000
Debris Removal (whichever is greater)	25% or \$500,000
Pollutant Cleanup and Removal, aggregate in any one Policy Year	\$100,000
Fire Department Service Charge	\$5,000
Fire Protection Equipment Discharge	\$5,000
Ordinance or Law Coverage	\$10,000,000
Preservation of Property	\$100,000
Protection of Property	\$100,000



COVERAGE SUMMARY: PROPERTY (cont.)

SUPPLEMENT COVERAGE

	LIMITS	
Unnamed Locations - Unintentional E&O	\$1,000,000	
Communication Towers	\$100,000	
Tree, Shrubs, and Plants are subject to a maximum per item of		
Per Item	\$25,000	
Per Occurrence	\$100,000	
Golf Course Tees and Greens		
Per Item	\$25,000	
Per Occurrence	\$100,000	
Interruption of Computer Operations		
Per occurrence	\$50,000	
Annual Aggregate	\$100,000	
Personal Effects	\$100,000	
Retaining Walls and Other Outdoor Walls	\$10,000	
Underground Sprinkler System	\$100,000	
Utility Services - Direct Damage	\$1,000,000	
Utility Services - Time Element	\$1,000,000	
Limited Fungus/Fungi, Wet Rot, and Dry Rot Coverage		
Direct Damage	\$15,000	
Business Income and Extra Expense	\$15,000	
Extra Expense Number of Days	30 days	
Ancillary Buildings	\$10,000	
Sewer Backup	\$250,000	
Outdoor Property - including but not limited to:	\$100,000	
Fences	Goal Posts	Traffic Lights/Control Boxes
Light Fixtures/Poles	Playground Equipment	Bleachers
Road Signs	Scoreboards	Ticket Booths
Non-Utility Poles	Benches	Dugouts
Fountains	Statues	Bike Racks
Monuments	Fire Hydrants	

All Supplemental Property Coverages are subject to a \$5,000 minimum deductible



COVERAGE SUMMARY: MOBILE EQUIPMENT & MISC. ARTICLES

SCHEDULED LIMITS

	LIMITS
Animal - Mortality	\$3,000
Cameras, Radios, & Communications Equipment	\$68,000
Mobile Equipment greater than or equal to \$10,000 per item	\$1,130,490
Mobile Equipment less than \$10,000 per item	\$339,400

Deductible: \$1,000

***Or as indicated on the Schedule**

COVERED COSTS & EXPENSES

Fine Arts	\$1,000,000
Accounts Receivable	\$1,000,000
Valuable Papers and Records	\$1,000,000
Contractors Equipment Non-Owned	
Per Item	\$100,000
Per Occurrence	\$250,000
Rental Expense Reimbursement	\$10,000
Pollutant Clean-Up	\$100,000
Fire Department Equipment	\$50,000
Musical Instruments, Athletic Equipment & Uniforms	\$500,000
Unscheduled Watercrafts	\$100,000



COVERAGE SUMMARY: EQUIPMENT BREAKDOWN

COVERAGE

LIMIT

Total Building and Contents Value

\$32,719,416

Deductible: \$2,500

BI/EE & Utility Interruption Deductible: 24 Hours

COVERAGE EXTENSION

Combined Business Income

Included

Combined Extra Expense

Included

Spoilage Damage

Included

Utility Interruption - Time Element

\$10,000,000

Electronic Data or Media

\$10,000,000

Expediting Expenses

Included

Ordinance or Law

\$10,000,000

Hazardous Substance, Contamination, Pollutants

\$10,000,000

Newly Acquired Property

\$1,000,000

Debris Removal

25% or \$500,000

Water Damage

\$500,000

Emergency Power Generating Equipment 1,000 kw or less

Included

Non Emergency Power Generating Equipment is Excluded.



COVERAGE SUMMARY: CRIME

COVERAGE	LIMIT
Blanket Employee Dishonesty	\$500,000
Loss Inside the Premises - Money & Securities	\$500,000
Loss Outside the Premises	\$500,000
Money Orders and Counterfeit Currency	\$500,000
Depositors Forgery or Alterations	\$500,000
Computer Fraud	\$500,000
Funds Transfer Fraud	\$500,000
Social Engineering/False Pretenses	\$50,000

Deductible: \$1,000

The ICRMT Crime Form includes coverage for any of your officials who are required by law to give bonds for the faithful performance of their service against Loss through the failure of any Employee under the supervision of that official to faithfully perform his or her duties as prescribed by law and will meet the requirements for Public Officials bonds up to the statutory limit or policy limit, whichever is less.



PREMIUM SUMMARY

Presented By:

Illinois Counties Risk Management Trust

Named Insured: Chatham, Village of
Quote Number: R2-1000510-2223-02
Policy Year: DEC 01, 2022 - DEC 01, 2023

Coverage Parts	Premium
General Liability	Included
Law Enforcement Liability	Included
Auto	Included
Public Officials Liability - Claims Made	Included
Property	Included
Inland Marine	Included
Equipment Breakdown	Included
Sales Tax Interruption	Not Covered
Crime	Included
Cyber Liability	Not Covered
Excess Liability	Included
Package Premium	\$173,665
Workers' Compensation	Not Covered
Total Annual Premium	\$173,665



REQUIREMENTS TO BIND

The following must be received prior to binding:

- Signed Acceptance Statement
- Requested Payment Plan (if annual policy)
- Insured's Contact Information (space below)

CONTACT INFORMATION

Name

Title

Phone

Email

Role: (Check all that apply) Primary Contact Finance Claims Loss Control

CONTACT INFORMATION

Name

Title

Phone

Email

Role: (Check all that apply) Finance Claims Loss Control



ACCEPTANCE STATEMENT

Named Insured: Chatham, Village of
Quote Number: R2-1000510-2223-02
Policy Year: DEC 01, 2022 - DEC 01, 2023

Total Annual Premium	\$173,665
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Terms and Conditions

- The Named Insured can only cancel the Policy at program anniversary and only if 90-day prior written notice of cancellation is given. If required notice is not given, full estimated premium is earned, due and payable.
- All terms and conditions of membership in the Illinois Counties Risk Management Trust are set forth in the Trust by-laws. A copy of this document is available for your review
- Per the Membership Agreement, the member must be with the Trust for 12 months prior to withdrawing and can only withdraw at anniversary date of effective date.

REQUESTED PAYMENT PLAN:

Annual 50/50 25/6

FEIN: _____

Acceptance Statement:

Please accept this as a formal confirmation that all terms and conditions, attached scheduled items, and premiums proposed by the Illinois Counties Risk Management Trust are accepted effective 12/01/2022.

Signature of Official _____ Date _____

INVOICE

PRESENTED BY: **ILLINOIS COUNTIES RISK MANAGEMENT TRUST**

Named Insured: Chatham, Village of
Quote Number: R2-1000510-2223-02
Policy Year: DEC 01, 2022 - DEC 01, 2023

Total Annual Premium	\$173,665
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Premium Due by Effective Date of Coverage.

Based upon the payment plan you select, the following down payment is due:

Annual	
50/50	\$86,833
25/6	\$43,416

Please Make Checks Payable to:

Illinois Counties Risk Management Trust
6580 Solution Center
Chicago, IL 60677-6005

Named Insured:	Chatham, Village of
Quote Number:	R2-1000510-2223-02
Package Premium Remitted:	



AUTO SCHEDULE

Chatham, Village of

VEH #	YEAR	MAKE	MODEL	VIN	COMP. DED.	COLL. DED.	AGREED VALUE	ORIGINAL COST NEW
1	2007	Chevrolet	IMPALA	415342	\$1,000	\$1,000		\$3,000
2	2007	Chevrolet	IMPALA	415572	\$1,000	\$1,000		\$6,000
4	2008	Ford	CROWN VICTORIA	131290	\$1,000	\$1,000		\$3,000
5	2008	Ford	CROWN VICTORIA	131288	\$1,000	\$1,000		\$2,000
7	2009	Dodge	CHARGER	639760	\$1,000	\$1,000		\$6,000
11	2009	Chevrolet	TAHOE	263178	\$1,000	\$1,000		\$12,000
12	2012	Dodge	CHARGER	161612	\$1,000	\$1,000		\$11,000
13	2012	Dodge	CHARGER	161611	\$1,000	\$1,000		\$11,000
14	2013	Dodge	PICKUP TRUCK	601593	\$1,000	\$1,000		\$18,000
15	2010	Chevrolet	TAHOE	224684	\$1,000	\$1,000		\$9,000
16	2016	Ford	EXPLORER	A04686	\$1,000	\$1,000		\$24,000
17	2016	Ford	EXPLORER	A04687	\$1,000	\$1,000		\$24,000
18	1988	International	DUMP TRUCK - TANDEM S1900	613642	\$1,000	\$1,000		\$1,500
19	2007	International	TRUCK - WORKSTAR	657242	\$1,000	\$1,000		\$50,000
20	1996	GMC	DUMP TRUCK	514372	\$1,000	\$1,000		\$5,000
21	1996	GMC	DUMP TRUCK	514383	\$1,000	\$1,000		\$5,000
23	2010	Ford	PICKUP TRUCK - F150	E80068	\$1,000	\$1,000		\$15,000
24	2012	Ford	TRUCK - SUPER CAB F350	C05688	\$1,000	\$1,000		\$18,000



AUTO SCHEDULE

Chatham, Village of

VEH #	YEAR	MAKE	MODEL	VIN	COMP. DED.	COLL. DED.	AGREED VALUE	ORIGINAL COST NEW
25	2012	International	DUMP TRUCK - 7400	301383	\$1,000	\$1,000		\$90,000
26	2015	International	DUMP TRUCK	731487	\$1,000	\$1,000		\$115,000
28	2004	Chevrolet	PICKUP TRUCK 2500	326544	\$1,000	\$1,000		\$8,000
30	2010	Ford	TRUCK - F350	B37838	\$1,000	\$1,000		\$10,000
31	2014	Ford	TRUCK - F250XL	A54628	\$1,000	\$1,000		\$23,000
36	2004		AERIAL TRUCK	N09572	\$1,000	\$1,000		\$69,000
38	1996	Chevrolet	TRUCK - 1T 4X4	5306	\$1,000	\$1,000		\$2,500
39	2000	Ford	TRUCK	E56423	\$1,000	\$1,000		\$9,500
40	2000	Cargo	TRAILER	9833	\$1,000	\$1,000		\$6,500
41	2000	Butler	TRAILER	1065	\$1,000	\$1,000		\$12,500
42	2000		BELSHE TRAILER	7018	\$1,000	\$1,000		\$12,500
43	2007	Ford	TRUCK - F350	B15994	\$1,000	\$1,000		\$13,500
44	2010		VACUUM TRAILER	284974	\$1,000	\$1,000		\$11,500
45	2014	Ford	PICKUP TRUCK - F550 W/VERSALIFT	B80531	\$1,000	\$1,000		\$108,000
47	2007	Ford	TRUCK	A69232	\$1,000	\$1,000		\$7,300
48	2007	Ford	TRUCK - F150	A29666	\$1,000	\$1,000		\$7,500
50	2010	Trotter	UTILITY TRAILER	636070	\$1,000	\$1,000		\$2,000



AUTO SCHEDULE

Chatham, Village of

VEH #	YEAR	MAKE	MODEL	VIN	COMP. DED.	COLL. DED.	AGREED VALUE	ORIGINAL COST NEW
51	2011	Ford	TRUCK - F350	C75606	\$1,000	\$1,000		\$20,000
52	1997	Chevrolet	PICKUP TRUCK	44924	\$1,000	\$1,000		\$3,000
53	2016	Dodge	Ram1500 incl equipment	GS177347	\$1,000	\$1,000		\$34,000
54	2007	Ford	TRUCK - F150	1FTRF12227KC12441	\$1,000	\$1,000		\$6,000
55	2016		Load Trail Trailer	1099827	\$1,000	\$1,000		\$10,250
56	2017	Ford	Explorer	B41179	\$1,000	\$1,000		\$26,000
57	2017	Ford	Taurus	106987	\$1,000	\$1,000		\$28,000
58	2017	Ford	F350	C57156	\$1,000	\$1,000		\$43,000
59	2017	Freightliner	Chassis Truck	HJH3622	\$1,000	\$1,000		\$510,000
62	2018	Ford	F250	1FT7X2864JEB23229	\$1,000	\$1,000		\$26,000
63	2018	Dodge	Ram 5500 Aerial Bucket Truck	182245	\$1,000	\$1,000		\$140,000
64	2004	Ford	F150 w/Camper	B29731	\$1,000	\$1,000		\$4,000
65	2019	Ford	Explorer	28329	\$1,000	\$1,000		\$33,000
66	2019	Ford	Taurus	112182	\$1,000	\$1,000		\$31,000
67	2019		B-B TRAILER	048370	\$1,000	\$1,000		\$10,350
68	2019	Ford	Explorer	1FM5K8AT4KGB22308	\$1,000	\$1,000		\$38,000
69	2019	Elgin	Pelican Street Sweeper	E02135200855	\$1,000	\$1,000		\$215,000
70	2019	Ford	Taurus	1FAHP2MK6KG112243	\$1,000	\$1,000		\$36,000



AUTO SCHEDULE

Chatham, Village of

VEH #	YEAR	MAKE	MODEL	VIN	COMP. DED.	COLL. DED.	AGREED VALUE	ORIGINAL COST NEW
71	2020	Ram	Pickup Truck	3C6UR5CJ1LG18 9032	\$1,000	\$1,000		\$29,500
72	2021	Freightliner	ALTEC Line Truck	3ALACXFC0MDLB 8316	\$1,000	\$1,000		\$255,000
73	2006	International	Tandem 7000 Series 7400	1HTWHAAR86J2 96784	\$1,000	\$1,000		\$35,000
74	2021	Ford	F350	1FDRF3H6XMED 73051	\$1,000	\$1,000		\$48,800
75	2021	Dodge	Durango	1C4RDJFG5MC84 7610	\$1,000	\$1,000		\$39,770
76	2021	Dodge	Durango	1C4RDJFG7MC84 7611	\$1,000	\$1,000		\$39,770
77	2021	Dodge	Durango	1C4RDJFG3MC84 7363	\$1,000	\$1,000		\$39,770
78	2022	Chevrolet	Silverado	1GC5YNE79NF21 7634	\$1,000	\$1,000		\$43,000
79	2018	Freightliner	Chassis with Combo Sewer Cleaner	1FVAG3FE9JHJH3 622	\$1,000	\$1,000		\$209,700
80	2021	Dodge	Durango	1C4RDJFG4MC84 7615	\$1,000	\$1,000		\$34,955
81	2021	Dodge	Durango	1C4RDJFG8MC84 7617	\$1,000	\$1,000		\$34,955
82	2021	Dodge	Durango	1C4RDJFG1MC84 7619	\$1,000	\$1,000		\$34,955
83	2022	Behnke	Trailer Model TBCT2220ET	4L5ST2720PF065 063	\$1,000	\$1,000		\$18,200
84	2021	Dodge	1500 Ram	3C6JR7DT4MG60 2304	\$1,000	\$1,000		\$32,800



AUTO SCHEDULE

Chatham, Village of

VEH #	YEAR	MAKE	MODEL	VIN	COMP. DED.	COLL. DED.	AGREED VALUE	ORIGINAL COST NEW
85	2022	International	2022 TRUVAC Truck Mounted Vacuum Excavator Model 21HXPD36 SN 2208R21129 mounted on Chassis # HV607SBA6 X4	3hAEKTAToPL279727	\$1,000	\$1,000		\$450,000
TOTAL AGREED VALUE							\$0	
TOTAL ORIGINAL COST NEW							\$3,291,575	
TOTAL INSURED VALUE							\$3,291,575	



PROPERTY SCHEDULE

Chatham, Village of

LOC #	DESCRIPTION	ADDRESS	OCCU-PANCY	VALUATION	BUILDING VALUE	BPP VALUE	DEDUCTIBLE
01-01	Village Hall/ Police Station	117 East Mulberry Street Chatham, IL 62629	Police / Jails	Replacement Cost / Margin Clause	\$1,376,523	\$250,000	\$2,500
01-02	PIO - flagpole, signage & generator	117 East Mulberry Street Chatham, IL 62629	Property in the Open	Replacement Cost / Margin Clause	\$44,084	\$0	\$2,500
01-03	Antenna	117 East Mulberry Street Chatham, IL 62629	Radio Tower	Replacement Cost / Margin Clause	\$37,471	\$0	\$2,500
02-01	Utilities Office	116 East Mulberry Street Chatham, IL 62629	Office	Replacement Cost / Margin Clause	\$294,261	\$100,000	\$2,500
02-02	Antenna	116 East Mulberry Street Chatham, IL 62629	Radio Tower	Replacement Cost / Margin Clause	\$19,838	\$0	\$2,500
03-01	Old Depot	109 North State Street Chatham, IL 62629	Other Public Building	Replacement Cost / Margin Clause	\$369,204	\$2,000	\$2,500
03-02	PIO - signage & fencing	109 North State Street Chatham, IL 62629	Property in the Open	Replacement Cost / Margin Clause	\$3,306	\$0	\$2,500
04-01	Electric Substation #1 - Value Per Insured	106 East Chestnut Street Chatham, IL 62629	Electrical	Replacement Cost / Margin Clause	\$5,808,388	\$0	\$2,500
04-02	PIO - fencing	106 East Chestnut Street Chatham, IL 62629	Property in the Open	Replacement Cost / Margin Clause	\$14,327	\$0	\$2,500



PROPERTY SCHEDULE

Chatham, Village of

LOC #	DESCRIPTION	ADDRESS	OCCU-PANCY	VALUATION	BUILDING VALUE	BPP VALUE	DEDUCTIBLE
05-01	Electric Substation #2 - Value Per Insured	125 Independence Street Chatham, IL 62629	Electrical	Replacement Cost / Margin Clause	\$8,864,308	\$0	\$2,500
05-02	PIO - fencing	125 Independence Street Chatham, IL 62629	Property in the Open	Replacement Cost / Margin Clause	\$12,123	\$0	\$2,500
06-01	Water Shop/ Warehouse	109 East Chestnut Street Chatham, IL 62629	Water & Sewer Treatment	Replacement Cost / Margin Clause	\$424,309	\$100,000	\$2,500
06-02	PIO - bollards & lighting	109 East Chestnut Street Chatham, IL 62629	Property in the Open	Replacement Cost / Margin Clause	\$6,613	\$0	\$2,500
07-01	South Park Shop	612 Dewberry Trail Chatham, IL 62629	Garage	Replacement Cost / Margin Clause	\$229,237	\$73,000	\$2,500
07-02	PIO - fencing	612 Dewberry Trail Chatham, IL 62629	Property in the Open	Replacement Cost / Margin Clause	\$2,204	\$0	\$2,500
07-03	Storage Building	612 Dewberry Trail Chatham, IL 62629	Storage	Replacement Cost / Margin Clause	\$5,511	\$2,000	\$2,500
08-01	Pump Station - contents valued per insd	59 N. Lakewood Drive Chatham, IL 62629	Water & Sewer Treatment	Replacement Cost / Margin Clause	\$54,003	\$300,000	\$2,500



PROPERTY SCHEDULE

Chatham, Village of

LOC #	DESCRIPTION	ADDRESS	OCCU-PANCY	VALUATION	BUILDING VALUE	BPP VALUE	DEDUCTIBLE
08-02	PIO - fencing	59 N. Lakewood Drive Chatham, IL 62629	Property in the Open	Replacement Cost / Margin Clause	\$9,919	\$0	\$2,500
10-01	Water Tower - 750k Gal (insd requested higher value than appraisal)	915 East Walnut Street Chatham, IL 62629	Water & Sewer Treatment	Replacement Cost / Margin Clause	\$4,842,770	\$0	\$2,500
10-02	PIO - fencing	915 East Walnut Street Chatham, IL 62629	Property in the Open	Replacement Cost / Margin Clause	\$13,225	\$0	\$2,500
10-03	Water Tower SCADA Control Building	915 East Walnut Street Chatham, IL 62629	Water & Sewer Treatment	Replacement Cost / Margin Clause	\$81,555	\$0	\$2,500
11-01	Jaycee Park Concession Stand	East Walnut Street Chatham, IL 62629	Parks Buildings	Functional Bldg Value	\$25,522	\$4,000	\$2,500
11-02	PIO - playground equipment, fencing, lighting, batting cages & basketball court	East Walnut Street Chatham, IL 62629	Property in the Open	Replacement Cost / Margin Clause	\$227,033	\$0	\$2,500
11-03	Softball Home Dugout	East Walnut Street Chatham, IL 62629	Parks Buildings	Replacement Cost / Margin Clause	\$7,715	\$0	\$2,500
11-04	Softball Visitor Dugout	East Walnut Street Chatham, IL 62629	Parks Buildings	Replacement Cost / Margin Clause	\$7,715	\$0	\$2,500



PROPERTY SCHEDULE

Chatham, Village of

LOC #	DESCRIPTION	ADDRESS	OCCU-PANCY	VALUATION	BUILDING VALUE	BPP VALUE	DEDUCTIBLE
11-05	Picnic Shelter	East Walnut Street Chatham, IL 62629	Parks Buildings	Replacement Cost / Margin Clause	\$50,697	\$0	\$2,500
12-01	South Park Burke Stage	South Main Street Chatham, IL 62629	Parks Buildings	Replacement Cost / Margin Clause	\$217,114	\$0	\$2,500
12-02	PIO - signage, playground equipment, picnic tables, fencing, backstops, scoreboards, bleachers, lighting, soccer goals, tennis courts, batting cages, flagpole	South Main Street Chatham, IL 62629	Property in the Open	Replacement Cost / Margin Clause	\$943,398	\$0	\$2,500
12-03	Picnic Shelter	South Main Street Chatham, IL 62629	Parks Buildings	Replacement Cost / Margin Clause	\$38,574	\$0	\$2,500
12-04	Concession/ JFL Building	South Main Street Chatham, IL 62629	Parks Buildings	Functional Bldg Value	\$237,420	\$35,000	\$2,500
12-05	Bleachers/ Press Box	South Main Street Chatham, IL 62629	Parks Buildings	Replacement Cost / Margin Clause	\$148,784	\$5,000	\$2,500
12-06	Baseball Home Dugout #1	South Main Street Chatham, IL 62629	Parks Buildings	Replacement Cost / Margin Clause	\$23,144	\$0	\$2,500



PROPERTY SCHEDULE

Chatham, Village of

LOC #	DESCRIPTION	ADDRESS	OCCU-PANCY	VALUATION	BUILDING VALUE	BPP VALUE	DEDUCTIBLE
12-07	Baseball Visitor Dugout #1	South Main Street Chatham, IL 62629	Parks Buildings	Replacement Cost / Margin Clause	\$23,144	\$0	\$2,500
12-08	Softball Home Dugout #1	South Main Street Chatham, IL 62629	Parks Buildings	Replacement Cost / Margin Clause	\$15,429	\$0	\$2,500
12-09	Softball Visitor Dugout #1	South Main Street Chatham, IL 62629	Parks Buildings	Replacement Cost / Margin Clause	\$15,429	\$0	\$2,500
12-10	Softball Storage Shed	South Main Street Chatham, IL 62629	Parks Buildings	Replacement Cost / Margin Clause	\$2,204	\$1,000	\$2,500
12-11	Baseball Home Dugout #2	South Main Street Chatham, IL 62629	Parks Buildings	Replacement Cost / Margin Clause	\$5,511	\$0	\$2,500
12-12	Baseball Visitor Dugout #2	South Main Street Chatham, IL 62629	Parks Buildings	Replacement Cost / Margin Clause	\$5,511	\$0	\$2,500
12-13	Softball Visitor Dugout #2	South Main Street Chatham, IL 62629	Parks Buildings	Replacement Cost / Margin Clause	\$5,511	\$0	\$2,500
12-14	Softball Home Dugout #2	South Main Street Chatham, IL 62629	Parks Buildings	Replacement Cost / Margin Clause	\$5,511	\$0	\$2,500
12-15	Concession/ Restroom	South Main Street Chatham, IL 62629	Parks Buildings	Replacement Cost / Margin Clause	\$166,417	\$10,000	\$2,500



PROPERTY SCHEDULE

Chatham, Village of

LOC #	DESCRIPTION	ADDRESS	OCCU-PANCY	VALUATION	BUILDING VALUE	BPP VALUE	DEDUCTIBLE
13-02	PIO - lighting, flagpole, playground equipment, picnic tables & cannon/ base	Center Park Chatham, IL 62629	Property in the Open	Replacement Cost / Margin Clause	\$104,700	\$0	\$2,500
13-03	Picnic Shelter	Center Park Chatham, IL 62629	Parks Buildings	Replacement Cost / Margin Clause	\$78,249	\$0	\$2,500
14-01	Westside Park Pavilion - Value per Insured	Churchill Drive Chatham, IL 62629	Parks Buildings	Replacement Cost / Margin Clause	\$100,000	\$0	\$2,500
14-02	PIO Value per Insured - fencing, backstops, playground equipment & pedestrian bridge	Churchill Drive Chatham, IL 62629	Property in the Open	Replacement Cost / Margin Clause	\$150,000	\$0	\$2,500
14-03	PIO - dog park fencing - Value per Insured	Churchill Drive Chatham, IL 62629	Property in the Open	Replacement Cost / Margin Clause	\$50,000	\$0	\$2,500
15-01	Public Works Complex	9507 South Main Street Chatham, IL 62629	Garage	Replacement Cost / Margin Clause	\$2,129,257	\$423,000	\$2,500
15-02	PIO - lighting & bollards	9507 South Main Street Chatham, IL 62629	Property in the Open	Replacement Cost / Margin Clause	\$19,838	\$0	\$2,500
16-01	Fitness Center	9501 South Main Street Chatham, IL 62629	Other Public Building	Replacement Cost / Margin Clause	\$136,960	\$31,000	\$2,500
16-02	PIO - sign	9501 South Main Street Chatham, IL 62629	Property in the Open	Replacement Cost / Margin Clause	\$1,102	\$0	\$2,500



PROPERTY SCHEDULE

Chatham, Village of

LOC #	DESCRIPTION	ADDRESS	OCCU-PANCY	VALUATION	BUILDING VALUE	BPP VALUE	DEDUCTIBLE
17-01	Water Tank - 1.5m Gal	3 Lakeside Street Chatham, IL 62629	Water & Sewer Treatment	Replacement Cost / Margin Clause	\$1,268,517	\$0	\$2,500
17-02	PIO - fencing	3 Lakeside Street Chatham, IL 62629	Property in the Open	Replacement Cost / Margin Clause	\$12,123	\$0	\$2,500
19-01	Welcome Sign	1801 N. Main Chatham, IL 62629	Property in the Open	Replacement Cost / Margin Clause	\$3,561	\$0	\$2,500
20-01	Traffic Signals (7 @ \$25,000 ea)	Village Wide Chatham, IL 62629	Property in the Open	Replacement Cost / Margin Clause	\$207,743	\$0	\$2,500
21-01	Traffic Signal	PLEASE PROVIDE Chatham, IL 62629	Property in the Open	Replacement Cost / Margin Clause	\$47,484	\$0	\$2,500
22-01	Fixed Network Repeaters & CPUs	PLEASE PROVIDE Chatham, IL 62629	Property in the Open	Replacement Cost / Margin Clause	\$227,031	\$0	\$2,500
23-01	Solar Panels for Water Meter	Mansion Rd & Wesley Chapel Road Chatham, IL 62629	Property in the Open	Replacement Cost / Margin Clause	\$8,025	\$0	\$2,500
24-01	Sewer Pump Station	Dusk Drive Chatham, IL 62629	Water & Sewer Treatment	Replacement Cost / Margin Clause	\$321,000	\$0	\$2,500
25-01	Office / Retail	151 N. Market Street Chatham, IL 62629	Office	Replacement Cost / Margin Clause	\$1,572,369	\$0	\$2,500
26-01	Lot w/ concrete basement and metal shed	109 N Market St Chatham, IL 62629	Storage	Demo Only	\$50,000	\$0	\$2,500



PROPERTY SCHEDULE

Chatham, Village of

LOC #	DESCRIPTION	ADDRESS	OCCU-PANCY	VALUATION	BUILDING VALUE	BPP VALUE	DEDUCTIBLE
27-01	Vacant Residential House	113 N Market St Chatham, IL 62629	Vacant Building	Demo Only	\$50,000	\$0	\$2,500
28-01	Commercial Building w/ Pizza Restaurant	105 Market Street Chatham, IL 62629	Other Public Building	Replacement Cost / Margin Clause	\$160,500	\$0	\$2,500
29-01	Empty Lot - Liability Only	201 W. Chestnut St. Chatham, IL 62629	Vacant Land	Agreed Amount	\$0	\$0	\$2,500
TOTAL BUILDING VALUE						\$31,383,416	
TOTAL BPP VALUE						\$1,336,000	
TOTAL PROPERTY IN THE OPEN VALUE							
TOTAL INSURED VALUE						\$32,719,416	



Animal - Mortality

IM #	YEAR	DESCRIPTION	MAKE/MODEL	SERIAL NUMBER	DEDUCTIBLE	VALUE
106	2016	Dagz - Police Dog	German Shepherd		\$0 - Animal Only	\$3,000

Cameras, Radios, & Communications Equipment

IM #	YEAR	DESCRIPTION	MAKE/MODEL	SERIAL NUMBER	DEDUCTIBLE	VALUE
127	2022	RADIOS (17) @ \$4000 EACH	MOTOROLA		\$1,000	\$68,000



Mobile Equipment greater than or equal to \$10,000 per item

IM #	YEAR	DESCRIPTION	MAKE/MODEL	SERIAL NUMBER	DEDUCTIBLE	VALUE
10		WIRE TRAILER	ROOSE REELER	6694	\$1,000	\$21,000
16		TRAILER - SPEED	SPEED ALERT	825280	\$1,000	\$10,000
22	0	LINE STOP EQUIPMENT (MULTI-PIECE)	HYDRASTOP		\$1,000	\$76,400
23		UTILITY VEHICLE	POLARIS RANGER	725891	\$1,000	\$10,000
28		GENERATOR	KATOLIGHT		\$1,000	\$32,000
32		GPS ROVER	EPOCH	741081	\$1,000	\$13,995
35		WHEEL LOADER	CATERPILLAR	808	\$1,000	\$89,770
36	2011	BACKHOE	JOHN DEERE	206836	\$1,000	\$80,000
41		TRACTOR/LOADER	JOHN DEERE	323291	\$1,000	\$34,879
42		WATER REEL (1)	KIFCO	290978	\$1,000	\$6,000
47	2016	Backyard Digger	Altec		\$1,000	\$131,225
52		STREET ROLLER	CASE	27532	\$1,000	\$14,559
53		MINI EXCAVATOR	VERMEER	143	\$1,000	\$55,000
56		SKID STEER	CATERPILLAR	1135	\$1,000	\$43,000
68		WATER VALVE MACHINE	SCHULTE		\$1,000	\$13,800
73	2015	Asphalt Hot Patcher	Falcon	FM339364	\$1,000	\$28,000
77		TAR POT	MO PETROLEUM	GX160-M	\$1,000	\$14,300
79		WIRE CART (RED)		GR5	\$1,000	\$16,000
93		MOWER -1600	JOHN DEERE	62678	\$1,000	\$47,500
99		TRENCHER	VERMEER	304902	\$1,000	\$56,000
105	2014	BACKHOE - 420F	CATERPILLAR	CAT0420FLSKR 02991	\$1,000	\$68,000
111	2018	xuv825m	John Deere	012035	\$1,000	\$20,990
114	2019	Zero Turn Mower	Hustler Super Z	19083454	\$1,000	\$10,800
115	2019	Zero Turn Mower	Hustler Super Z	19081945	\$1,000	\$10,800
121	2019	35G Excavator	John Deere	1FF035GXAKK2 85431	\$1,000	\$29,890



INLAND MARINE SCHEDULE

Chatham, Village of

IM #	YEAR	DESCRIPTION	MAKE/MODEL	SERIAL NUMBER	DEDUCTIBLE	VALUE
122	2014	FORKLIFT	HYUNDAI	HHKHHF16KE0 000181	\$1,000	\$16,180
124	2021	60G Excavator w/ attachments	John Deere	1FF060GXHLJ2 93188	\$1,000	\$59,902
125	2022	Compact Track Loader T66 T4	Bobcat	B4SB25462	\$1,000	\$60,000
126	2022	Infield Pro 6040	Toro	412457866	\$1,000	\$31,000
133	2022	Z950M ZTrak Mower	JOHN DEERE	101159	\$1,000	\$11,500
134	2022	FLEXWING MOWER	FRONTIER	00894	\$1,000	\$18,000



Mobile Equipment less than \$10,000 per item

IM #	YEAR	DESCRIPTION	MAKE/MODEL	SERIAL NUMBER	DEDUCTIBLE	VALUE
4		AIR COMPRESSOR - 65HP	COLEMAN	5007	\$1,000	\$3,000
6	2011	WIRE REEL TRAILER	ROOSE	136114	\$1,000	\$7,950
8		TILLER	LAND PRIDE	1058	\$1,000	\$1,500
9		SOD CUTTER	CUSHMAN	869	\$1,000	\$3,000
12		PIPE & CABLE LOCATOR			\$1,000	\$2,500
14		GENERATOR - GAS	TAHOE	46105	\$1,000	\$1,000
20		FAULT LOCATOR			\$1,000	\$3,500
21		WELDER W/COMPONENTS			\$1,000	\$5,000
24		MOWER - PRO Z950A	JOHN DEERE	11063	\$1,000	\$6,700
29		POWER RAKE	GERMAN BLISS		\$1,000	\$8,000
30	2012	MOWER - 72	JOHN DEERE	30094	\$1,000	\$8,000
37		REPEATOR SYSTEM	MOTOROLA		\$1,000	\$3,600
38		SPREADER	MEYER	43844	\$1,000	\$5,000
40		SPEED SIGN	TRAFFIC SOLUTIONS		\$1,000	\$2,500
46		SNOW PLOW BLADES(9)			\$1,000	\$22,500
49		LOCATOR	FLETCHER		\$1,000	\$3,900
50		GATOR	JOHN DEERE	94346	\$1,000	\$5,000
58	2013	MOWER - 72	JOHN DEERE	10333	\$1,000	\$8,000
60		TRASH PUMP - 4"	HUGHES		\$1,000	\$2,400
62		TRANCEIVER - HAND HELD (2)	ITRON		\$1,000	\$8,000
65		SP10B 10" Backhoe Snow Pusher	Protech	46158	\$1,000	\$3,500
69		Misc Unscheduled (no indv item to exceed \$10,000)			\$1,000	\$150,000
70		TILLER	HONDA		\$1,000	\$1,800
74		SPREADER	FLINK	4454	\$1,000	\$3,000
75		SP10B 10" Backhoe Snow Pusher	Protech	46000	\$1,000	\$3,500



INLAND MARINE SCHEDULE

Chatham, Village of

IM #	YEAR	DESCRIPTION	MAKE/MODEL	SERIAL NUMBER	DEDUCTIBLE	VALUE
76		SPREADER	MEYER		\$1,000	\$5,000
81		Frontier	Bushhog		\$1,000	\$5,000
84		GENERATOR - DEISEL	TAHOE	50846	\$1,000	\$1,000
86		INFIELD PRO	TORO	90246	\$1,000	\$7,000
94		MOWER - PRO Z915B	JOHN DEERE		\$1,000	\$7,500
95		POWER RESTORER			\$1,000	\$4,000
100		POST HOLE DIGGER	NEW FRONTIER		\$1,000	\$1,000
101		SLITSEEDER	LAND PRIDE	313258	\$1,000	\$4,500
103		GATOR	JOHN DEERE	15376	\$1,000	\$5,000
104		AIR COMPRESSOR	TAHOE	45834	\$1,000	\$1,000
112	2018	Snowblade	Powertach	18163429	\$1,000	\$3,600
120		Slit Seeder	Exmark	csb2000	\$1,000	\$4,000
128	2022	LOAD CABLE IDENTIFIER KIT			\$1,000	\$4,600
129	2022	LOAD-N-GO WIRE RACK	TIGER	LNG2012	\$1,000	\$3,400
130	2022	62" CHAIN SAW			\$1,000	\$1,600
131	2022	88.5" CHAIN SAW			\$1,000	\$1,700
132	2022	UTILITY PRUNER			\$1,000	\$1,650
135	2022	SL1000 PORTABLE WATER TESTER			\$1,000	\$5,000
TOTAL INSURED VALUE					\$1,540,890	



EXHIBIT B
Illinois Public Risk Fund Workers' Compensation Renewal



Illinois Public Risk Fund

Workers' Compensation Information Page

Policy Number: P1387-2023

Named Insured and Mailing Address:

Village of Chatham
117 E. Mulberry Street
Chatham, IL 62629

The policy period is from: 01/01/2023 to 01/01/2024
12:01 a.m. Standard Time of the Insured's mailing address

Coverage:

Part One of the policy applies to the Workers Compensation Law of the State of Illinois.

Part Two of the policy applies to Employers Liability in the State of Illinois: The limits of our Liability under Part Two are:

Bodily Injury by Accident	\$3,000,000 each accident
Bodily Injury by Disease	\$3,000,000 policy limit
Bodily Injury by Disease	\$3,000,000 each employee

This Policy includes these endorsements and schedules:

See listing of endorsements – Extension of Information Page

Broker Name and Address:

Alliant/Mesirow Insurance Services
353 N. Clark Street
Chicago, IL 60654

Total Estimated Premium:	\$105,131.00
Administrative Fee:	\$3,154.00
Total Estimated Cost:	\$108,285.00

Cancellation: In the event that the Policy is Cancelled prior to the expiration date, then the total annual premium stated on page 2 will be 100% fully earned

Terms and Conditions: The premium for this policy will be determined by our rules, classifications, rates and rating plans. All required information is subject to verification and change by audit at policy expiration.

As per Safety National Casualty Corp. Excess policy, and Illinois Public Risk Fund's By-Laws and Pooling Agreement.



<p style="text-align: center;">EXTENSION OF INFORMATION PAGE ENDORSEMENT SCHEDULE</p>
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IPRF WC 00 001 18	Broad Form All States for Employee Travel
IPRF WC 00 002 18	Federal Employers' Liability Act Coverage
IPRF WC 00 003 18	Foreign Voluntary Workers' Compensation and Employers' Liability For Traveling Employees
IPRF WC 00 004 18	Longshoremen's and Harbor Workers' Compensation Act Coverage
IPRF WC 00 005 18	Maritime Coverage
IPRF WC 00 006 18	Voluntary Compensation



ILLINOIS PUBLIC RISK FUND

Cost Control Through Cooperation Since 1985

1387
Village of Chatham
117 E. Mulberry Street
Chatham, IL 62629

The premium for this policy will be determined by Illinois Public Risk Fund rules, classifications, rates and rating plans. All information required is subject to verification and change by Audit.

<u>Class Code</u>	<u>Description</u>		<u>Payroll</u>		<u>Rate/100</u>		<u>Premium</u>
5506	Street Maintenance	\$	350,000	\$	9.329	\$	32,652
7520	Waterworks	\$	360,000	\$	3.092	\$	11,131
7539	Electrical Power	\$	746,000	\$	2.316	\$	17,277
7720	Policeman	\$	1,477,000	\$	2.168	\$	32,021
8810	Clerical	\$	1,209,000	\$	0.117	\$	1,415
9102	Parks NOC	\$	232,000	\$	3.581	\$	8,308
9410	Municipal Employees	\$	75,000	\$	3.103	\$	2,327
					Subtotal:	\$	105,131
					3% Administrative Fee:	\$	3,154
					TOTAL:	\$	108,285

Selected payment plan: 12 Equal Monthly Installments

Prepared on: Wed October 19 11:45:42 2022



ILLINOIS PUBLIC RISK FUND

Cost Control Through Cooperation Since 1985

Installment Schedule

1387
Village of Chatham
117 E. Mulberry Street
Chatham, IL 62629

12 Equal Monthly Installments

Due Date	Amount Due
01/01/2023	\$9,021
02/01/2023	\$9,024
03/01/2023	\$9,024
04/01/2023	\$9,024
05/01/2023	\$9,024
06/01/2023	\$9,024
07/01/2023	\$9,024
08/01/2023	\$9,024
09/01/2023	\$9,024
10/01/2023	\$9,024
11/01/2023	\$9,024
12/01/2023	\$9,024

EXHIBIT C
Network Security / Privacy Liability Proposal



540 West Madison St, 9th Floor
Chicago, IL 60661
Ph: 312-651-6000
www.rtspecialty.com

022724492A

QUOTATION SUMMARY

October 27, 2022

Alliant Insurance Services, Inc. - Chicago
Thomas M. Wiedemann
353 North Clark Street
Chicago, IL 60654

FROM: Michael Davalle for Ian Bell

Outlined below is a summary of the attached quotation obtained for the above noted Insured. The full quote terms, conditions, limitations and exclusions can be found on the attached quote. Please pay special attention to those items found on the quote, and note that in the event of any discrepancies between the information found on this summary and the quote itself, the quote supersedes our summary. As the broker with the direct relationship with the Insured, it is your responsibility to carefully review with the Insured all of the terms, conditions, limitations and exclusions in the quote, and to specifically reconcile with the Insured any differences between those quoted and those you requested. RT Specialty expressly disclaims any responsibility for any failure on your part to review or reconcile any such differences with the Insured.

NAMED INSURED:	Village of Chatham 116 East Mulberry Street Chatham, IL 62629
PRIMARY RISK ZIP CODE:	62629
COVERAGE:	Network Security / Privacy Liability Full Program
INSURER:	Underwriters at Lloyd's (Non-Admitted) - Non-Admitted
POLICY TERM:	12/1/2022 - 12/1/2023
ESTIMATED POLICY PREMIUM:	\$12,950.00
FEES:	Policy Fee - Carrier \$250.00 Brokerage Fee \$375.00 TOTAL FEES: \$625.00
ESTIMATED SURPLUS LINES TAX:	Surplus Lines Tax \$453.00 Stamping Office Fee \$10.00 TOTAL TAXES: \$463.00
TOTAL:	\$14,038.00



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SPECIAL CONDITIONS / OTHER COVERAGES:

NO FLAT CANCELLATIONS
ALL FEES ARE FULLY EARNED AT INCEPTION

For RT Specialty to file the surplus lines taxes on your behalf, please complete the surplus lines tax document (per the applicable state requirements) and return with your request to bind. Due to state regulations, RT Specialty requires tax documents to be completed within 24 to 48 hours of binding. Please be diligent in returning tax forms.

HOME STATE FOR NON-ADMITTED RISKS

Taxes and governmental fees are estimates and subject to change based upon current rates of the Home State and risk information available at the date of binding. The Home State of the Insured for a non-admitted risk shall be determined in accordance with the Nonadmitted and Reinsurance Act of 2010, 15. U.S.C §8201, etc. ("NRRA"). Some states require the producing broker to submit a written verification of the insured's Home State for our records. The applicable law (if any) of the Home State governing cancellation or non-renewal of non-admitted insurance, including whether any such laws apply to non-admitted risks, shall apply to this Policy.

BINDING INSTRUCTIONS

We will only bind coverage in writing after we receive a written request from you to bind coverage. If coverage is requested, the following items must be submitted:

There are subjectivities that:

- must be complied with or resolved before the contract becomes binding
- apply both before or after inception, compliance with which is a condition of all or part of the coverage; and
- apply after the formation of the contract as conditions of continued coverage.

Failure to provide or comply with these subjectivities might results in a refusal to bind or cancellation of coverage, at the insurer's option. Please note that this is a quote only, and the Insurer reserves the right to amend or withdraw the quote if new, corrected or updated information is received. You must notify us of any material change in the risk exposure occurring after submission of the application. If the Insurer binds the risk following your written request, the terms of the policy currently in use by the Insurer will supersede the quote.

Any amendments to coverage must be specifically requested in writing or by submitting a policy change request form and then approved by the Insurer. Coverage cannot be affected, amended, extended or altered through the issuance of certificates of insurance. Underlying Insurers must be rated A- VII or better by A.M. Best.

This quote summary, the quote, the fees quoted and our advice, is confidential. This quote summary and the quote constitutes the entire understanding and supersedes any and all agreements and communications respecting the insurance offered. If you need further information about the quote, our fee or the Insurer that is proposing to provide your insurance, please contact us.



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Chicago, IL 60661
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022724492A

PREMIUM FINANCE (If not included in the quote document)

If the insured and the insurer agree to bind coverage and the premium will be financed, we will need the following information and, upon binding, please instruct the premium finance company to send documents to our attention. Premium Finance funds should always be paid to RT Specialty:

Table with 2 columns: Label (Name of Premium Finance Company, Premium Finance Account Number) and empty input field.

PRODUCER COMPENSATION:

In order to place the insurance requested we may charge a reasonable fee for additional services that may include performing a risk analysis, comparing policies, processing submissions, communication expenses, inspections, working with underwriters on the coverage proposal, issuing policies or servicing the policy after issuance. Third-party inspection or other fees may be separately itemized upon request. If the insured recommends an inspection company, we will endeavor to determine if it is approved by the Insurer. To the extent the insured paid us a fee for services, we represent the insured in performing those services. Our fees are fully earned and nonrefundable, except when required by applicable law. Our fees are applied to new policies, renewal policies, endorsements and certificates. Fees applicable to each renewal, endorsement and certificate will be explained in the quotes. In the event that the premium is adjustable upwards, our fees are adjustable as well and will be collected against any additional premium. The fee charged by us does not obligate the insured to purchase the proposed insurance or the Insurer to bind the proposed insurance. Our fee is not imposed by state law or the Insurer. This fee authorization shall remain operative until terminated by written notice. Depending upon the Insurer involved with your placement, we may also receive a commission from the Insurer.

We may also have an agreement with the Insurer that we are proposing for this placement that may pay us future additional compensation. This compensation is in addition to any fees and/or commissions that we have agreed to accept for placing this insurance. This compensation could be based on formulas that consider the volume of business placed with the Insurer, the profitability of that business, how much of the business is retained for the Insurer's account each year, and potentially other factors. The agreements frequently consider total eligible premium from all clients placed during a calendar year and any incentive or contingent compensation is often received at a future date, including potentially after the end of the following calendar year. Because of variables in these agreements, we often have no accurate way at the time of placement to determine the amount of any additional compensation that might be attributable to any Insured's placement. The broker with the direct relationship with the Insured must comply with all applicable laws and regulations related to disclosure of compensation, including disclosure of potential incentive or contingent compensation and the criteria for receiving such compensation, and informing the Insured that it may request more information about producer or broker compensation that might be paid in connection with the Insured's placement. RSG affiliates may also earn investment income on accounts temporarily held as fiduciary funds, and compensation as a broker, underwriting manager, reinsurance intermediary, premium finance company, claims adjuster, consultant or service provider. If you need additional information about the compensation arrangements for services provided by Ryan Specialty, LLC (RSG) affiliates, please contact your RSG representative.

RT Specialty is a division of RSG Specialty, LLC. RSG Specialty, LLC is a Delaware limited liability company and a subsidiary of Ryan Specialty, LLC. In California: RSG Specialty Insurance Services, LLC (License # 0G97516).

Unless this quote is amended or withdrawn it is valid for 30 days from the date shown above, or the proposed effective date, whichever is earlier. This quote can be amended or withdrawn at any time prior to acceptance by the insured. If the quote included with this letter provides otherwise, or in any way conflicts with this letter, the terms of the quote shall govern and control.



INDICATION OF TERMS

REFERENCE NUMBER:	3009931
COMPANY NAME:	Village of Chatham
TOTAL PAYABLE:	USD13,200.00
Premium breakdown:	
Cyber & Privacy:	USD10,500.00
Cyber Crime:	USD2,450.00
Policy Administration Fee:	USD250.00
TRIA:	USD0.00
BUSINESS OPERATIONS:	Municipality
LEGAL ACTION:	Worldwide
TERRITORIAL SCOPE:	Worldwide
REPUTATIONAL HARM PERIOD:	12 months
INDEMNITY PERIOD:	12 months
WAITING PERIOD:	8 hours
WORDING:	Cyber, Private Enterprise (US) v3.0
ENDORSEMENTS:	RT Special Amendatory Clause Public Entity Amendatory Clause Policyholder Disclosure Notice Of Terrorism Insurance Coverage
SUBJECTIVITIES:	This quote is subject to the following being provided by the stated deadline: <ol style="list-style-type: none">1. Satisfactory confirmation that you have downloaded & registered our incident response mobile app, details of which can be found with your policy documents. (30 days post binding)2. Signed version of the application form submitted, dated within 30 days of the required inception date. (14 days post binding)3. Please provide name, position, email and telephone number for the designated contact to receive security related alerts and targeted threat intelligence. (14 days post binding)4. Satisfactory confirmation that multi-factor authentication is enabled for all remote access to your network (prior to binding)
POLICY PERIOD:	12 months
DATE OF ISSUE:	
OPTIONAL EXTENDED REPORTING	12 months for 100% of applicable annualized premium



PERIOD:

SECURITY:

Certain underwriters at Lloyd's and other insurers

UNDERWRITER:

Paige Carey

THIS INDICATION OF TERMS IS ONLY VALID FOR 30 DAYS FROM THE DATE OF ISSUE

PLEASE REFER TO THE FOLLOWING PAGES FOR A FULL BREAKDOWN OF LIMITS,
RETENTIONS AND APPLICABLE CLAUSES



DECLARATIONS

THE FOLLOWING INSURING CLAUSES ARE SUBJECT TO AN EACH AND EVERY CLAIM LIMIT

INSURING CLAUSE 1: CYBER INCIDENT RESPONSE

SECTION A: INCIDENT RESPONSE COSTS

Limit of liability: USD1,000,000 each and every claim

Deductible: USD0 each and every claim

SECTION B: LEGAL AND REGULATORY COSTS

Limit of liability: USD1,000,000 each and every claim

Deductible: USD10,000 each and every claim

SECTION C: IT SECURITY AND FORENSIC COSTS

Limit of liability: USD1,000,000 each and every claim

Deductible: USD10,000 each and every claim

SECTION D: CRISIS COMMUNICATION COSTS

Limit of liability: USD1,000,000 each and every claim

Deductible: USD10,000 each and every claim

SECTION E: PRIVACY BREACH MANAGEMENT COSTS

Limit of liability: USD1,000,000 each and every claim

Deductible: USD10,000 each and every claim

SECTION F: THIRD PARTY PRIVACY BREACH MANAGEMENT COSTS

Limit of liability: USD1,000,000 each and every claim

Deductible: USD10,000 each and every claim

SECTION G: POST BREACH REMEDIATION COSTS

Limit of liability: USD50,000 each and every claim, subject to a maximum of 10% of all sums **we** have paid as a direct result of the **cyber event**

Deductible: USD0 each and every claim



INSURING CLAUSE 2: CYBER CRIME

SECTION A: FUNDS TRANSFER FRAUD

Limit of liability:	USD250,000	each and every claim
Deductible:	USD10,000	each and every claim

SECTION B: THEFT OF FUNDS HELD IN ESCROW

Limit of liability:	USD250,000	each and every claim
Deductible:	USD10,000	each and every claim

SECTION C: THEFT OF PERSONAL FUNDS

Limit of liability:	USD250,000	each and every claim
Deductible:	USD10,000	each and every claim

SECTION D: EXTORTION

Limit of liability:	USD1,000,000	each and every claim
Deductible:	USD10,000	each and every claim

SECTION E: CORPORATE IDENTITY THEFT

Limit of liability:	USD250,000	each and every claim
Deductible:	USD10,000	each and every claim

SECTION F: TELEPHONE HACKING

Limit of liability:	USD250,000	each and every claim
Deductible:	USD10,000	each and every claim

SECTION G: PUSH PAYMENT FRAUD

Limit of liability:	USD50,000	each and every claim
Deductible:	USD10,000	each and every claim

SECTION H: UNAUTHORIZED USE OF COMPUTER RESOURCES

Limit of liability:	USD250,000	each and every claim
Deductible:	USD10,000	each and every claim



INSURING CLAUSE 3: SYSTEM DAMAGE AND BUSINESS INTERRUPTION

SECTION A: SYSTEM DAMAGE AND RECTIFICATION COSTS

Limit of liability: USD1,000,000 each and every claim

Deductible: USD10,000 each and every claim

SECTION B: INCOME LOSS AND EXTRA EXPENSE

Limit of liability: USD1,000,000 each and every claim, sub-limited to USD1,000,000 in respect of **system failure**

Deductible: USD10,000 each and every claim

SECTION C: ADDITIONAL EXTRA EXPENSE

Limit of liability: USD100,000 each and every claim

Deductible: USD10,000 each and every claim

SECTION D: DEPENDENT BUSINESS INTERRUPTION

Limit of liability: USD1,000,000 each and every claim, sub-limited to USD1,000,000 in respect of **system failure**

Deductible: USD10,000 each and every claim

SECTION E: CONSEQUENTIAL REPUTATIONAL HARM

Limit of liability: USD1,000,000 each and every claim

Deductible: USD10,000 each and every claim

SECTION F: CLAIM PREPARATION COSTS

Limit of liability: USD25,000 each and every claim

Deductible: USD0 each and every claim

SECTION G: HARDWARE REPLACEMENT COSTS

Limit of liability: USD1,000,000 each and every claim

Deductible: USD10,000 each and every claim



THE FOLLOWING INSURING CLAUSES ARE SUBJECT TO AN AGGREGATE LIMIT

INSURING CLAUSE 4: NETWORK SECURITY & PRIVACY LIABILITY

SECTION A: NETWORK SECURITY LIABILITY

Aggregate limit of liability:	USD1,000,000	in the aggregate, including costs and expenses
Deductible:	USD10,000	each and every claim, including costs and expenses

SECTION B: PRIVACY LIABILITY

Aggregate limit of liability:	USD1,000,000	in the aggregate, including costs and expenses
Deductible:	USD10,000	each and every claim, including costs and expenses

SECTION C: MANAGEMENT LIABILITY

Aggregate limit of liability:	USD1,000,000	in the aggregate, including costs and expenses
Deductible:	USD10,000	each and every claim, including costs and expenses

SECTION D: REGULATORY FINES

Aggregate limit of liability:	USD1,000,000	in the aggregate, including costs and expenses
Deductible:	USD10,000	each and every claim, including costs and expenses

SECTION E: PCI FINES, PENALTIES AND ASSESSMENTS

Aggregate limit of liability:	USD1,000,000	in the aggregate, including costs and expenses
Deductible:	USD10,000	each and every claim, including costs and expenses

INSURING CLAUSE 5: MEDIA LIABILITY

SECTION A: DEFAMATION

Aggregate limit of liability:	USD1,000,000	in the aggregate, including costs and expenses
Deductible:	USD10,000	each and every claim, including costs and expenses

SECTION B: INTELLECTUAL PROPERTY RIGHTS INFRINGEMENT

Aggregate limit of liability:	USD1,000,000	in the aggregate, including costs and expenses
Deductible:	USD10,000	each and every claim, including costs and expenses

INSURING CLAUSE 6: TECHNOLOGY ERRORS AND OMISSIONS

NO COVER GIVEN



INSURING CLAUSE 7: COURT ATTENDANCE COSTS

Aggregate limit of liability: USD100,000 in the aggregate

Deductible: USDO each and every claim



RT SPECIAL AMENDATORY CLAUSE

ATTACHING TO POLICY NUMBER: N/A
THE INSURED: Village of Chatham
WITH EFFECT FROM: -

It is understood and agreed that the following **SECTION** is added to **INSURING CLAUSE 4** in the Declarations page:

SECTION F: CONTINGENT BODILY INJURY

Aggregate limit of liability:	USD100,000	in the aggregate, including costs and expenses
Deductible:	USD25,000	each and every claim, including costs and expenses

It is further understood and agreed that the following amendments are made to this Policy:

1. **INSURING CLAUSE 1 (SECTION D only)** is deleted in its entirety and replaced with the following:

SECTION D: CRISIS MANAGEMENT COSTS

We agree to pay on **your** behalf any reasonable sums necessarily incurred by **you**, or on **your** behalf, as a direct result of a **cyber event** or **system failure** first discovered by **you** during the **period of the policy** to:

- a. engage with a crisis communications consultant to obtain specific advice in direct relation to the **cyber event** or **system failure**;
 - b. coordinate media relations in response to the **cyber event** or **system failure**;
 - c. receive training for relevant spokespeople with respect to media communications in direct relation to the **cyber event** or **system failure**; and
 - d. formulate a crisis communications plan in order to reduce damage to **your** brand and reputation as a direct result of the **cyber event** or **system failure**.
2. **INSURING CLAUSE 2 (SECTION D only)** is deleted in entirety and replaced with the following:

SECTION D: EXTORTION

We agree to reimburse **you** for any ransom, including costs associated with securing funds or digital currencies, paid by **you**, or on **your** behalf, in response to an extortion demand first discovered



by **you** during the **period of the policy** as a direct result of any threat to:

- a. introduce malware, or the actual introduction of malware, including Ransomware, into **your computer systems**;
 - b. prevent or not return access to **your computer systems** or data or any **third party** systems hosting **your** applications or data;
 - c. reveal **your** confidential information or confidential information entrusted to **you**; or
 - d. damage **your** brand or reputation by posting false or misleading comments about **you** on social media sites.
3. The last sentence of **INSURING CLAUSE 3 (SECTION F only)** is deleted in its entirety and replaced with the following:

We will only pay these costs where they are incurred with an independent expert appointed by the **cyber incident manager** that is agreed between **you** and **us**.

4. The following **SECTION** is added to **INSURING CLAUSE 4**:

SECTION F: CONTINGENT BODILY INJURY

We agree to pay on **your** behalf all sums which **you** become legally obliged to pay (including liability for claimants' costs and expenses) as a result of any **claim** arising out of any **bodily injury** as a direct result of a **cyber event** affecting **your computer systems** first discovered by **you** during the **period of the policy**.

We will also pay **costs and expenses** on **your** behalf.

However, **we** will not make any payment under this Section for which **you** are entitled to indemnity under any other insurance, except for any additional sum which is payable over and above the other insurance.

5. The following paragraph is added to **INSURING CLAUSE 4 (SECTION D only)**:

The insurability of the fines and penalties will be determined in accordance with the most favorable State law.

6. The following **DEFINITION** is added:

"Bodily injury" means

death, bodily injury, mental injury, illness or disease.

7. The **"Senior executive officer"** **DEFINITION** is deleted in its entirety and replaced with the following:

"Senior executive officer" means

the chief executive officer, chief finance officer, chief information



officer, chief information security officer, general counsel and chief risk manager of the **company**, including any individual performing the functional equivalents of these positions in the **company**.

8. Where "10%" is stated in the "Associated companies" **EXCLUSION**, it is deleted in its entirety and replaced with "25%".
9. The "Bodily injury and property damage" **EXCLUSION** is deleted in its entirety and replaced with the following:

arising directly or indirectly out of:

- a. **bodily injury**; or
- b. tangible property damage.

However, part a. of this Exclusion will not apply to:

- a. **INSURING CLAUSES 4 (SECTIONS A, B and C only) and 5** for any **claim** as a direct result of mental injury or emotional distress; and
- b. **INSURING CLAUSE 4 (SECTION F only)**.

10. The "Uninsurable fines" **EXCLUSION** is deleted in its entirety and replaced with the following:

Uninsurable fines

for:

- a. fines, penalties, civil or criminal sanctions, unless insurable by law; or
- b. multiple, punitive or exemplary damages, unless insurable by law in any applicable venue that most favors coverage for the multiple, punitive or exemplary damages.

11. Part b. of the "What you must do if an incident takes place" **CONDITION** is deleted in its entirety and replaced with the following:

- b. in respect of **INSURING CLAUSE 2 (SECTIONS A, B and C only)**, report the incident to the appropriate law enforcement authorities if necessary; and

12. The last paragraph of the "Agreement to pay claims (duty to defend)" **CONDITION** is deleted in its entirety and replaced with the following:

We will not settle any **claim** without **your** consent. If **you** refuse to provide **your** consent to a settlement recommended by **us** and elect to continue legal proceedings in connection with the **claim**, our liability for the **claim** will not exceed the amount for which the **claim** could have been settled, plus:

- a. 80% of any **costs and expenses** incurred after the date the settlement was recommended by **us**; and



- b. 80% of that part of any sum **you** become legally obliged to pay in excess of the settlement amount recommended by **us**.

We will have no responsibility to pay the remaining 20% of the **costs and expenses** and that part of any sum **you** become legally obliged to pay as stated in a. and b. above.

- 13. The first paragraph of the "Cancelation" **CONDITION** is deleted in its entirety and replaced with the following:

This Policy may be canceled:

- a. at any time upon written request by **you**; or
- b. with 60 days written notice by **us**.

SUBJECT OTHERWISE TO THE TERMS AND CONDITIONS OF THE POLICY



PUBLIC ENTITY AMENDATORY CLAUSE

ATTACHING TO POLICY NUMBER: N/A
THE INSURED: Village of Chatham
WITH EFFECT FROM: -

It is understood and agreed that the following amendments are made to this Policy:

1. The **DEFINITION** of **"Company"** is deleted in its entirety and replaced with the following:

"Company" means

the organization stated in the Declarations page and any of its departments or divisions that are included within the operating budget provided to **us** by **you** in **your** application for this insurance.

2. The **DEFINITION** of **"Senior executive officer"** is deleted in its entirety and replaced with the following:

"Senior executive officer" means

board members and executive committee members of the **company** or any individual holding an equivalent position in the **company**.

SUBJECT OTHERWISE TO THE TERMS AND CONDITIONS OF THE POLICY



POLICYHOLDER DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE

ATTACHING TO POLICY NUMBER: N/A

THE INSURED: Village of Chatham

WITH EFFECT FROM: -

Coverage for acts of terrorism is included in your policy. You are hereby notified that under the Terrorism Risk Insurance Act, as amended in 2015, the definition of act of terrorism has changed. As defined in Section 102(l) of the Act: The term "act of terrorism" means any act or acts that are certified by the Secretary of the Treasury—in consultation with the Secretary of Homeland Security, and the Attorney General of the United States—to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

Under your coverage, any losses resulting from certified acts of terrorism may be partially reimbursed by the United States Government under a formula established by the Terrorism Risk Insurance Act, as amended. However, your policy may contain other exclusions which might affect your coverage, such as an exclusion for nuclear events. Under the formula, the United States Government generally reimburses 85% through 2015; 84% beginning on January 1, 2016; 83% beginning on January 1, 2017; 82% beginning on January 1, 2018; 81% beginning on January 1, 2019 and 80% beginning on January 1, 2020, of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage.

The Terrorism Risk Insurance Act, as amended, contains a \$100 billion cap that limits U.S. Government reimbursement as well as insurers' liability for losses resulting from certified acts of terrorism when the amount of such losses exceeds \$100 billion in any one calendar year. If the aggregate insured losses for all insurers exceed \$100 billion, your coverage may be reduced.

The portion of your annual premium that is attributable to coverage for acts of terrorism is USD0.00 and does not include any charges for the portion of losses covered by the United States government under the Act.

SUBJECT OTHERWISE TO THE TERMS AND CONDITIONS OF THE POLICY



Cyber

Private enterprise

Policy document

United States

PREAMBLE

IMPORTANT: COVERAGE TRIGGERS. It is important for **you** to review this Policy carefully as the trigger for coverage, including when **you** must notify **us** of a claim, under each Section and Insuring Clause may differ.

This Policy is a contract of insurance between **you** and **us**. **Your** Policy contains all the details of the cover that **we** provide. This Policy consists of and must be read together with the Declarations page and any Endorsements. This Policy is not complete unless it is signed and a Declarations page is attached.

The sections of this Policy are identified by the blue lines across the page with white upper case print, these are for information purposes only and do not form part of the cover given by this Policy. Terms in bold upper case print are references to specific Insuring Clauses, Sections or Conditions. Other terms in bold lower case print are defined terms and have a special meaning as set forth in the Definitions section and elsewhere. Words stated in the singular will include the plural and vice versa.

In consideration of the **premium** and in reliance upon the information that **you** have provided to **us** prior to the commencement of this insurance, **we** agree to provide the cover as set out below:

INSURING CLAUSES

INSURING CLAUSE 1: CYBER INCIDENT RESPONSE

SECTION A: INCIDENT RESPONSE COSTS

We agree to pay on **your** behalf any reasonable sums necessarily incurred by **you**, or on **your** behalf, as a direct result of a **cyber event** first discovered by **you** during the **period of the policy** to:

- a. gain access to our 24/7 **cyber incident response line**;
- b. engage with our **cyber incident manager** who will coordinate the initial response;
- c. obtain initial advice and consultancy from our **cyber incident manager**, including threat intelligence in relation to the **cyber event**; and
- d. obtain initial remote support and assistance from our **cyber incident manager** to respond to the **cyber event**.

SECTION B: LEGAL AND REGULATORY COSTS

We agree to pay on **your** behalf any reasonable sums necessarily incurred by **you**, or on **your** behalf, as a direct result of a **cyber event** first discovered by **you** during the **period of the policy** to:

- a. obtain legal advice to determine the correct course of action;
- b. draft **privacy breach** notification letters, substitute notices, website notices or e-mail notification templates;

- c. notify any appropriate governmental, regulatory, law enforcement, professional or statutory body;
- d. respond to any **regulatory investigation**; and
- e. defend any regulatory action.

SECTION C: IT SECURITY AND FORENSIC COSTS

We agree to pay on **your** behalf any reasonable sums necessarily incurred by **you**, or on **your** behalf, as a direct result of a **cyber event** first discovered by **you** during the **period of the policy** to:

- a. engage with an external IT security consultant to identify the source and scope of the **cyber event**;
- b. obtain initial advice to remediate the impact of the **cyber event**;
- c. conduct a forensic investigation of **your computer systems** where reasonable and necessary or as required by law or a regulatory body (including a requirement for a PCI Forensic Investigator);
- d. contain and remove any malware discovered on **your computer systems**; and
- e. engage with an IT security consultant to provide expert witness testimony at any trial or hearing arising from the **cyber event**.

SECTION D: CRISIS COMMUNICATION COSTS

We agree to pay on **your** behalf any reasonable sums necessarily incurred by **you**, or on **your** behalf, as a direct result of a **cyber event** first discovered by **you** during the **period of the policy** to:

- a. engage with a crisis communications consultant to obtain specific advice in direct relation to the **cyber event**;
- b. coordinate media relations in response to the **cyber event**;
- c. receive training for relevant spokespeople with respect to media communications in direct relation to the **cyber event**; and
- d. formulate a crisis communications plan in order to reduce damage to **your** brand and reputation as a direct result of the **cyber event**.

SECTION E: PRIVACY BREACH MANAGEMENT COSTS

We agree to pay on **your** behalf any reasonable sums necessarily incurred by **you**, or on **your** behalf, as a direct result of a **cyber event** first discovered during the **period of the policy** to:

- a. print and post appropriate notices for any individual affected by the actual or suspected **cyber event** or to send e-mail notices or issue substitute notices;
- b. provide credit monitoring services, identity monitoring services, identity restoration services or identity theft insurance to affected individuals;
- c. set up a call center to manage inbound and outbound calls in direct relation to the **cyber event**; and
- d. provide translation services to manage communications with affected individuals.

SECTION F: THIRD PARTY PRIVACY BREACH MANAGEMENT COSTS

We agree to pay on behalf of any **third party** any reasonable sums necessarily incurred as a direct result of a **cyber event** first discovered by **you** during the **period of the policy** to:

- a. print and post appropriate notices for any individual affected by the actual or suspected **cyber event** or to send e-mail notices or issue substitute notices;
- b. provide credit monitoring services, identity monitoring services, identity restoration services or identity theft insurance to affected individuals;
- c. set up a call center to manage inbound and outbound calls in direct relation to the **cyber event**; and
- d. provide translation services to manage communications with affected individuals;

provided that **you** have contractually indemnified the **third party** against this **cyber event** and they have a legal obligation to notify affected individuals.

SECTION G: POST BREACH REMEDIATION COSTS

We agree to pay on **your** behalf any reasonable sums necessarily incurred by **you**, or on **your** behalf, with our **cyber incident manager** following a **cyber event** covered under **INSURING CLAUSE 1 (SECTIONS A, B, C, D, E and F only)** for the following services in order to mitigate the potential of a future **cyber event**:

- a. complete an information security risk assessment;
- b. conduct an information security gap analysis;
- c. develop an information security document set; and
- d. deliver an information security awareness training session.

INSURING CLAUSE 2: CYBER CRIME

SECTION A: FUNDS TRANSFER FRAUD

We agree to reimburse **you** for **loss** first discovered by **you** during the **period of the policy** as a direct result of any **third party** committing:

- a. any unauthorized electronic transfer of funds from **your** bank;
- b. theft of money or other financial assets from **your** bank by electronic means;
- c. theft of money or other financial assets from **your** corporate credit cards by electronic means; or
- d. any phishing, vishing or other social engineering attack against any **employee** or **senior executive officer** that results in the transfer of **your** funds to an unintended **third party**.

SECTION B: THEFT OF FUNDS HELD IN ESCROW

We agree to reimburse **you** for **loss** (including compensation **you** are required to pay) first discovered by **you** during the **period of the policy** as a direct result of **you** having to reimburse any **third party** for theft, committed by a **third party** by electronic means, of their money or other financial assets from a bank account held by **you** on their behalf.



SECTION C: THEFT OF PERSONAL FUNDS

We agree to reimburse any **senior executive officer** for personal financial loss first discovered by them during the **period of the policy** as a direct result of any **third party** compromising the **company's** network security which results in:

- a. theft of money or other financial assets from a personal bank account of the **senior executive officer**; or
- b. identity theft of the **senior executive officer** as a result of a **privacy breach** suffered by **you**.

SECTION D: EXTORTION

We agree to reimburse **you** for any ransom paid by **you**, or on **your** behalf, in response to an extortion demand first discovered by **you** during the **period of the policy** as a direct result of any threat to:

- a. introduce malware, or the actual introduction of malware, including Ransomware, into **your computer systems**;
- b. prevent access to **your computer systems** or data or any **third party** systems hosting **your** applications or data;
- c. reveal **your** confidential information or confidential information entrusted to **you**; or
- d. damage **your** brand or reputation by posting false or misleading comments about **you** on social media sites.

SECTION E: CORPORATE IDENTITY THEFT

We agree to reimburse **you** for **loss** first discovered by **you** during the **period of the policy** arising as a direct result of the fraudulent use or misuse of **your** electronic identity including the establishment of credit in **your** name, the electronic signing of any contract, the creation of any website designed to impersonate **you** or the reliance by any **third party** on a fraudulent version of **your** digital identity.

SECTION F: TELEPHONE HACKING

We agree to reimburse **you** for **loss** first discovered by **you** during the **period of the policy** as a direct result of **your** telephone system being hacked by a **third party** including the cost of unauthorized calls or unauthorized use of **your** bandwidth.

SECTION G: PUSH PAYMENT FRAUD

We agree to reimburse **you** in the event of fraudulent electronic communications or websites designed to impersonate **you** or any of **your** products first discovered by **you** during the **period of the policy**, for:

- a. the cost of creating and issuing a specific press release or establishing a specific website to advise **your** customers and prospective customers of the fraudulent communications; and



- b. the cost of reimbursing **your** existing customers for their financial loss arising directly from the fraudulent communications, including fraudulent invoices manipulated to impersonate **you**; and
- c. **your income loss** sustained following **your** discovery of the fraudulent communications as a direct result of the fraudulent communications; and
- d. external costs associated with the removal of websites designed to impersonate **you**.

SECTION H: UNAUTHORIZED USE OF COMPUTER RESOURCES

We agree to reimburse **you** for **loss** first discovered by **you** during the **period of the policy** as a direct result of **cryptojacking** or **botnetting**.

INSURING CLAUSE 3: SYSTEM DAMAGE AND BUSINESS INTERRUPTION

SECTION A: SYSTEM DAMAGE AND RECTIFICATION COSTS

We agree to reimburse **you** for the additional cost of employing:

- a. contract staff or overtime costs for **employees** to rebuild **your** data, including the cost of data re-entry or data re-creation;
- b. specialist consultants, including IT forensic consultants, to recover **your** data or applications; and
- c. specialist consultants or overtime costs for **employees** working within **your** IT department to reconstitute **your computer systems** to the position they were in immediately prior to the **cyber event**;

reasonably and necessarily incurred as a direct result of a **cyber event** first discovered by **you** during the **period of the policy**.

SECTION B: INCOME LOSS AND EXTRA EXPENSE

We agree to reimburse **you** for **your income loss** and **extra expense** during the **indemnity period** as a direct result of an interruption to **your business operations** caused by **computer systems** downtime arising directly out of a **cyber event** or **system failure** which is first discovered by **you** during the **period of the policy**, provided that the **computer systems** downtime lasts longer than the **waiting period**.

SECTION C: ADDITIONAL EXTRA EXPENSE

We agree to reimburse **you** for any reasonable sums necessarily incurred during the **indemnity period** that are in addition to **your** normal operating expenses and the **extra expense** recoverable under **INSURING CLAUSE 3 (SECTION B)** only):

- a. to source **your** products or services from alternative sources in order to meet contractual obligations to supply **your** customers;
- b. to employ contract staff or overtime costs for **employees** in order to continue **your business operations**;

- c. to employ specialist consultants, including IT forensic consultants to diagnose the source of the **computer systems** downtime; and
- d. for **employees** working overtime within **your** IT department to diagnose and fix the source of the **computer systems** downtime;

to mitigate an interruption to **your business operations** caused by **computer systems** downtime arising directly out of a **cyber event** or **system failure** which is first discovered by **you** during the **period of the policy**, provided that the **computer systems** downtime lasts longer than the **waiting period**.

SECTION D: DEPENDENT BUSINESS INTERRUPTION

We agree to reimburse **you** for **your income loss** and **extra expense** sustained during the **indemnity period** as a direct result of an interruption to **your business operations** arising directly out of any sudden, unexpected and continuous outage of computer systems used directly by a **supply chain partner** which is first discovered by **you** during the **period of the policy**, provided that the computer systems downtime lasts longer than the **waiting period** and arises directly out of any **cyber event** or **system failure**.

SECTION E: CONSEQUENTIAL REPUTATIONAL HARM

We agree to reimburse **you** for **your income loss** sustained during the **reputational harm period** as a direct result of the loss of current or future customers caused by damage to **your** reputation as a result of a **cyber event** first discovered by **you** during the **period of the policy**.

SECTION F: CLAIM PREPARATION COSTS

We agree to pay on **your** behalf any reasonable sums necessarily incurred to determine the amount of **your income loss** sustained following an interruption to **your business operations** covered under **INSURING CLAUSE 3 (SECTIONS A, B, C, D and E only)**. We will only pay these costs where they are incurred with an independent expert appointed by the **cyber incident manager**.

SECTION G: HARDWARE REPLACEMENT COSTS

We agree to pay on **your** behalf any reasonable sums necessarily incurred to replace any computer hardware or tangible equipment forming part of **your computer systems** that have been damaged as a direct result of a **cyber event** first discovered by **you** during the **period of the policy**, provided that replacing the computer hardware or tangible equipment is a more time efficient and cost effective solution than installing new firmware or software onto **your** existing hardware.

INSURING CLAUSE 4: NETWORK SECURITY & PRIVACY LIABILITY

SECTION A: NETWORK SECURITY LIABILITY

We agree to pay on **your** behalf all sums which **you** become legally obliged to pay (including the establishment of any consumer redress fund and associated expenses) as a result of any **claim** arising out of a **cyber event** first discovered by **you** during the **period of the policy** that results in:

- a. the transmission of malware to a **third party's** computer system;
- b. **your computer systems** being used to carry out a denial of service attack;
- c. **your** failure to prevent unauthorized access to information stored or applications hosted on **your computer systems** or a **third party's** computer systems; and
- d. identity theft, experienced by **your employees, senior executive officers** or any **third party**.

We will also pay **costs and expenses** on **your** behalf.

SECTION B: PRIVACY LIABILITY

We agree to pay on **your** behalf all sums which **you** become legally obliged to pay (including the establishment of any consumer redress fund and associated expenses) as a result of any **claim** arising out of a **cyber event** first discovered by **you** during the **period of the policy** that results in:

- a. an actual or suspected disclosure of or unauthorized access to any Personally Identifiable Information (PII), including payment card information or Protected Health Information (PHI);
- b. **your** failure to adequately warn affected individuals of a **privacy breach**, including the failure to provide a data breach notification in a timely manner;
- c. a breach of any rights of confidentiality as a direct result of **your** failure to maintain the confidentiality of any data pertaining to an **employee** or a **senior executive officer**;
- d. a breach of any rights of confidentiality, including a breach of any provisions of a non-disclosure agreement or breach of a contractual warranty relating to the confidentiality of commercial information, PII, or PHI;
- e. a breach of any part of **your** privacy policy; or
- f. actual or suspected disclosure of or unauthorized access to **your** data or data for which **you** are responsible.

We will also pay **costs and expenses** on **your** behalf.

SECTION C: MANAGEMENT LIABILITY

We agree to pay on behalf of any **senior executive officer** all sums they become legally obliged to pay as a result of any **claim** made against them arising directly out of a **cyber event** first discovered by **you** during the **period of the policy**.

We will also pay **costs and expenses** on behalf of **your senior executive officers**.

However, **we** will not make any payment under this Section for which the **senior executive officer** is entitled to indemnity under any other insurance, except for any additional sum which is payable over and above the other insurance.

SECTION D: REGULATORY FINES

We agree to pay on **your** behalf any fines and penalties resulting from a **regulatory investigation** arising as a direct result of a **cyber event** first discovered by **you** during the **period of the policy**.

We will also pay **costs and expenses** on **your** behalf.

SECTION E: PCI FINES, PENALTIES AND ASSESSMENTS

We agree to pay on **your** behalf any fines, penalties and card brand assessments including fraud recoveries, operational reimbursements, non-cooperation costs and case management fees which **you** become legally obliged to pay **your** acquiring bank or payment processor as a direct result of a **payment card breach** first discovered by **you** during the **period of the policy**.

We will also pay **costs and expenses** on **your** behalf.

INSURING CLAUSE 5: MEDIA LIABILITY

SECTION A: DEFAMATION

We agree to pay on **your** behalf all sums which **you** become legally obliged to pay (including liability for claimants' costs and expenses) as a result of any **claim** first made against **you** during the **period of the policy** for any:

- a. defamation, including but not limited to libel, slander, trade libel, product disparagement and injurious falsehood; or
- b. emotional distress or outrage based on harm to the character or reputation of any person or entity;

arising out of any **media content**.

We will also pay **costs and expenses** on **your** behalf.

SECTION B: INTELLECTUAL PROPERTY RIGHTS INFRINGEMENT

We agree to pay on **your** behalf all sums which **you** become legally obliged to pay (including liability for claimants' costs and expenses) as a result of any **claim** first made against **you** during the **period of the policy** for any:

- a. infringement of any intellectual property rights, including, but not limited to, copyright, trademark, trade dilution, trade dress, commercial rights, design rights, domain name rights, image rights, moral rights, service mark or service name, but not including patent;
- b. act of passing-off, piracy or plagiarism or any misappropriation of content, concepts, format rights or ideas or breach of a contractual warranty relating to intellectual property rights;
- c. breach of any intellectual property rights license acquired by **you**; or
- d. failure to attribute authorship or provide credit;

arising out of any **media content**.

We will also pay **costs and expenses** on **your** behalf.

INSURING CLAUSE 6: TECHNOLOGY ERRORS AND OMISSIONS

We agree to pay on **your** behalf all sums which **you** become legally obliged to pay (including liability for claimants' **costs and expenses**) as a result of any **claim** first made against **you** during the **period of the policy** arising out of any act, error, omission or breach of contract in the provision of **your technology services**.

We will also pay **costs and expenses** on **your** behalf.

INSURING CLAUSE 7: COURT ATTENDANCE COSTS

We agree to reimburse **you** for any reasonable sums necessarily incurred by **you** with **our** prior written agreement (which will not be unreasonably withheld) to attend court or any tribunal, arbitration, adjudication, mediation or other hearing in connection with any claim for which **you** are entitled to indemnity under this Policy.

HOW MUCH WE WILL PAY

YOUR MAXIMUM LIMITS UNDER THIS POLICY

The maximum amount payable by **us** under this Policy for any one claim or series of related claims is the **policy limit** plus the **incident response limit**.

The maximum amount payable by **us** under any Insuring Clause for any one claim or series of related claims is the amount shown as the limit in the Declarations page for that Insuring Clause.

The maximum amount payable by **us** under any Section for any one claim or series of related claims is the amount shown as the limit in the Declarations page for that Section.

YOUR MAXIMUM LIMIT FOR RELATED INCIDENTS

Where more than one claim arises from the same original cause or single source or event, all of those claims will be deemed to be one claim and only one **policy limit** and one **incident response limit** will apply in respect of that claim.

In the event that cover is provided under multiple Insuring Clauses or multiple Sections for any one claim, only one **policy limit** and one **incident response limit** will apply in total for that claim.

YOUR AGGREGATE LIMIT FOR LIABILITY CLAIMS

In respect of **INSURING CLAUSES 4, 5, 6 and 7**, the maximum amount payable under this Policy in total aggregate will be the **policy limit**.

In respect of **INSURING CLAUSES 4, 5, 6 and 7**, we may at any time pay to **you** in connection with any **claim** the amount of the **policy limit** (after deduction of any amounts already paid). Upon that payment being made we will relinquish the conduct and control of the **claim** and be under

no further liability in connection with that **claim** except for the payment of **costs and expenses** incurred prior to the date of such payment (unless the **policy limit** is stated to be inclusive of **costs and expenses**).

If **costs and expenses** are stated in the Declarations page to be in addition to the **policy limit** plus the **incident response limit**, or if the operation of local laws require **costs and expenses** to be paid in addition to the **policy limit** plus the **incident response limit**, and if a damages payment in excess of the **policy limit** plus the **incident response limit** has to be made to dispose of any **claim**, our liability for **costs and expenses** will be in the same proportion as the **policy limit** plus the **incident response limit** bears to the total amount of the damages payment.

YOUR DEDUCTIBLE

We will only be liable for that part of each and every claim which exceeds the amount of the **deductible**. If any expenditure is incurred by us which falls within the amount of the **deductible**, then you will reimburse that amount to us upon our request.

Where more than one claim arises from the same original cause or single source or event all of those claims will be deemed to be one claim and only one **deductible** will apply.

In respect of **INSURING CLAUSE 3 (SECTION B and D only)**, a single **waiting period, deductible** and **indemnity period** will apply to each claim. Where the same original cause or single source or event causes more than one period of computer systems downtime these will be considered one period of computer systems downtime whose total duration is equal to the cumulative duration of each individual period of computer systems downtime.

Where cover is provided under multiple Sections or multiple Insuring Clauses only one **deductible** will apply to that claim and this will be the highest **deductible** of the Sections under which cover is provided.

DEFINITIONS

1. "**Approved claims panel providers**" means
the approved claims panel providers stated in the Declarations page.
2. "**Botnetting**" means
the unauthorized use of **your computer systems** by a **third party** for the purpose of launching a denial of service attack or hacking attack against another **third party**.
3. "**Business operations**" means
the business operations stated in the Declarations page.

4. "**Claim**" means

- a. a written demand for compensation;
- b. a written request for a retraction or a correction;
- c. a threat or initiation of a lawsuit; or
- d. a disciplinary action or **regulatory investigation**.

made against **you**.

5. "**Client**" means

any **third party** with whom **you** have a contract in place for the supply of **your** business services in return for a fee, or where a fee would normally be expected to be paid.

6. "**Company**" means

the company named as the Insured in the Declarations page or any **subsidiary**.

7. "**Computer systems**" means

all electronic computers used directly by **you**, including operating systems, software, hardware and all communication and open system networks and any data or websites wheresoever hosted, off-line media libraries and data back-ups and mobile devices including but not limited to smartphones, iPhones, tablets or personal digital assistants.

8. "**Continuity date**" means

the **inception date** or if **you** have maintained uninterrupted insurance of the same type with **us**, the date this insurance was first incepted with **us**.

9. "**Costs and expenses**" means

- a. **third party** legal and professional expenses (including disbursements) reasonably incurred in the defense of **claims** or circumstances which could reasonably be expected to give rise to a **claim** or in quashing or challenging the scope of any injunction, subpoena or witness summons;
- b. any post judgment interest; and
- c. the cost of appeal, attachment and similar bonds including bail and penal bonds.

Subject to all **costs and expenses** being incurred with the **cyber incident manager's** prior written agreement.

10. "**Cryptojacking**" means

the unauthorized use of **your computer systems** by a **third party** for the sole purpose of cryptocurrency mining activities.

11. "Cyber event" means

any actual or suspected unauthorized system access, electronic attack or **privacy breach**, including denial of service attack, cyber terrorism, hacking attack, Trojan horse, phishing attack, man-in-the-middle attack, application-layer attack, compromised key attack, malware infection (including spyware or Ransomware) or computer virus.

Cyber event does not mean **system failure**.

12. "Cyber incident manager" means

the company or individual named as the cyber incident manager in the Declarations page.

13. "Cyber incident response line" means

the telephone number stated as the cyber incident response line in the Declarations page.

14. "Deductible" means

the amount stated as the deductible in the Declarations page.

15. "Employee" means

any employee of the **company**, any volunteer working for the **company** and any individual working for the **company** as an independent contractor.

"Employee" does not mean any **senior executive officer**.

16. "Expiry date" means

the expiry date stated in the Declarations page.

17. "Extra expense" means

your reasonable sums necessarily incurred in addition to **your** normal operating expenses to mitigate an interruption to and continue **your business operations**, provided that the costs are less than **your** expected **income loss** sustained had these measures not been taken.

18. "Inception date" means

the inception date stated in the Declarations page.

19. "Incident response limit" means

the highest individual limit available where cover is applicable under **INSURING CLAUSE 1** as stated in the Declarations page.

20. "Income loss" means

your income that, had the **cyber event** or **system failure** which gave rise to the claim not occurred, would have been generated directly from **your business operations** (less sales tax) during the **indemnity period** or **reputational harm period**, less:

- a. actual income (less sales tax) generated directly from **your business operations** during the **indemnity period** or **reputational harm period**; and
- b. any cost savings achieved as a direct result of the reduction in income.

21. "**Indemnity period**" means

the period starting from the first occurrence of:

- a. the **computer systems** downtime; or
- b. the downtime of computer systems used directly by a **supply chain partner**;

and lasting for the period stated as the indemnity period in the Declarations page.

22. "**Loss**" means

any direct financial loss sustained by the **company**.

23. "**Media content**" means

any content created or disseminated by **you** or on **your** behalf, including but not limited to content disseminated through books, magazines, brochures, social media, billboards, websites, mobile applications, television and radio.

"**Media content**" does not include any:

- a. tangible product design;
- b. industrial design;
- c. architectural or building services;
- d. any advertisement created by **you** for a **third party**;
- e. business, company, product or trading name;
- f. product packaging or labeling; or
- g. software products.

24. "**Payment card breach**" means

an actual or suspected unauthorized disclosure of payment card data stored or processed by **you** arising out of an electronic attack, accidental disclosure or the deliberate actions of a rogue **employee**.

"Payment card breach" does not mean a situation where payment card data is deliberately shared with or sold to a **third party** with the knowledge and consent of a **senior executive officer**.

25. "**Period of the policy**" means

the period between the **inception date** and the **expiry date** or until the Policy is canceled in accordance with **CONDITION 5**

26. "Policy limit" means

the highest individual limit available where cover is applicable under any Insuring Clause or Section as stated in the Declarations page.

27. "Premium" means

the amount stated as the premium in the Declarations page and any subsequent adjustments.

28. "Privacy breach" means

an actual or suspected unauthorized disclosure of information arising out of an electronic attack, accidental disclosure, theft or the deliberate actions of a rogue **employee** or **third party**.

"Privacy breach" does not mean a situation where information is deliberately shared with or sold to a **third party** with the knowledge and consent of a **senior executive officer**.

29. "Regulatory investigation" means

a formal hearing, official investigation, examination, inquiry, legal action or any other similar proceeding initiated by a governmental, regulatory, law enforcement, professional or statutory body against **you**.

30. "Reputational harm period" means

the period starting from when the **cyber event** is first discovered and lasting for the period stated as the reputational harm period in the Declarations page.

31. "Senior executive officer" means

board members, C-level executives, in-house lawyers and risk managers of the **company**.

32. "Subsidiary" means

any entity in which the **company** has majority ownership of on or before the **inception date**.

33. "Supply chain partner" means

any:

- a. **third party** that provides **you** with hosted computing services including infrastructure, platform, file storage and application level services; or
- b. **third party** listed as a supply chain partner in an endorsement attaching to this policy which **we** have issued.

34. "System failure" means

any sudden, unexpected and continuous downtime of **your computer systems** which renders them incapable of supporting their normal business function and is caused by an application bug, an internal network failure or hardware failure.

However, in respect of **INSURING CLAUSE 3 (SECTION D only)**, **system failure** also means any sudden, unexpected and continuous downtime of computer systems used directly by a **supply chain partner** which renders them incapable of supporting their normal business function and is caused by an application bug, an internal network failure or hardware failure.

System failure does not mean a **cyber event**.

35. **"Technology services"** means

means the supply by **you** of technology services to **your client**, including but not limited to hardware, software, data processing, internet services, data and application hosting, computer systems analysis, consulting, training, programming, installation, integration, support and network management.

36. **"Third party"** means

any person who is not an **employee** or any legal entity that is not the **company**.

37. **"Waiting period"** means

the number of hours stated as the waiting period in the Declarations page.

38. **"We/our/us"** means

the underwriters stated in the Declarations page.

39. **"You/your"** means

the **company**, **employees** and **senior executive officers** solely acting in the normal course of the **company's** business operations.

EXCLUSIONS

We will not make any payment under this Policy:

EXCLUSIONS RELATING TO SYSTEM DAMAGE AND BUSINESS INTERRUPTION

In respect of **INSURING CLAUSE 3** only:

1. **Business interruption liability**

for that part of any **claim** that constitutes actual or alleged liability to a **third party**, or legal costs in the defense of any **claim**, including customer compensation.

EXCLUSIONS RELATING TO ALL INSURING CLAUSES

2. **Antitrust**

in respect of **INSURING CLAUSES 5** and **6**, for or arising out of any actual or alleged antitrust violation, restraint of trade, unfair competition, false, deceptive or unfair trade practices, violation of consumer protection laws or false or deceptive advertising.

3. Associated companies

- a. in respect of any **claim** made by any company, firm or partnership in which the **company** has greater than a 10% executive or financial interest, unless the **claim** emanates from an independent **third party**;
- b. in respect of any **claim** made by any company, firm, partnership or individual which has greater than a 10% executive or financial interest in the **company**, unless the **claim** emanates from an independent **third party**;
- c. arising out of or resulting from any of **your** activities as a trustee, partner, officer, director or employee of any employee trust, charitable organization, corporation, company or business other than that of the **company**; or
- d. in respect of any **claim** made by or on behalf of the **company** against a **third party**.

4. Betterment

which results in **you** being in a better financial position or **you** benefitting from upgraded versions of **your computer systems** as a direct result of the event which gave rise to the claim under this policy.

However, in the event of a hacking attack, malware infection or computer virus, when rebuilding **your computer systems** we will pay the additional costs and expenses incurred to install a more secure and efficient version of the affected **computer system**, provided that the maximum amount **we** will pay is 25% more than the cost that would have been incurred to repair or replace the original model or license. Under no circumstances will **we** pay the cost of acquiring or installing **computer systems** which did not form a part of **your computer systems** immediately prior to the incident which gave rise to the claim.

This Exclusion will not apply to **INSURING CLAUSES 1 (SECTION G only)** and **3 (SECTION G only)**.

5. Bodily injury and property damage

arising directly or indirectly out of bodily injury, or tangible property damage.

However, this Exclusion will not apply to **INSURING CLAUSES 4 (SECTIONS A, B and C only)** and **5** for any **claim** as a direct result of mental injury or emotional distress.

6. Chargebacks

for any credit card company or bank, wholly or partially, reversing or preventing a payment transaction, unless specifically covered under **INSURING CLAUSE 4 (SECTION E only)** for which **you** have purchased coverage.

7. Core internet infrastructure failure

arising directly from a failure, material degradation or termination of any core element of the internet, telecommunications or GPS infrastructure that results in a regional, countrywide or global outage of the internet or core telecommunications network, including a failure of the core DNS root servers, satellite network or the IP addressing system or an individual state or non-state actor turning off all or part of the internet.

8. Domain name suspension or revocation

arising directly or indirectly from the suspension, cancellation, revocation or failure to renew any of **your** domain names or uniform resource locators.

9. Insolvency

arising out of or relating directly or indirectly to **your** insolvency or bankruptcy, or the insolvency or bankruptcy of any **third party**. However, **your** insolvency will not relieve **us** of any of **our** legal obligations under this contract of insurance where this insolvency does not give rise to a claim under this Policy.

10. Known claims and circumstances

arising out of any actual or suspected **cyber event, claim** or circumstance which might give rise to a claim under this Policy of which a **senior executive officer** was aware of, or ought reasonably to have been aware of, prior to the **continuity date**, including any claim or circumstance notified to any other insurer.

11. Liquidated damages, service credits and penalty clauses

for liquidated damages or service credits, or arising out of penalty clauses unless **you** would have been liable in the absence of any contract stipulating the liquidated damages or service credits or penalty clauses.

12. Loss of economic value

for the reduction in economic or market value (including loss of potential future sales) of any of **your** intellectual property assets.

13. Management liability

for any sums that **your senior executive officers** become legally obliged to pay, including **costs and expenses**, as a result of any **claim** made against them arising out of a **cyber event**.

However, this Exclusion will not apply to **INSURING CLAUSE 4 (SECTION C only)**.

14. **Misleading advertising**

arising directly or indirectly from any advertisement, promotion or product description that is actually or alleged to be false or misleading.

15. **Nuclear**

arising directly or indirectly from or contributed to by:

- a. ionizing radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel; or
- b. the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component.

16. **Patent infringement**

arising directly or indirectly out of the actual or alleged infringement of any patent or inducing the infringement of any patent.

17. **Payment card industry related fines, penalties and assessments**

for fines, penalties and card brand assessments, including fraud recoveries, operational reimbursements, non-cooperation costs and case management fees which **you** become legally obliged to pay **your** acquiring bank or payment processor as a direct result of a **payment card breach**.

However, this Exclusion will not apply to **INSURING CLAUSE 4 (SECTION E only)**.

18. **Power and utility failure**

arising directly or indirectly from any:

- a. failure in the power supply, including that caused by any surge or spike in voltage, electrical current or transferred energy; or
- b. failure, disruption or reduction in the supply of utilities, including but not limited to gas and water infrastructure or services.

19. **Product IP infringement**

arising directly or indirectly from the actual or alleged theft or misappropriation of any trade secret by an **employee** from a former employer of theirs or infringement of any intellectual property right by any product manufactured, designed, formulated, licensed, distributed, or sold by **you** or the misappropriation of any trade secret by **you** or a **third party**.

20. **Professional liability**

arising directly out of any negligent advice or professional services provided to a **client** for a fee except when arising directly from a **cyber event**.

However, this Exclusion will not apply to **INSURING CLAUSE 6**.

21. Property and hardware costs

for any tangible property repair or replacement including the cost of repairing any hardware or replacing any tangible property or equipment that forms part of **your computer systems**.

However, this Exclusion will not apply to **INSURING CLAUSE 3 (SECTION G only)**.

22. Regular hours staff costs

for contracted salary and bonus costs paid to **employees** or **senior executive officers**.

23. Sanctions

or will be deemed to provide any cover, to the extent that the provision of such payment or cover will expose **us** to any sanction, prohibition or restriction under the United Nations resolutions or the trade or economic sanctions, laws or regulations of Australia, Canada, the European Union, United Kingdom or United States of America.

24. Terrorism

arising directly or indirectly out of:

- a. any act or threat of force or violence by an individual or group, whether acting alone or on behalf of or in connection with any organization or government, committed for political, religious, ideological or similar purposes including the intention to influence any government or to put the public, or any section of the public, in fear; or
- b. any action taken in controlling, preventing, suppressing or in any way relating to a. above.

However, this Exclusion does not apply to a **cyber event** affecting **your computer systems** or a **supply chain partner's** computer systems.

25. Theft of funds held in escrow

for theft of money or other financial assets belonging to a **third party** from a bank account held by **you** on their behalf.

However, this Exclusion will not apply to **INSURING CLAUSE 2 (SECTION B only)**.

26. Uninsurable fines

for fines, penalties, civil or criminal sanctions or multiple, punitive or exemplary damages, unless insurable by law.

27. Unlawful surveillance

in respect of any actual or alleged eavesdropping, wiretapping, or unauthorized audio or video recording committed by **you** or by a **third party** on **your** behalf with the knowledge and consent of **your senior executive officers**.

28. Unsolicited communications

arising directly or indirectly from any actual or alleged violation of:

- a. the CAN-SPAM Act of 2003 or any subsequent amendments to that Act;
- b. the Telephone Consumer Protection Act (TCPA) of 1991 or any subsequent amendments to that Act; or
- c. any other law, regulation or statute relating to unsolicited communication, distribution, sending or transmitting of any communication via telephone or any other electronic or telecommunications device.

However, this Exclusion will not apply to **INSURING CLAUSE 4 (SECTION A only)**.

29. War

arising directly or indirectly out of:

- a. war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war is declared or not), civil war, rebellion, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power; or
- b. any action taken in controlling, preventing, suppressing or in any way relating to a. above.

30. Willful or dishonest acts of senior executive officers

arising directly or indirectly out of any willful, criminal, malicious or dishonest act, error or omission by a **senior executive officer** as determined by final adjudication, arbitral tribunal or written admission.

CONDITIONS

1. What you must do if an incident takes place

If any **senior executive officer** becomes aware of any incident which may reasonably be expected to give rise to a claim under this Policy, **you** must:

- a. other than in accordance with **CONDITION 2**, notify the **cyber incident manager** as soon as is reasonably practicable and follow their directions. However, this notification must be made no later than the end of any applicable extended reporting period. A telephone call to **our cyber incident response line** or confirmed notification via **our** cyber incident response app will constitute notification to the **cyber incident manager**;
- b. in respect of **INSURING CLAUSE 2 (SECTIONS A, B and C only)**, report the incident to the appropriate law enforcement authorities; and
- c. in respect of **INSURING CLAUSES 4, 5 and 6**, not admit liability for or settle or make or promise any payment or incur any **costs and expenses** without **our** prior written agreement (which will not be unreasonably withheld).

Due to the nature of the coverage offered by this Policy, any unreasonable delay by **you** in notifying the **cyber incident manager** could lead to the size of the claim increasing or to **our** rights of recovery being restricted. **We** will not be liable for that portion of any claim that is due to any unreasonable delay in **you** notifying the **cyber incident manager** of any incident in accordance with this clause. However, if **you** are prevented from notifying **us** by a legal or regulatory obligation then **your** rights under this Policy will not be affected.

If **you** discover a **cyber event** **you** may only incur costs without **our** prior written consent within the first 72 hours following the discovery and any **third party** costs incurred must be with a company forming part of the **approved claims panel providers**. All other costs may only be incurred with the prior written consent of the **cyber incident manager** (which will not be unreasonably withheld).

2. What you must do in the event of a circumstance which could give rise to a claim

In respect of **INSURING CLAUSES 5** and **6**, should a **senior executive officer** become aware of:

- a. a situation during the **period of the policy** that could give rise to a **claim**; or
- b. an allegation or complaint made or intimated against **you** during the **period of the policy**;

then **you** have the option of whether to report this circumstance to **us** or not. However, if **you** choose not to report it this circumstance **we** will not be liable for that portion of any **claim** that is greater than it would have been had **you** reported this circumstance.

If **you** choose to report this circumstance **you** must do so no later than the end of any applicable extended reporting period for it to be considered under this Policy and **we** will require **you** to provide full details of the circumstance, including but not limited to:

- a. the time, place and nature of the circumstance;
- b. the manner in which **you** first became aware of this circumstance;
- c. the reasons why **you** believe that this circumstance could give rise to a **claim**;
- d. the identity of the potential claimant; and
- e. an indication as to the size of the **claim** that could result from this circumstance.

Any subsequent **claim** arising directly from this circumstance will be deemed to have been made at the time this circumstance was notified to **us** and **we** will regard this **claim** as having been notified under this Policy.

3. Additional insureds

We will indemnify any **third party** as an additional insured under this Policy, but only in respect of sums which they become legally obliged to pay (including liability for claimants' costs and expenses) as a result of a **claim** arising solely out of an act, error or omission committed by **you**, provided that:

- a. **you** contracted in writing to indemnify the **third party** for the **claim** prior to it first being made against them; and
- b. had the **claim** been made against **you**, then **you** would be entitled to indemnity under this Policy.

Before **we** indemnify any additional insured they must:

- a. prove to **us** that the **claim** arose solely out of an act, error or omission committed by **you**; and
- b. fully comply with **CONDITION 1** as if they were **you**.

Where a **third party** is treated as an additional insured as a result of this Condition, any **claim** made by that **third party** against **you** will be treated by **us** as if they were a **third party** and not as an insured.

4. Agreement to pay claims (duty to defend)

We have the right and duty to take control of and conduct in **your** name the investigation, settlement or defense of any **claim**. **We** will not have any duty to pay **costs and expenses** for any part of a **claim** that is not covered by this Policy.

You may ask the **cyber incident manager** to consider appointing **your** own lawyer to defend the **claim** on **your** behalf and the **cyber incident manager** may grant **your** request if they consider **your** lawyer is suitably qualified by experience, taking into account the subject matter of the **claim**, and the cost to provide a defense.

We will endeavor to settle any **claim** through negotiation, mediation or some other form of alternative dispute resolution and will pay on **your** behalf the amount **we** agree with the claimant. If **we** cannot settle using these means, **we** will pay the amount which **you** are found liable to pay either in court or through arbitration proceedings, subject to the **policy limit** and **incident response limit**.

We will not settle any **claim** without **your** consent. If **you** refuse to provide **your** consent to a settlement recommended by **us** and elect to continue legal proceedings in connection with the **claim**, any further **costs and expenses** incurred will be paid by **you** and **us** on a proportional basis, with 80% payable by **us** and 20% payable by **you**. As a consequence of **your** refusal, **our** liability for the **claim**, excluding **costs and expenses**, will not be more than the amount for which the **claim** could have been settled.

5. Cancellation

This Policy may be canceled with 30 days written notice by either **you** or **us**.

If **you** give **us** notice of cancellation, the return **premium** will be in proportion to the number of days that the Policy is in effect. However, if **you** have made a claim under this Policy there will be no return **premium**.

If **we** give **you** notice of cancellation, the return **premium** will be in proportion to the number of days that the Policy is in effect.

We also reserve the right of cancellation in the event that any amount due to **us** by **you** remains unpaid more than 60 days beyond the **inception date**. If **we** exercise this right of cancellation it will take effect from 14 days after the date the written notice of cancellation is issued.

The Policy Administration Fee will be deemed fully earned upon inception of the Policy.

6. Continuous cover

If **you** have neglected, through error or oversight only, to report an incident discovered by **you** that might give rise to a **claim** under this Policy during the period of a previous renewal of this Policy issued to **you** by **us**, then provided that **you** have maintained uninterrupted insurance of the same type with **us** since the expiry of that earlier Policy, then, notwithstanding **EXCLUSION 10**, **we** will permit the matter to be reported under this Policy and **we** will indemnify **you**, provided that:

- a. the indemnity will be subject to the applicable limit of liability of the earlier Policy under which the matter should have been reported or the **policy limit** plus the **incident response limit**, whichever is the lower;
- b. **we** may reduce the indemnity entitlement by the monetary equivalent of any prejudice which has been suffered as a result of the delayed notification; and
- c. the indemnity will be subject to all of the terms, Conditions, Definitions and Exclusions of this Policy, other than a) above.

7. Extended reporting period

An extended reporting period of 60 days following the **expiry date** will be automatically granted at no additional premium. This extended reporting period will cover, subject to all other terms, conditions and exclusions of this Policy:

- a. any **claim** first made against **you** during the **period of the policy** and reported to **us** during this extended reporting period;
- b. any **cyber event, loss** or **system failure** first discovered by **you** during the **period of the policy** and reported to **us** during this extended reporting period; and
- c. any circumstance that a **senior executive officer** became aware of during the **period of the policy** and reports to **us** during this extended reporting period.

No claim will be accepted by **us** in this 60 day extended reporting period if **you** are entitled to indemnity under any other insurance, or would be entitled to indemnity under such insurance if its limit of liability was not exhausted.

8. Optional extended reporting period

If **we** or **you** decline to renew or cancel this Policy then **you** will have the right to have issued an endorsement providing an optional extended reporting period for the duration stated in the Declarations page which will be effective from the cancellation or non-renewal date. This optional extended reporting period will cover, subject to all other terms, conditions and exclusions of this Policy:

- a. any **claim** first made against **you** and reported to **us** during this optional extended reporting period, provided that the **claim** arises out of any act, error or omission committed prior to the date of cancellation or non-renewal; and
- b. any **cyber event, loss** or **system failure** first discovered by **you** during this optional extended reporting period, provided that the **cyber event, loss** or **system failure** occurred during the **period of the policy**;

If **you** would like to purchase the optional extended reporting period **you** must notify **us** and pay **us** the optional extended reporting period premium stated in the Declarations page within 30 days of cancellation or non-renewal.

The right to the optional extended reporting period will not be available to **you** where cancellation or non-renewal by **us** is due to non-payment of the **premium** or **your** failure to pay any amounts in excess of the applicable **policy limit** and **incident response limit** or within the amount of the applicable **deductible** as is required by this Policy in the payment of claims.

At the renewal of this Policy, **our** quotation of different **premium, deductible**, limits of liability or changes in policy language will not constitute non-renewal by **us**.

9. Fraudulent claims

If it is determined by final adjudication, arbitral tribunal or written admission by **you**, that **you** notified **us** of any claim knowing it to be false or fraudulent in any way, **we** will have no responsibility to pay that claim, **we** may recover from **you** any sums paid in respect of that claim and **we** reserve the right to terminate this Policy from the date of the fraudulent act. If **we** exercise this right **we** will not be liable to return any **premium** to **you**. However, this will not affect any claim under this Policy which has been previously notified to **us**.

10. Innocent non-disclosure

We will not seek to avoid the Policy or reject any claim on the grounds of non-disclosure or misrepresentation except where the non-disclosure or misrepresentation was reckless or deliberate.

11. Mergers and acquisitions

If **you** acquire an entity during the **period of the policy** whose annual revenue does not exceed 20% of the **company's** annual revenue, as stated in its most recent financial statements, cover is automatically extended under this Policy to include the acquired entity as a **subsidiary**.

If **you** acquire an entity during the **period of the policy** whose annual revenue exceeds 20% of the **company's** annual revenue, as stated in its most recent financial statements, cover is automatically extended under this Policy to include the acquired entity as a **subsidiary** for a period of 45 days.

We will consider providing cover for the acquired entity after the period of 45 days if:

- a. **you** give **us** full details of the entity within 45 days of its acquisition; and
- b. **you** accept any amendment to the terms and conditions of this Policy or agree to pay any additional **premium** required by **us**.

In the event **you** do not comply with a. or b. above, cover will automatically terminate for the entity 45 days after the date of its acquisition.

Cover for any acquired entity is only provided under this Policy for any act, error or omission committed on or after the date of its acquisition.

No cover will be automatically provided under this Policy for any acquired entity:

- a. whose business activities are materially different from **your** business activities;
- b. that has been the subject of any lawsuit, disciplinary action or regulatory investigation in the 3 year period prior to its acquisition; or
- c. that has experienced a **cyber event** in the 3 year period prior to its acquisition, if the **cyber event** cost more than the highest **deductible** of this Policy.

If during the **period of the policy you** consolidate, merge with or are acquired by another entity then all coverage under this Policy will terminate at the date of the consolidation, merger or acquisition unless **we** have issued an endorsement extending coverage, and **you** have agreed to any additional **premium** and terms of coverage required by **us**.

12. Our rights of recovery

You must maintain all of **your** rights of recovery against any **third party** and make these available to **us** where possible.

We will not exercise any rights of recovery against any **employee** or **senior executive officer**, unless this is in respect of any fraudulent or dishonest acts or omissions as proven by final adjudication, arbitral tribunal or written admission by **you**.

Any recoveries will be applied in proportion to the amounts paid by **you** and **us**.

13. Prior subsidiaries

Should an entity cease to be a **subsidiary** after the **inception date**, cover in respect of the entity will continue as if it was still a **subsidiary** during the **period of the policy**, but only in respect of an act, error, omission or event occurring prior to the date that it ceased to be a **subsidiary**.

14. Process for adjustment of business interruption losses

In order to determine the amount of **loss** following an interruption to **your business operations** covered under **INSURING CLAUSE 3 (SECTIONS B, C, D and E only)**, the **cyber incident manager** will appoint an independent expert agreed between **you** and **us** which will be paid for by **us** in accordance with **INSURING CLAUSE 3 (SECTION F only)**.

If an independent expert cannot be agreed upon, one will be appointed by an arbitrator mutually agreed between **you** and **us** whose decision will be final and binding.

Once an independent expert has been appointed, their calculation of **loss** will be final and binding.

15. Process for paying privacy breach notification costs

Any **privacy breach** notification transmitted by **you** or on **your** behalf must be done with **our** prior written consent. **We** will ensure that notification is compliant with any legal or regulatory requirements and contractual obligations. No offer must be made for financial incentives, gifts, coupons, credits or services unless with **our** prior written consent which will only be provided if the offer is commensurate with the risk of harm.

We will not be liable for any portion of the costs **you** incur under **INSURING CLAUSE 1 (SECTION E only)** that exceed the costs that **you** would have incurred had **you** gained **our** prior written consent. In the absence of **our** prior written consent **we** will only be liable to pay **you** the equivalent cost of a notification made using the most cost effective means permissible under the governing law.

16. Supply chain interruption events

In respect of **INSURING CLAUSE 3 (SECTION D only)**, it is a condition precedent to liability under this Policy that **you** submit to **us** a written report from the **supply chain partner** confirming the root cause and length of the outage.

17. Choice of law and service of suit

In the event of a dispute between **you** and **us** regarding this Policy, the dispute will be governed by the laws of the State of the United States of America shown as the choice of law stated in the Declarations page. **We** agree, at **your** request, to submit to the jurisdiction of a court of competent jurisdiction within the United States of America.

Nothing in this Condition constitutes or should be understood to constitute a waiver of **our** rights to commence an action in any court of competent jurisdiction in the United States of America, to move an action to a United States District Court, or to seek a transfer of a case to another court as permitted by the laws of the United States of America or the laws of any State of the United States of America.

It is further agreed that service of process in such suit may be made upon the law firm stated in the Declarations page and that in any suit instituted against **us**, **we** will abide by the final decision of such court or of any appellate court in the event of an appeal. The law firm stated in the Declarations page is authorized and directed to accept service of process on **our** behalf in any such suit and, at **your** request, to give a written undertaking to **you** that they will enter a general appearance on **our** behalf in the event such suit is instituted.

Additionally, in accordance with the statute of any state, territory or district of the United States which makes such a provision, **we** hereby designate the Superintendent, Commissioner or Director of Insurance or other officer specified for that purpose in the statute, or his successor or successors in office, as **our** true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by **you** arising out of this Policy. The law firm stated in the Declarations page is hereby designated as the firm to whom the above mentioned officer is authorized to mail such process or a copy thereof.