

Extraco Insurance

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Address **P. O. Box 6101**
Temple, TX 76503

Item #	Line Item	Notes	Unit Price	Qty/Unit	Attch. Docs
1509-009-01-01	PLEASE ATTACH ANY DOCUMENTS HERE	Supplier Product Code: Supplier Notes: I have attached the proposal, enhancements of coverage from last year and glossary of coverages. Please note only the general liability portion	First Offer -	1 / each	Y
				Supplier Total	\$0.00

Extraco InsuranceItem: **PLEASE ATTACH ANY DOCUMENTS HERE****Attachments**

willamson county ems product enhancement form.pdf

willamson county ems proposal.pdf

willamson county ESIP Glossary of Available Coverage.pdf

ESIP Product Enhancement Summary



McNeil & Company is excited to introduce new enhancements to the Emergency Services Insurance Program (ESIP). This product will be available beginning May 1, 2015.

The following is an overview of these enhancements. Please note that all enhancements may not be available in all states.

Property

Property Coverage Extensions **

1. Business Income has been expanded to apply at locations where sirens, antennas, towers and similar structures are installed if such locations are associated to a scheduled location or a newly acquired location.
2. Business Income has been expanded to remove the 72 hour waiting period for losses occurring at fund raising locations.
3. Business Income has been expanded to remove the 1 mile limitation for loss caused by restriction to premises dictated by a civil authority.
4. The limit for Pollutant Clean-up and Removal has been increased from \$100,000 to \$150,000.
5. Computers and Communications Equipment has been expanded to provide coverage for losses caused by:
 - a. Earth Movement
 - b. Water
 - c. Smoke, Vapor or Gas
 - d. Explosion of Steam Boilers/Pipes
 - e. Rain, Snow, Ice or Sleet
 - f. Governmental Action
 - g. Rust or Corrosion
 - h. Settling, Cracking, Shrinking or Expansion
 - i. Nesting or Infestation of Vermin
 - j. Collapse
 - k. Faulty or Defective Workmanship
6. Software, Data and Valuable Papers has been expanded to provide coverage for losses caused by:
 - a. Earth Movement
 - b. Water
 - c. Smoke, Vapor or Gas
 - d. Explosion of Steam Boilers/Pipes
 - e. Rain, Snow, Ice or Sleet
7. The limit for Software, Data and Valuable Papers has been removed (unlimited coverage).
8. The limit for Money and Securities has been increased from \$25,000 to \$50,000 and the deductible has been removed.
9. The limit for Outdoor Property has been increased from \$250,000 to \$300,000 and the sublimit for any one tree, shrub, plant or lawn has been increased from \$10,000 to \$25,000.
10. Property Off Premises has been expanded to provide coverage for losses caused by:
 - a. Earth Movement
 - b. Utility Services
 - c. Water
 - d. Power Surge
 - e. Smoke, Vapor or Gas
 - f. Mechanical Breakdown
 - g. Explosion of Steam Boilers/Pipes
 - h. Rain, Snow, Ice or Sleet
11. The limit for Property Off Premises has been increased from \$25,000 to \$100,000 or the highest personal property limit, whichever is more.

ESIP Product Enhancement Summary



12. Property In Transit has been expanded to provide coverage for losses caused by:
 - a. Earth Movement
 - b. Utility Services
 - c. Water
 - d. Power Surge
 - e. Smoke, Vapor or Gas
 - f. Mechanical Breakdown
 - g. Explosion of Steam Boilers/Pipes
 - h. Rain, Snow, Ice or Sleet
13. The limit for Property In Transit has been increased from \$25,000 to \$50,000.
14. Property Of Others has been expanded to provide coverage on a primary basis and to provide coverage for losses caused by:
 - a. Earth Movement
 - b. Utility Services
 - c. Water
 - d. Power Surge
 - e. Smoke, Vapor or Gas
 - f. Mechanical Breakdown
 - g. Explosion of Steam Boilers/Pipes
 - h. Rain, Snow, Ice or Sleet
15. Newly Acquired or Constructed Property has been expanded to apply to materials, equipment and supplies that will become a permanent part of a building, subject to a sublimit of \$25,000.
16. Uncollected Funds has been expanded to provide coverage for losses caused by:
 - a. Earth Movement
 - b. Utility Services
 - c. Water
 - d. Power Surge
 - e. Smoke, Vapor or Gas
 - f. Mechanical Breakdown
 - g. Explosion of Steam Boilers/Pipes
 - h. Rain, Snow, Ice or Sleet
17. The limit for Uncollected Funds has been removed (unlimited coverage).
18. The limit for Debris Removal has been increased from \$50,000 to \$100,000.
19. The limit for Spoilage has been increased from \$25,000 to \$250,000.
20. The limit for Fungus, Wet Rot, Dry Rot and Bacteria has been increased from \$25,000 to \$50,000.
21. The limit for Lock and Key Replacement has been increased from \$10,000 to \$25,000.
22. The limit for Unintentional Omission of Property has been increased from \$100,000 to \$500,000.
23. Added coverage for Hazardous Substance Contamination under Equipment Breakdown with a limit of \$250,000.
24. Added a building Glass Deductible waiver.
25. Added coverage for Tenant Glass with a limit of \$10,000 subject to a deductible of \$250.
26. Added coverage for Snow Removal Expense with a limit of \$1,000 per policy period.
27. Added coverage for Inventory or Appraisal with a limit of \$50,000.
28. Increased the limit in the coverage form for Non-Owned Detached Trailers from \$5,000 to \$10,000.
29. Added coverage for Utility Services direct damage with a limit of \$50,000 subject to a deductible of \$250.
30. Added coverage for voluntarily parting with property under a False Pretense.
31. Added coverage for Garages and Storage Sheds with a limit of \$10,000 and personal property contained in them with a limit of \$1,000, subject to the property deductible.



ESIP Product Enhancement Summary

32. Added coverage for Unscheduled Buildings or Structures primarily used by the public with a limit of \$100,000 and the personal property contained in them with a limit of \$10,000, subject to the property deductible.
33. Increased the limit in the coverage form for Preservation of Property from 30 days to 90 days.

General Liability

Emergency Service Liability

1. Amended wording to clarify that coverage for breach of employment contract is for both written and non-written and that it doesn't apply to an employee being sued by the named insured.

Fire & Rescue Service Liability

1. Amended wording to clarify that coverage applies to all medical personnel.

Who is Insured

1. Amended to specifically reference Trustees.

Fellow Member

1. Added coverage for property damage caused by a fellow member.

Aircraft & Watercraft

1. Added coverage for unmanned aircraft aka drones being used for firefighting, emergency rescue or emergency evacuation, including training for such use.

Non-Monetary Claims

1. Limit increased from \$50,000 to \$100,000.
2. Coverage expanded to apply to suits based on Fair Labor Standards Act, including suits seeking monetary damages.

Fines and Penalties

1. New form providing \$100,000 for fines and penalties assessed by a federal, state or local authority as a result of a violation of a statute or regulation involving the collection or distribution of individually identifiable health information.

Temporary Liquor Liability

1. New form providing liquor liability coverage for events lasting 10 days or less for which the appropriate license or permit is carried or for which a license or permit isn't required.

Coverage Extensions

1. Added coverage for property damage resulting from the use of reasonable force to protect persons or property.
2. Replaced the term "damage by fire" with the term "damage by fire, lightning or explosion" as it relates to damage to rented premises.
3. Added coverage for damage to customer's autos with a limit of \$50,000. Coverage only applies if there is no auto policy providing the coverage.
4. Added coverage for damage to patient's property with a limit of \$50,000. Coverage only applies if there is no inland marine policy providing the coverage.
5. Increased the limit in the coverage form for bail bonds from \$250 to \$5,000.
6. Increased the limit in the coverage form for loss of earnings incurred while assisting with the investigation or defense of a claim from \$250 to \$1,000 a day.



ESIP Product Enhancement Summary

7. Added blanket additional insured and waiver of subrogation for the following, when required in a written contract or agreement:
 - a. Persons or Organizations – As Required by Contract
 - b. Managers, Landlords or Lessors of Premises
 - c. Lessors of Leased Equipment

Coverage for the above will be primary and non-contributory if required by the written contract or agreement.
8. Increased the limit in the coverage form for newly formed or acquired organizations from 90 days to 180 days.
9. Amended the condition for Duties in the Event of an Occurrence, Offense, Claim, or Suit to limit the persons required to give notice of a claim.
10. Added a liberalization clause.
11. Amended the definition of bodily injury to include mental anguish.

Business Auto

Who is Insured **

1. Amended to specifically reference Trustees.

Agreed Value

1. Amended to allow for Guaranteed Replacement Cost coverage on vehicles no more than 5 years old.
Additional documentation will be required.

Coverage Extensions

1. Added blanket additional insured and waiver of subrogation for persons or organizations when required in a written contract or agreement.
2. Increased the limit in the coverage form for bail bonds from \$2,000 to \$5,000.
3. Increased the limit in the coverage form for loss of earnings incurred while assisting with the investigation or defense of a claim from \$250 to \$1,000 a day.
4. Added coverage for property damage resulting from the use of reasonable force to protect persons or property.
5. Added physical damage coverage for the accidental discharge of an airbag.
6. Amended the condition for Duties in the Event of an Accident, Claim, Suit, or Loss to limit the persons required to give notice of a claim.
7. Amended the definition of bodily injury to include mental anguish.

Waiver of Immunity

1. New form waiving the insured's right to governmental or charitable immunity for property damage claims of up to \$250,000.

Inland Marine

Apparatus and Portable Equipment ** ^

1. Removed the exclusion for damage caused by insects, vermin or rodents.
2. Amended the deductible provision for apparatus so it doesn't apply to loss caused by fire or lightning.
3. Added golf carts to member's property.
4. Rental Reimbursement – Apparatus limit increased from \$10,000 to \$15,000.

ESIP Product Enhancement Summary



5. Debris Removal limit increased from \$10,000 to \$25,000.
6. Patient's Property limit increased from \$25,000 to \$50,000.
7. Permanently Installed Property Off Premises amended to include fences, flag poles and light poles and limit increased from \$100,000 to \$200,000.
8. Rental Reimbursement – Members limit increased from \$30 per day to \$40 per day.
9. Added coverage for Additional Living Expenses of Members with a limit of \$1,000. Pays living expenses for up to 3 days for loss of use of the member's residence if it was damaged while they were responding to an emergency.
10. Added coverage for damage to Property on Loan from the Federal Excess Property Program or Firefighter Property Program. We will pay the actual cash value or the cost to repair or replace, whichever is less.
11. Added coverage for the accidental discharge of an Airbag.
12. Added coverage for damage to Drones (unmanned aircraft) with a limit of \$25,000 subject to a \$500 deductible.
13. Amended the definition of Commandeered Property to include ATVs, golf carts and snowmobiles.
14. Amended the definition of Portable Equipment to include golf carts.

Member's Vehicles ** ^

1. Amended coverage applicable to emergency use to indicate that it includes primary coverage for towing and rental reimbursement (up to \$40 per day for 30 days) so the member doesn't have to look to their policy for any coverage.
2. Amended coverage applicable to emergency use to clarify that it is the member that has the option to elect coverage under the form.

Loan or Lease Gap ^

1. New form providing Loan or Lease Gap coverage, paying the unpaid amount due on a loan or lease following the total loss of an apparatus.

Guaranteed Replacement Cost – Apparatus ^

1. New form providing Guaranteed Replacement Cost coverage for apparatus no more than 5 years old.
Additional documentation will be required.

^ Note that apparatus coverages in LA and TX are provided under the business auto policy.

** Liberalization Applies



Date: 9/3/2015

Insurance Proposal For:

Williamson County E.M.S.
303 Martin Luther King Drive
Georgetown, TX 78626

Presented By: Extraco Insurance P.O. Box 6101 Temple, TX 76503 Phone: (254) 774-5500 Fax: (254) 774-5916	Emergency Services Insurance Program McNeil & Company Insurance and Risk Services P.O. Box 5670 20 Church Street Cortland, NY 13045 Phone: (800) 822-3747 Fax: (607) 756-5051 Website: www.esip.com
Carrier: Arch Insurance Company A.M. Best Rating: A+ Superior	

This proposal is valid for 90 days.

DISCLAIMER

GENERAL CONDITIONS:

This proposal is based on information provided to McNeil & Company by your Agent. An application signed and dated by an official of the entity and the agent/broker must be received prior to binding coverage.

The quotation in this proposal does not necessarily match the coverages or limits requested in any bid specifications and/or application.

Each individual policy contains the actual terms, conditions and exclusions. This proposal highlights certain features and benefits of the program.

Final premium is subject to adjustment based on any changes to limits and coverages received subsequent to the release of this proposal.

OUR PROMISE

We developed your Insurance Proposal based on information provided by your ESIP insurance agent. We depend on your agent's knowledge of your organization and on interviews with your organization's personnel, to design the best policy and coverages for you. If you have any questions or concerns about the adequacy or appropriateness of the proposed coverage, please discuss them with your ESIP agent. Many of the policy features can be customized to meet your special needs.

In this proposal we outline the various coverages being offered. However this document can not take the place of an actual policy. Only an actual policy contains all of the terms, conditions, and exclusions that affect your coverage. Please review your policies carefully with your agent to be certain that you clearly understand your insurance program.

We believe that the Emergency Services Insurance Program (ESIP) provides emergency service organizations such as yours with the best insurance products available. We promise that you will find our coverage and service to be beyond your expectations!

For more information about ESIP's products and services, visit us on the Internet at www.esip.com.

IMPORTANT NOTICE

According to our records, your organization does not carry an Accident policy on your members. ESIP offers a 24 Hour Accidental Death & Dismemberment policy providing a death benefit for accidents occurring both on duty and off duty.

At McNeil and Company, we strive to provide the best coverage available for our customers. Your policy provides coverage for your buildings, vehicles, portable equipment and your emergency service liability needs. Your most valuable asset is often overlooked – your members. The financial peace of mind of their loved ones is at risk when duty puts your personnel in harm's way. Offering Accident Insurance protection for your members provides a valuable death benefit to their loved ones should the worst occur.

Furthermore, at a time when departments nationwide are experiencing unprecedented declines in membership, benefits such as these can aid in the recruitment of new members and in the retention of trained personnel.

For your convenience, on the following pages you will find a quote for 24 Hour Accidental Death and Dismemberment coverage for your members. This quote is based on the number of members shown in the Property and Casualty survey provided to us.

In order to ensure that you are aware of the valuable coverage that we are offering, you will need to Accept or Reject this coverage, sign and date the proposal page and return it to us.

We believe that your members deserve the best protection that your organization can provide, whether in the vehicles they drive, the gear they wear, or the equipment they use. Doesn't it make sense to protect their lives as well?

OPTIONAL 24 HOUR AD&D

Williamson County E.M.S.

SCHEDULE OF BENEFITS					
PART	BENEFIT	AMOUNT OF INSURANCE	CLASSES OF ELIGIBLE PERSONS		
			1	2	3
I	Indemnity Benefits				
	A. Accidental Death & Dismemberment, Loss of Sight, Speech or Hearing - Injury Only	Principal Sum \$10,000	☐	☐	☒
	B. Additional Seat Belt Benefit - Injury Only	Maximum \$2,500	☐	☐	☒
II	Family Education Benefit				
	A. Dependent Child	Maximum \$5,000	☐	☐	☒
	B. Surviving Spouse or Domestic Partner	Maximum \$5,000	☐	☐	☒
	C. Other	Maximum \$5,000	☐	☐	☒
III	Physical Assault Benefit - Injury Only	Maximum \$2,500	☐	☐	☒

Eligible Persons: Class 1 – Volunteers, Class 2 – Auxiliary, Class 3 – Paid Career (works more than 1,300 hours annually)

ANNUAL PREMIUM: \$1158.00

(Quote based on member information on file)

Part I Indemnity Benefits**A) Accidental Death, Dismemberment, Loss of Sight, Speech or Hearing – Injury Only**

If a Covered Person loses their life, limb, sight or hearing as a result of an accident, he or she will be eligible for a benefit of up to the Principal Sum shown in the Schedule of Benefits.

B) Additional Seat Belt Benefit

We will pay an additional 25% of the Principal Sum if the Covered Person was in a motor vehicle and wearing a properly fastened seat belt when the Injury occurred that caused his or her death.

Part II Family Education Benefits

If benefits are payable for the loss of life of a Covered Person, we will also pay education benefits for:

- A) Dependent Child – if enrolled as a full time student within 24 months of the Covered Person's death
- B) Surviving Spouse or Domestic Partner – if enrolled within 48 months of Covered Person's Death
- C) Other – if no Dependent Child, Surviving Spouse or Domestic Partner exists

Part III Physical Assault Benefits

We will pay an additional benefit equal to 25% of the amount paid under Part I-A, or the maximum shown in the schedule, whichever is more, if such injury is caused by Physical Assault committed by a person other than a Covered Person.

Acknowledgement☐ Accept* (See Binding Requirements)☐ Agent Not Licensed (Did Not Present)☐ Reject
Signature: _____
(Officer of Organization)

Date: _____

REQUIREMENTS TO BIND COVERAGE:

FULLY COMPLETED, SIGNED APPLICATION (CONTACT YOUR INSURANCE AGENT)

PAYMENT IN FULL (COPY OF CHECK IS NOT ACCEPTABLE) - MADE PAYABLE TO MCNEIL & COMPANY, INC.

SUBMIT ALL REQUIRED PAPERWORK TO YOUR INSURANCE AGENT

OPTIONAL 24 HOUR AD&D

Williamson County E.M.S.

SCHEDULE OF BENEFITS

Provided by Arch Insurance Company

NAMED INSURED

Named Insured will read on the policy as:

First Named Insured:

Williamson County E.M.S.

Other Named Insureds should include all legal entities under which you operate or own property, including any Fire Company, Volunteer Association, Auxiliary, or Cadet Program. If the named insureds shown above are not correct please advise your ESIP agent.

GENERAL LIABILITY

Limits of Insurance

General Aggregate	\$10,000,000
Products/Completed Operations Aggregate	\$10,000,000
Each Occurrence	\$1,000,000
Personal & Advertising Injury	\$1,000,000
Damage to Premises Rented to You *	\$100,000
* Damage by Fire, Lightning or Explosion	
Medical Expense	\$5,000

Schedule of all Premises you Own, Rent or Occupy

- Location 1: 3800 County Rd. 123, Round Rock, TX 78665**
- Location 2: 1311 Highland, Cedar Park, TX 78613**
- Location 3: 1427 North Main Street, Taylor, TX 76574**
- Location 4: 9218 Anderson Mill Road, Austin, TX 78729**
- Location 5: 2604 Northlawn Drive, Taylor, TX 76574**
- Location 6: 350 Deepwood Drive , Round Rock, TX 78681**
- Location 7: 5 Texas Drive, Georgetown, TX 78628**
- Location 8: 2000 Scenic Drive, Georgetown, TX 78626**
- Location 9: 303 Martin Luther King Street, Georgetown, TX 78626**
- Location 10: 1991 Rawhide Drive, Round Rock, TX 78681**
- Location 11: 1781 E. Old Settlers Blvd, Round Rock, TX 78665**
- Location 12: 4200 Airport Road, Georgetown, TX 78628**
- Location 13: 150 Church Park Street, Cedar Park, TX 78613**
- Location 14: 16248 Great Oaks Drive, Round Rock, TX 78681**
- Location 15: 301 Loop 332, Liberty Hill, TX 78642**

GENERAL LIABILITY

Schedule of all Premises you Own, Rent or Occupy

Location 16: 155 County Road 313 E., Jarrell, TX 76537

Location 17: 200 Bagdad Street, Leander, TX 78641

Location 18: 321 West 8th Street, Georgetown, TX 78626

Location 19: 508 Holly Street, Georgetown, TX 78626

Location 20: 501 Exchange Blvd, Hutto, TX 78634

Location 21: 303 Martin Luther King Street, Georgetown, TX 78626

Location 22: 1570 Cypress Creek, Cedar Park, TX 78613

GENERAL LIABILITY

Coverages Included

Watercraft

Owned Watercraft less than 35 feet

Owned Unmanned Aircraft (Drones)

Contractual Liability

Fund Raising Activities

Host Liquor Liability

Temporary Liquor Liability for Events Lasting 10 Days or Less

Members as Insureds

Includes Physicians acting within the scope of their duties for Insured

Fire and Rescue Service Liability

Emergency Services E&O

Medical Malpractice Liability

Dispatcher's Liability

Medical Director's E&O

Good Samaritan Liability

Emergency Services Liability

Directors and Officers Liability

Spousal Liability

Estates, Heirs & Legal Representatives Liability

Employee Benefits Liability

Employment Related Practices Liability

Unintentional Release of Individually Identifiable Health Information

Outside Directorships

\$50,000 Non-Monetary Relief

GENERAL LIABILITY

Coverages Included

Pollution Liability

On-Premises

Includes Above Ground Fuel Storage Tanks

Off-Premises

\$1,000,000 Sub-Limit for Corrective Action Costs

Fellow Member Liability

Bodily Injury and Property Damage

Property Damage to Rented Premises (other than fire) \$50,000

Enhanced Property Damage

Use of Reasonable Force to Protect Persons or Property

Bail Bonds - \$5,000

Your Expenses - \$1,000 per day

Blanket Additional Insured

Persons or Organizations - As Required by Contract

Managers, Landlords or Lessors of Premises

Lessors of Leased Equipment

Waiver of Subrogation

Newly Acquired/Formed Organizations - 180 Days

Duties in the Event of an Occurrence, Offense, Claim or Suit

Limits Persons Required to Give Notice

Liberalization

Mental Anguish

Damage to Customer's Autos - \$50,000

Damage to Patient's Property - \$50,000

GENERAL LIABILITY

Coverages Included

Network Security & Data Breach Liability

Network Security & Data Breach Liability Each Event Limit	\$1,000,000
Network Security & Data Breach Liability Aggregate Limit	\$10,000,000
Network Security & Data Breach Liability Retroactive Date	10/09/2014

Provides liability coverage for third party claims or suits involving:

Disclosure, loss or theft of personally identifiable or confidential corporate information in your care, custody or control which is obtained or released from your computer system

Failure to disclose or warn of the actual or potential disclosure or misappropriation of personally identifiable or confidential corporate information

Violation of any federal, state or local privacy statute addressing disclosure or misappropriation of personally identifiable or confidential corporate information

Transmission of malware from your computer system

A denial of service attack which blocks access to your website or computer system

Coverage applies to events first discovered and reported during the policy period or any extended reporting period.

Privacy Event Mitigation Expense

Privacy Event Mitigation Expense Each Event Limit	\$50,000
Privacy Event Mitigation Expense Aggregate Limit	\$50,000
Privacy Event Mitigation Expense Retroactive Date	10/09/2014

Provides coverage for reasonable and necessary fees and expenses for:

Computer forensic analysis of your computer system to determine the cause and extent of the privacy event

Review of the privacy event by an approved crisis management or legal firm to advise you of the appropriate response

Travel by your directors, executive officers or employees which is done to mitigate the damage of a privacy event

Costs associated with notifying affected parties of the privacy event

Expenses for services, such as credit monitoring, provided to individuals for the purpose of mitigating the effect of a privacy event on them

Coverage applies to events first discovered and reported during the policy period or any extended reporting period.

TRAINING AND SAFETY

Loss Control Services

Vehicle Accident Avoidance

- EVOC Training
- Intersection Accident Avoidance Training
- Vehicle Accident Claims Guides
- Safety Posters

Member Safety

- Violence Awareness for Emergency Responder Training
- Safe Patient Handling Training
- PASS Reminder Kits
- Haz-Mat Pocket Guides

Reducing Liability

- Employment Practices Hotline
- Alcohol Server Training
- Alcohol Awareness Kits
- Safety Forms & Checklists
- Policy Development Assistance

General Safety

- On Site Safety Audits
- Risk Management Reports
- Speakers Bureau

For More Information Visit:

www.esip.com, proceed to the Loss Control link and choose Training

FREE ONLINE TRAINING AVAILABLE 24/7!
E-LEARNING
 BY MCNEIL & COMPANY

McNeil and Company is pleased to offer online training to our customers through our E-Learning and Training Management System. While this material is not meant to replace quality face to face and hands on training, we realize that tremendous time requirements are placed on individuals in today's fast paced environment, making it difficult for everyone to attend scheduled training.

Our E-Learning courses allow you to supplement scheduled hands on training and are available 24/7 to meet the needs of the student. These courses are offered free of charge to McNeil and Company insureds. Best of all, the information can be tracked and managed by your organization's training officers, and in some cases, even count towards continuing education credits!

Here are just a few of our available courses...

Emergency Vehicle Backing

INTERACT

Fire Station Safety & Self Inspection

Hazardous Materials

Non-Emergency Transports

Bloodborne Pathogens

Privately Owned Vehicle Operations

SCBA & Breathing Air Refresher

What are people saying about our E-Learning?

"Informative and easy to fit into my personal schedule by being online." – Student

"I believe this is a very good program and glad to see someone has put something together for fire departments. It is about time!!!" – Student

"Offering educational training to our members has always been difficult because most of them hold down full time jobs. These online courses give our members an opportunity to get the education they need outside of the typical classroom setting." – Management Personnel

"We can make sure that our members are keeping on track with department recommendations for training, at a glance!" – Management Personnel

Registering your organization

Once you've received your policy number, visit www.mcneilandcompany.com and click on the E-Learning logo at the bottom of the page to register your organization and obtain an access code.

Still not sold on our E-Learning?

Visit www.mcneilandcompany.com and click on the E-Learning Demo link at the bottom of the page.

PREMIUM SUMMARY

Policy Premium

Commercial Package	Included
Total (Including Terrorism):	\$21,563

Additional Coverage Lines Available

Commercial Property	
Crime	
Business Automobile	
Commercial Inland Marine	
Commercial Umbrella	
Accident & Health	
Group Life	
24hr AD&D (See Page 3)	\$1,158.00



EMERGENCY SERVICES INSURANCE PROGRAM

GLOSSARY OF AVAILABLE COVERAGES



THIS IS NOT A POLICY OR PROPOSAL

This document is a glossary of coverages available through the ESIP Program. This is not an insurance policy or proposal. Please refer to your insurance proposal to review the coverages presented for your consideration. Each individual policy contains the actual terms, conditions, and exclusions. This glossary highlights certain features and benefits of the program.



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Who Is Insured

The insured on the policy consists of the First Named Insured, Other Named Insureds (if any), as well as insureds and additional insureds.

The First Named Insured and Other Named Insureds receive the same degree of insurance protection under the policy. The First Named Insured, however, has responsibilities under the policy that do not extend to Other Named Insureds. The First Named Insured is responsible for paying premiums, receiving any return premiums, requesting changes, canceling coverage, and receiving official notices from the company.

Other Named Insureds should include all legal entities under which you operate or own property, including any Fire Company, Volunteer Association, Auxiliary, or Cadet Program.

Insureds and Additional Insureds enjoy much of the same insurance protection as Named Insureds under the policy but have very few rights or responsibilities. We include your officers, directors, commissioners, board members, employees and volunteers as insureds under the parts of the policy that provide protection from lawsuits. These provisions are explained more fully in the individual sections of this glossary of available coverages.

Other parties may also be added to the policy as loss payees or additional insureds if they have an insurable interest in your property, premises or operations. These might include the landlord of a building you occupy or the lessor of a leased auto.

Be certain to advise your ESIP agent of all the legal entities under which you operate or own property, and of any outside parties that you need to add to the policy.



Property Coverage

Basic Provisions

Every property insurance policy describes six basic coverage features: (1) Limits of Insurance, (2) What is Covered, (3) Valuation, (4) Perils, (5) Coinsurance, and (6) Deductible. These features are explained below.

Limits of Insurance

The Property Coverage section of the policy contains two main coverages and many coverage extensions. The two main coverages in this section are Buildings and Business Personal Property. Both of these coverages have their own limit of insurance applying at each location. Blanket insurance combines any two locations or coverages into one limit, which is determined based on the total value of the included locations and coverages.

The coverage extensions applying to the Property Coverage section of the policy are described in the Coverage Review below. Each coverage extension has its own limit of insurance. If no limit is provided in the explanation, then the limit that applies to that coverage extension is the value of the lost or damaged property affected by the coverage extension, or the actual amount of the loss or damage.

Limits of insurance normally apply on a per loss basis. By this, we mean loss or damage arising out of a single event or a series of related events. For instance, say that a fire damages your kitchen and when the sprinkler system activates, the water damages the furniture in your office. This would be considered one loss. For certain catastrophic coverages such as earthquake and flood, we apply an aggregate limit to all losses occurring during the policy period (see Earthquake and Flood below).



What Is Covered

A Building includes permanently installed fixtures, machinery, equipment, carpeting, appliances, glass, fences, flagpoles, and light poles. Business Personal Property includes furniture, equipment, supplies, leased or borrowed property in your care, and your interest in improvements and betterments made to leased premises. Licensed vehicles are not covered as business personal property and must be insured separately (see Damage to Vehicles). Business Personal Property coverage applies anywhere within 1000 feet of the premises. When property is more than 1000 feet away, we call it property off premises (see Property Off Premises below).

The coverage extensions broaden the types of property insured, and improve the terms and conditions applying to these coverages. Each coverage extension is discussed in detail in Coverage Review below.

Valuation

When property is lost or damaged, you and the claims adjuster must determine the value of the lost or damaged property. The policy contains detailed definitions for all valuations that we use. In some states, these definitions are amended to comply with individual state statutes. The policy contains these definitions but here is what the most commonly used valuations generally mean:

Guaranteed Replacement Cost (GRC)—the Replacement Cost value even if it exceeds the limit of insurance on the policy. The ESIP policy typically provides GRC coverage for Buildings and Business Personal Property.

Replacement Cost Value (RCV)—the cost to repair or replace lost or damaged property with other property of comparable material and quality, with no deduction for depreciation, as of the date of loss and at the same location, subject to the limit of insurance on the policy.

Actual Cash Value (ACV)—the Replacement Cost Value minus actual physical depreciation. In some states, ACV means fair market value.



Perils

A peril is the cause of loss. Perils may be natural in origin such as lightning, wind, hail or earthquake, or may be man-made such as burglary, arson, or vandalism. Some property policies include a list of perils that are covered—this is called a named perils policy. Other policies cover all-risks of direct physical loss unless specifically excluded or limited—this is called an all-risk policy. Under ESIP's policy, we follow the all-risk approach, and then broaden the coverage even farther through the use of amendments and coverage extensions, many of which are discussed below.

Coinsurance/Agreed Value

Coinsurance is used by the insurance industry to encourage policyholders to purchase adequate limits of insurance on covered property. The coinsurance clause states that if, at the time of a loss, the amount of insurance is less than the required percentage of the total value of the insured property, claim payment will be reduced by a corresponding amount. When coverage is provided on an Agreed Value basis, it simply means that the coinsurance clause is waived or deleted. ESIP offers Agreed Value coverage. Guaranteed Replacement Cost (GRC) coverage, which is typically provided by ESIP, also waives the coinsurance clause.

Single Occurrence Deductible

All ESIP deductibles applying to buildings, business personal property, portable equipment and vehicles apply on a single occurrence deductible basis. This means that we only apply one deductible (the largest) to a loss even if multiple coverages or locations are involved.



Coverage Review

The Property Coverage included in the ESIP policy contains many coverage features that make the policy very different from a standard policy. In alphabetical order, the major coverage features are briefly described below.

Additional Covered Property

This coverage extension applies to loss or damage to the following property at a premises listed on the policy:

- excavations, grading, backfilling or filling;
- foundations;
- bulkheads, pilings, piers, wharves or docks;
- retaining walls that are not part of a building; or
- underground pipes, flues or drains.

The limit of insurance applying to this coverage extension is the limit of insurance that applies to your buildings and business personal property at the premises where loss or damage occurs, or \$500,000, whichever is less. A \$250 deductible applies to this coverage extension.

Art, Antiquities, Trophies and Awards

If you have art, rare articles, statuary, marbles, bronzes, plaques, trophies, or awards at your premises, this coverage extension includes these items under the same coverage that applies to your business personal property. For such property, we will pay the lesser of the cost to repair the item if it is repairable, or the cost to replace the item with a comparable item if such a thing exists, or the appraised value of the item. If there is no appraisal as of the time of loss, and the item cannot be repaired or replaced, we will pay the fair market value for the item as may be determined by consulting various dealers such as art galleries or auctioneers.

If you have a collection, you should contact a professional appraiser so you will have a baseline value for all of your artwork and collectibles.



There is no specific limit of insurance applying to this coverage extension. Instead, the coverage is included within the amount of insurance applying to your business personal property. The deductible applying to your business personal property applies to this coverage extension.

Business Income and Extra Expense

Business Income coverage reimburses you for loss of income due to covered damage to your building. For example, you hold regular bingo games on your premises and have to suspend them because a fire damages your building, we would pay for your lost bingo profits during the repair period. Or, you have a social hall that you rent out for private parties or a meeting room rented by local organizations, and a storm blows down a large tree that collapses your roof, we would pay for your lost rents during the repair period.

Business Income coverage also applies at locations which are not scheduled on the policy. Such locations include:

- newly acquired or constructed locations;
- locations associated with scheduled locations where sirens, antennas, towers and similar structures; or
- locations where your fundraising activities take place (no waiting period applies).

For example, you hold an annual carnival at a local park and you are unable to hold your carnival because the park pavilion and food stands are damaged by vandals and are not repaired in time for you to hold the event, we will pay for your lost carnival profits.

Extra expense coverage pays for the extra costs, over and above your normal operating expenses, that you incur while your property is being repaired or replaced after a covered loss. This coverage can be used to pay for the cost to rent a mobile home to use as a temporary headquarters, install new phone lines at a temporary location, hire movers, make special newspaper announcements, pay overtime, and other such expenses that you would not have incurred if not for the damage to your building. It will also pay for any reasonable expenses you incur to expedite repairs to your property. Like you, we want to see your operations get back to normal as quickly as possible after a loss.



We also include coverage for loss of Business Income you sustain or Extra Expenses you incur due to a suspension of your operations which is caused by the failure of power or other utility service supplied to your premises or a civil authority prohibiting access to your premises due to covered damage to property at a premises other than yours.

Our Business Income and Extra Expense coverage is provided on an actual loss sustained basis with no deductible. This means that the policy does not show a specific limit of insurance for these coverages. Instead, coverage is provided for the amount of the losses that you actually sustain for up to 24 months after the date of damage at premises other than unscheduled fundraising locations or for up to 30 days after the date of damage to an unscheduled fundraising location. Of course, you are required by the policy to work diligently to minimize the down time and only necessary expenses are covered.

We also provide an extended period of indemnity of up to 90 days to cover a decline in your business income after your building is repaired and you have resumed operations. For example, you resume your weekly bingo games but your bingo profits are down by forty percent because the public began going to another bingo hall while you repaired your building. This coverage extension will pay for those lost profits.

Computers and Communications Equipment

This coverage extension provides broad coverage for a wide range of electronic gear. It includes coverage for the usual all-risk perils (see Perils above), as well as other non-standard perils including earth movement, water, governmental action, nesting of vermin, power failure or power surge, short circuit or arcing, and mechanical breakdown. This coverage extension applies to:

- computers;
- printers and peripheral computer equipment;
- photocopy and facsimile machines;
- permanently installed radios, antennas, and related electronic equipment;
- telephone systems and switchgear; or
- televisions, DVD players and VCRs used for training.



There is a \$250,000 limit of insurance and a \$250 deductible applying to this coverage extension.

Crime Reward

We will pay a reward to anyone providing information to law enforcement authorities that leads to an arrest and conviction for criminal loss or damage to your property by such acts as vandalism, arson, burglary and theft. We will also pay a reward to anyone providing information that results in the recovery of stolen covered property.

The most we will pay under this coverage extension is 10% of the amount of the covered loss or \$25,000, whichever is less. No deductible applies to this coverage extension.

Debris Removal

This coverage extension pays for the cost to remove debris after a loss. We will pay up to \$100,000 or an additional 25% over the limit of insurance applying to the damaged property, whichever is more.

For example, say that one of your substations is totally destroyed by a fire after being hit by lightning. You find that the limit of insurance is just enough to rebuild the substation. And since all the landfills in your area are full, it is going to cost another \$50,000 to have the debris removed from the site and hauled to an available landfill 100 miles away. The basic policy will pay for the damage to the building. This coverage extension will pay the extra \$50,000 for the debris removal, as long as this amount does not exceed 25% of the limit of insurance applying to the damaged substation.

Earthquake and Flood

The all-risk perils coverage we provide under the Property section of the ESIP policy typically include earthquake or flood (see Perils above). The cost and availability of these coverage extensions will depend on the underwriting characteristics of your particular area.



Earthquake includes landslides and volcanic eruptions. The coverage extension provides a limit of insurance and deductible that applies separately to each of your covered locations for each event. An earthquake event is defined as all shocks that occur during a 168-hour period (one week). The coverage extension also specifies an aggregate limit of insurance applying to each location. The aggregate limit is the most we will pay for earthquake damage at each location during the entire policy period no matter how many events are involved.

When we refer to flood, we do not mean water coming from an overflowing sink, a malfunctioning sprinkler head, or a burst water pipe. This sort of water damage is covered under the basic all-risk perils. Under the ESIP policy, flood means damage caused directly by a general and temporary condition of partial or complete inundation of normally dry land areas from:

- overflow of inland or tidal waters;
- unusual and rapid accumulation or runoff of surface waters; or
- mudslide or mudflow caused by 2. above.

Similar to ESIP's Earthquake coverage, the coverage extension for Flood applies a limit of insurance and deductible separately to each of your covered locations for each flood and an aggregate limit of insurance to each location. The aggregate limit is the most we will pay for flood damage at each location during the entire policy period no matter how many floods occur.

Equipment Breakdown

Equipment Breakdown coverage provides for the repair or replacement of business systems (telephone equipment, office machines, etc.) and portable equipment, as well as electrical, mechanical, cooling and heating systems resulting from a sudden and accidental breakdown. Coverage is not provided to repair normal wear and tear, nor for gradual deterioration or corrosion. But if a sudden and accidental breakdown results from wear and tear, gradual deterioration or corrosion, then we will cover the resulting damage to the equipment.

Here are some examples of Equipment Breakdown claims:

- a faulty control valve on your air cascade trailer allows the system to become over-charged, causing a rupture



- a bearing seizes on your roof-mounted air conditioner, causing a connecting rod to break
- the internal wiring on your portable generator short circuits, causing an electric arc that damages the motor
- your hot water boiler overheats, causing the boiler to bulge and crack

There is no specific limit of insurance or deductible that applies to this coverage extension. Coverage is included within the limit of insurance that applies to your buildings and business personal property. If loss occurs on your premises, the deductible that applies to your buildings and business personal property, as shown on the policy schedule, applies to this coverage extension. If the damage involves your portable equipment while in transit or away from your premises, a deductible of \$250 applies to this coverage extension.

We will also pay up to \$250,000 for direct physical loss or damage to covered property, including expenses to clean up or dispose of such property, resulting from Hazardous Substance Contamination.

False Pretense

This coverage extension pays for loss to your business personal property resulting from someone causing you to voluntarily part with such property by trick, scheme or false pretenses.

There is no specific limit of insurance that applies to this coverage extension. Coverage is included within the amount of insurance that applies to your business personal property. The deductible that applies to your business personal property, as shown on the policy schedule, applies to this coverage extension.

Fire Department Service Charge

If a fire department is called upon to save or protect your property from loss or damage, we will pay up to \$25,000 for any service charges that you are required to pay, whether by prior agreement or as required by your local ordinances. No deductible applies to this coverage extension.

**Fire Extinguishing Equipment Recharge**

We will pay necessary and reasonable costs to recharge or refill your fire extinguishing equipment as a result of a covered loss. There is no specific limit of insurance applying to this coverage extension. Coverage is provided for the necessary and reasonable expenses that you actually pay. No deductible applies to this coverage extension.

Fungus, Wet Rot, Dry Rot and Bacteria*

This coverage extension increases the limit applying to Fungus, Wet Rot, Dry Rot and Bacteria included within the standard policy to \$50,000.

**Not applicable in NY.*

Garages and Storage Sheds

This coverage extension provides coverage for loss or damage caused by a covered cause of loss to any unscheduled garages or storage sheds located on a premises described in the policy schedule. It also provides coverage for loss or damage caused by a covered cause of loss to your personal property in such garages or storage sheds.

The limit of insurance applicable to this coverage extension is \$10,000 for garages or storage sheds and \$1,000 for personal property in such garages or storage sheds. The deductible that applies to your buildings or business personal property, as shown on the policy schedule, applies to this coverage extension.

Glass Deductible Waiver

In the event of direct physical loss or damage by a covered cause of loss to glass in a covered building at a premises described in the policy schedule, where no other covered property is damaged, the applicable deductible will be waived.



Inventory or Appraisal

This coverage extension provides coverage for expenses you incur, as required by us, to prepare a claim. Such expenses include the cost of taking inventories, the cost of making appraisals, and the cost of preparing a statement of loss and other supporting exhibits. It does not include the amounts paid to public adjusters or appraisers.

There is a \$50,000 limit of insurance applying to this coverage extension. No deductible applies to this coverage extension.

Lock and Key Replacement

This coverage extension provides coverage for loss or damage to your locks or keys. We will pay the actual cost to replace keys, adjust or reset locks to accept new keys, or if required, replace locks.

There is a \$25,000 limit of insurance applying to this coverage extension. No deductible applies to this coverage extension.

Money & Securities

This coverage extension provides protection for your money and checks at your premises, at a location where you are doing fundraising, and while in transit to or from these locations.

For example, your organization stages a fundraiser at a local shopping center. At the end of the day, a volunteer leaves to take the money to the bank and is robbed in the shopping center parking lot. We will pay for the stolen money.

Note that this does not apply to theft perpetrated by members of your organization.

There is a \$50,000 limit of insurance applying to this coverage extension. No deductible applies to this coverage extension.



Newly Acquired Property

You should always try to advise your ESIP agent in advance if you are planning to buy or build a new location. However, in case you are unable to arrange coverage in advance, this coverage extension provides automatic insurance for 180 days on:

- newly acquired buildings;
- business personal property at a newly acquired building or premises;
- new construction at an existing location; or
- materials, equipment and supplies that will become a permanent part of a newly acquired or constructed building.

There is a \$2,500,000 limit of insurance applying to buildings and personal property and a \$25,000 limit applying to materials, equipment and supplies. The deductible that applies to your buildings and business personal property, as shown on the policy schedule, applies to this coverage extension.

Business Income and Extra Expense coverage is also provided at these locations (see Business Income and Extra Expense above).

Non-Owned Detached Trailers

This coverage extension provides coverage for loss or damage caused by a covered cause of loss to non-owned detached trailers.

There is a \$10,000 limit of insurance applying to this coverage extension. The deductible that applies to your business personal property applies to this coverage extension.

Ordinance or Law

This is an extremely important coverage and it is also a complicated coverage. You should review this part of your insurance program thoroughly with your ESIP agent. Here is a brief explanation of how it works.



➤ **Contingent Liability for the Undamaged Portion of the Building**

In some localities, there are laws regulating the reconstruction of damaged buildings. Often these laws state that if a substantial portion of a building is damaged by a fire or other disaster, then the entire building will be condemned and must be demolished. If this happens, most standard insurance policies will only pay for the part of the building that was actually damaged. The undamaged part which you are forced to demolish is not covered. So you only collect money for a partial loss, even though your building is totally destroyed. Under ESIP's policy, the undamaged portion of the building is automatically covered.

➤ **Demolition Costs**

If your local building inspector requires you to demolish your building as in the example above, the extra cost to demolish the building and remove the debris is not covered under a standard policy. Under ESIP's policy, we pay these demolition and debris removal costs.

➤ **Increased Costs of Construction**

When you begin to rebuild, you might find that your local building codes require you to include improvements you hadn't planned for, such as a handicapped-accessible restroom, a full sprinkler system, modern earthquake reinforcements, or a wind resistive roof. These improvements are not covered by a standard policy, because a standard policy restricts coverage to the cost to repair or replace the damage to the way it was before the loss. It will not pay for the betterment required by your local building code. Under ESIP's policy, these betterments are covered.

There is no specific limit of insurance or deductible applying to this coverage extension. Instead, the coverage is limited to the amount of the necessary loss or expense that is actually incurred.

The period of restoration for Business Income (see Business Income and Extra Expense above) includes the increased time due to the enforcement of an ordinance or law.



Outdoor Property

This coverage extension provides coverage for outdoor property including fences, monuments and memorials, paved surfaces such as parking lots, and trees, shrubs, plants, and lawns.

We will pay up to \$300,000 but no more than \$25,000 for each tree, shrub, plant or lawn. A \$250 deductible applies to this coverage extension.

Outdoor Signs

This coverage extension provides coverage for any exterior signs that are on your premises. There is no specific limit of insurance applying to this coverage extension. Instead, the coverage is limited to the amount actually incurred to repair or replace the sign. A \$250 deductible applies to this coverage extension.

Pollutant Clean-Up and Removal

This coverage extension covers the cost to clean up pollutants that are released into soil, water or covered property at your premises because of a fire or some other covered cause of loss (other than equipment breakdown – see Equipment Breakdown above).

For example, you have an above-ground diesel storage tank behind the building, and one of your drivers backs into it with a truck, causing it to spill open, with diesel fuel going everywhere. The basic policy will pay to repair the tank and replace the lost fuel. This coverage extension will pay for the clean-up costs including soil removal or extraction.

This coverage extension has a \$150,000 aggregate limit of insurance applying separately to each premises covered by the policy. There is no deductible.

If there were any resulting lawsuits from neighboring landowners, refer to the General Liability section for an explanation of the pollution liability coverage that we provide.



Preservation of Property

This coverage extension increases the timeframe within the standard policy applying to Preservation of Property to 90 days.

If it is necessary to move covered property from a premises described in the policy schedule to preserve it from loss or damage by a covered cause of loss, the policy will pay for direct physical loss or damage by a covered cause of loss to that property while it is being moved or stored at a temporary location as long as the damage occurs within 90 days of it first being moved.

Property Off Premises

This coverage extension provides coverage of your business personal property while it is at a location that is not listed on the policy. Coverage is provided for the usual all-risk perils (see Perils above), as well as other non-standard perils including earth movement, utility services, water, power surge, and mechanical breakdown. An example would be educational materials in a booth at the fairgrounds, or banquet supplies stored in the chief's garage.

There is a \$100,000 limit of insurance and a \$250 deductible applying to this coverage extension.

Property In Transit

This coverage extension provides coverage for your business personal property while you are moving it from one place to another. It includes coverage for the usual all-risk perils (see Perils above), as well as other non-standard perils including earth movement, utility services, water, power surge, and mechanical breakdown.

There is a \$50,000 limit of insurance and a \$250 deductible applying to this coverage extension.



Property of Others

If you have business personal property of others at your premises that you are responsible for, this coverage extension includes this property under the same coverage that applies to your own business personal property. It provides coverage for the usual all-risk perils (see Perils above), as well as for damage caused by other perils including earth movement, utility services, water, power surge, and mechanical breakdown. The deductible applying to your business personal property applies to this coverage extension.

Sewers and Drains

This coverage extension provides coverage if a sewer or drain backs up and causes damage to covered property. Most standard property policies do not provide this coverage.

Coverage is included within the limit of insurance that applies to your buildings and business personal property. The deductible that applies to your buildings and business personal property, as shown on the policy schedule, applies to this coverage extension.

Software, Data, and Valuable Papers

This coverage extension pays for the research costs and other expenses necessary to reproduce, replace, or restore data and programs stored in your computer or on your computer disks or drives, or your paper records, which are damaged by a covered loss. It provides coverage for damage due to all of the usual all-risk perils (see Perils above), as well as other non-standard perils including computer virus or accidental erasure, earth movement, water, power failure or power surge, short circuit or arcing, and mechanical breakdown.

For example, tax records stored on a computer disk are accidentally overwritten with other files by the treasurer. We will pay for the cost to research and restore the tax records.

There is no specific limit of insurance or deductible that applies to this coverage extension.



Snow Removal Expense

This coverage extension pays the necessary and reasonable expenses incurred by you to remove excessive or dangerous amounts of snow from the roof of a covered building at a premises described in the policy schedule.

The most we will pay under this coverage extension is \$1,000 per policy period. No deductible that applies to this coverage extension.

Spoilage

This coverage extension provides coverage for loss or damage to covered property, if it results from a power failure beyond your control, the electrical or mechanical breakdown of your heater, air conditioner or dehumidifier, or a failure of some other utility service to your premises. Most standard insurance policies do not cover such damage.

For example, you have food in your cooler for an upcoming banquet, a transformer providing power to your location is struck by lightning, causing the power to your premises to go out, spoiling the food in the cooler. We will pay for the cost to replace the food.

There is a \$250,000 limit of insurance and a \$250 deductible applying to this coverage extension.

Tenant Glass

This coverage extension provides coverage for loss or damage caused by a covered cause of loss to glass in a building you occupy but do not own located on a premises described in the policy schedule. Coverage includes replacement of lettering, artwork, ornamentation, sensors or other items permanently affixed to such glass. The glass must be in your care, custody or control and must be repaired at your expense.

There is a \$10,000 limit of insurance applying to this coverage extension. A \$250 deductible applies to this coverage extension.



Uncollected Funds

This coverage pays for any outstanding debts, taxes, pledges or other moneys that you are unable to collect because of the destruction of your records by a covered cause of loss. It also includes coverage of costs you incur to restore your records as well as any increased collection costs you might incur. Covered causes of loss include the normal all-risk perils (see Perils above) and other non-standard perils including earth movement, utility services, water, power surge and mechanical breakdown.

For example, some organizations charge a fee for emergency transports. Perhaps you have two months of accumulated emergency transport invoices stored in your computer but have not had a chance to send them out yet. A member accidentally spills some coffee on the computer and all the invoices are lost. We will pay for the extra costs you incur to have your staff research and restore as many of the invoices as possible. For any records that you cannot restore, the policy will provide coverage for the uncollected fees.

There is no specific limit of insurance or deductible that applies to this coverage extension.

Unintentional Omission of Property

You should always advise your ESIP agent of all buildings you own or occupy, and all business personal property you own, for which property coverage is desired. However, should you unintentionally fail to report all property on an application for insurance or unintentionally fail to report all property prior to the beginning of the policy period, we will pay for covered loss or damage to such property if it qualifies as covered property.

For example, you have a pavilion valued at \$25,000 behind the firehouse which you forget to tell your agent about while completing the ESIP application. The pavilion is damaged by fire after the policy goes into effect. Under this coverage extension we will pay for the damage to the pavilion as though it were scheduled on the policy.



There is a \$500,000 limit of insurance applying to this coverage extension. The deductible applying to similar covered property, as scheduled on the policy, will apply to this coverage extension.

Unscheduled Buildings or Structures

This coverage extension provides coverage for loss or damage caused by a covered cause of loss to any unscheduled buildings or structures used primarily by the public located on a premises described in the policy schedule. It also provides coverage for loss or damage caused by a covered cause of loss to your personal property in such unscheduled buildings or structures.

The limit of insurance applicable to this coverage extension is \$100,000 for unscheduled buildings or structures and \$10,000 for personal property in such unscheduled buildings or structures. The deductible that applies to your buildings or business personal property, as shown on the policy schedule, applies to this coverage extension.

Utility Services

This coverage extension provides coverage for loss or damage to covered property, if it results from a failure of power or other utility service supplied to your premises. The failure must result from direct physical loss or damage to the utility service. Most standard insurance policies do not cover such damage.

There is a \$50,000 limit of insurance and a \$250 deductible applying to this coverage extension.

Waived Deductible

Deductibles will be waived if you have suffered no losses under any policy issued by us during the two (2) consecutive policy periods immediately preceding the current policy period. Deductibles applying to loss or damage to vehicles, buildings, business personal property, and portable equipment will be waived. The maximum amount of the waiver for any one loss is \$1,000. Deductibles will be waived up to three times during the policy period.



Commercial General Liability

Limits of Insurance

Per Occurrence Limit—this is the total amount of insurance available to pay all claims that arise out of a single occurrence or event. The Per Occurrence Limit applies to all types of Commercial General Liability claims including emergency service liability claims, employment-related practices claims, pollution liability, products-completed operations claims, medical malpractice claims, etc. Generally speaking, if the claim is covered under Commercial General Liability, then it is subject to the Per Occurrence Limit, unless it is a claim subject to the Personal Injury and Advertising Injury Limit, the Damage to Premises Rented to You (Fire Damage) Limit, or the Medical Payments Limit (see below.)

Personal and Advertising Injury Limit—this is the amount of insurance provided by this policy for damages claimed by any one person or organization arising out of personal and advertising injury. An explanation of this term is shown below in the section titled Coverage Review.

General Aggregate Limit—this is the most the policy will pay for all claims covered under the Commercial General Liability section, except for claims falling under the Products/Completed Operations Aggregate Limit.

Products/Completed Operations Aggregate Limit—this is the most the policy will pay for all bodily injury and property damage claims covered under this policy that fall under the products-completed operations hazard. The policy contains the complete definition of this term but, in general, it refers to claims that happen away from your premises arising out of products that you sell or work that you perform.

Damage to Premises Rented to You (Fire Damage) Limit—this is the amount of insurance provided by this policy for damage caused by fire, lightning or explosion to any premises that you rent or temporarily occupy, or property damage to any premises you occupy for a period of 7 or fewer consecutive days, if you are legally liable for the damage.



Medical Payments Limit—this is the amount of insurance provided by the policy to pay for certain medical expenses. A description of this coverage is included in Coverage Review below.

Corrective Action Costs Limit—this is the amount of insurance provided by the policy to pay for certain expenses arising from a pollution incident. A description of this coverage is included in Coverage Features below.

Network Security and Data Breach Liability Each Event Limit—this is the amount of insurance provided by this policy for damages claimed by any one person or organization arising out of a Network Security or Data Breach event. A description of this coverage is included in Coverage Review and Coverage Features below.

Network Security and Data Breach Liability Aggregate Limit—this is the most the policy will pay for all claims covered under the Network Security or Data Breach Liability section.

Privacy Event Mitigation Expense Each Event Limit—this is the amount of insurance provided by this policy to pay reasonable and necessary expenses incurred as the result of a Privacy Event. A description of this coverage is included in Coverage Review and Coverage Features below.

Privacy Event Mitigation Expense Aggregate Limit—this is the most the policy will pay for all expenses covered under the Privacy Event Mitigation Expense section.

All of the Commercial General Liability limits apply only to actual payments that the policy makes to claimants. Any money the insurance company spends on court costs, attorney fees, investigations or other claim expenses is not a part of the limit of insurance. The policy will continue to pay for these expenses until all of your coverage is used up in the actual payment of claims to claimants.



Coverage Review

The Commercial General Liability Coverage Part provides coverage under four coverage sections. These are called:

- Coverage A—Bodily Injury and Property Damage Liability
- Coverage B—Personal and Advertising Injury Liability
- Coverage C—Medical Payments
- Coverage D—Emergency Service Liability
- Coverage E —Network Security and Data Breach Liability
- Coverage F —Privacy Event Mitigation Expense

Coverage A—Bodily Injury and Property Damage Liability: This section provides insurance for lawsuits, and claims that might turn into lawsuits, alleging that the insured caused the claimant to suffer bodily injury or property damage. Bodily injury (BI) typically means an injury that needs medical attention. Usually this means physical trauma of some type like a broken bone, a laceration, or a burn, or it could mean illness, disease, or death. Property damage (PD) means physical injury to someone's tangible property such as a building or personal possessions. Property Damage also includes financial losses that might arise because a property owner could not use the property you damaged. There are many coverage features and extensions provided under Coverage A; these are explained in Coverage Features below.

Coverage B—Personal and Advertising Injury Liability: This section provides insurance for lawsuits, and claims that might turn into lawsuits, alleging that the insured caused personal injury or advertising injury to the claimant. In general, these are claims that involve libel, slander, invasion of privacy, and copyright infringement, as well as wrongful eviction, false arrest, and malicious prosecution.

Coverage C—Medical Payments: This section provides money to pay for first aid expenses, ambulance costs, and emergency room treatment if members of the public are injured on your premises or because of your operations. This is not lawsuit insurance. This coverage pays regardless of fault. (For lawsuit coverage, see Coverage A above.) Medical Payments coverage has several limitations described in the policy. Among these are exclusions relating to injuries sustained



by employees, volunteers, tenants, workers at your premises, or people injured while participating in athletics.

Coverage D—Emergency Service Liability: This section is especially designed by ESIP for organizations that provide emergency services. This section provides employment practices liability insurance (EPLI), employee benefits liability insurance (EBLI), public officials errors and omissions coverage (E&O), directors and officers liability coverage (D&O), and wrongful acts coverage for board members and officers. The coverages provided under Coverage D are highlighted in the next section—Coverage Features.

Occurrence versus Claims-Made: We provide Emergency Service Liability insurance to our clients either on an occurrence form basis or on a claims-made basis. The differences between occurrence and claims made are numerous and there are advantages to both. A quick explanation of these two types of policies might summarize the differences by saying that an occurrence form policy responds to claims arising from events that occur during the policy period (even if the claim is not filed until after the policy has expired); while a claims-made policy responds only to claims that are made against the insured during the policy period.

With the ESIP claims-made option, we provide prior acts coverage and offer an unlimited tail (see Prior Acts/Unlimited Tail in Coverage Features below). In some cases, claims-made coverage may allow you to have broader coverage or higher limits for events that took place before the policy was in effect.

The differences between occurrence form and claims-made form often cause confusion. We recommend that you discuss this coverage in detail with your ESIP insurance agent.

Coverage E—Network Security and Data Breach Liability: This section provides insurance for lawsuits, and claims that might turn into lawsuits, arising from events related to the insured's computer system. The coverages provided under Coverage E are highlighted in the next section—Coverage Features.

Coverage F—Privacy Event Mitigation Expense: This section provides coverage for reasonable and necessary fees and expenses, such as notification expenses, the insured incurs to mitigate the effect of a privacy event. The expenses covered under Coverage F are highlighted in the next section—Coverage Features.



Coverage Features

The Commercial General Liability Coverage included in the ESIP policy is designed specifically to meet the insurance needs of emergency service organizations like yours. There are many coverage features that make the ESIP policy very different from a standard policy. In alphabetical order, the major coverage features are briefly described below.

Aggregate Limits

The General Aggregate Limit applies separately to each Named Insured and to each location owned by or rented to you, as scheduled on the policy.

Aircraft & Watercraft

We provide coverage for bodily injury and property damage liability arising out the following:

- use of watercraft of any size or horsepower that you rent, borrow or lease;
- use of watercraft that you own, but only if the vessel is less than 35 feet in length (contact your ESIP agent if you need coverage for a larger vessel);
- contingent liability arising out of aircraft used for firefighting, emergency rescue or emergency evacuation, as long as the aircraft is not owned or operated by an insured; or
- use of unmanned aerial vehicles, commonly known as drones, which you own that are being used for firefighting, emergency rescue or emergency evacuation purposes.

Bail Bonds

This coverage extension increases the limit for bail bonds under supplementary payments from \$250 to \$5,000.



Blanket Additional Insured and Waiver of Subrogation

We add the following as additional insureds under the policy when required in a written contract or agreement:

- Persons or Organizations – As Required by Contract
- Managers, Landlords or Lessors of Premises
- Lessors of Leased Equipment

Coverage shall be primary and any other insurance the persons or organizations shown above have will be excess and not contributory with your insurance, provided that it is required in the written contract or agreement.

The policy is also amended to indicate that we will not subrogate against the additional insureds, but only to the extent that subrogation was waived in a written contract or agreement prior to the occurrence or offense.

Civil Rights and Discrimination

If you are sued on the grounds of discrimination, or that you violated someone's civil rights, coverage is provided under Coverage D—Emergency Service Liability. This coverage applies to suits brought by members of the public as well as suits brought by members of your organization. Malicious or intentional discrimination is not covered except as respects the vicarious liability of your organization for the malicious or intentional acts of your members (see Intentional Acts/Vicarious Liability below.)

Contractual Liability

You may, on occasion, enter into a verbal or a written contract in which you agree to bear the legal responsibility for someone else's legal liability. Be wary of these contracts! Our policy provides coverage under Coverage A—Bodily Injury and Property Damage Liability for liability of others that you assume in a contract, but the coverage is limited by the terms and conditions of the policy. This contractual liability coverage may not be as extensive as the liability you are asked to assume.



Damage to Customer's Autos

This coverage extension applies to damage caused to a customer's auto if you have it in your care, custody or control for the purpose of repairing or servicing it. This coverage extension is subject to a limit of \$50,000 and only applies if there is no business auto policy provided by us which affords such coverage.

Damage to Patient's Property

This coverage extension applies to damage caused to personal property of fire and rescue victims, medical patients or the immediate relatives of such victims or patients if you have it in your care, custody or control at the scene of an emergency or while in transit to a medical facility. This coverage extension is subject to a limit of \$50,000 and only applies if there is no inland marine policy provided by us which affords such coverage.

Directors and Officers Liability

Claims for directors and officers (D&O) liability are covered under Coverage D—Emergency Service Liability. Claims against a board of directors can take many forms, however, when we use the term D&O Liability we are usually referring to:

- Malfeasance—misconduct or wrongdoing by a public official;
- Misfeasance—performing a lawful action in an improper manner; or
- Nonfeasance—failure to act.

This coverage applies to suits brought by members of the public as well as suits brought by members of your organization. Malicious or intentional acts are not covered except as respects the vicarious liability of your organization for the malicious or intentional acts of your members (see Intentional Acts/Vicarious Liability below).

Dispatchers Liability

If your organization operates a Dispatching Center (911 or otherwise), the ESIP policy provides coverage for lawsuits arising from mistakes made by a dispatcher, such as sending responders to the wrong address or failing to dispatch emergency responders.



If your dispatchers are providing first aid advice or medical instructions to callers, there is a potential for medical malpractice claims. The ESIP policy covers this exposure as well (see Medical Malpractice below).

Duties in the Event of Occurrence, Offense, Claim or Suit

This coverage extension limits the persons required to provide us notice of an occurrence, offense, claim or suit to an officer, director, commissioner, board member, trustee, employee, volunteer worker or appointee designated by you to give us notice.

Emergency Services E&O

Emergency Services Errors and Omissions (E&O) is covered under Coverage A—Bodily Injury and Property Damage Liability. This coverage applies to claims arising from firefighting and emergency rescue services. Here is a sampling of claims that would be covered by this insurance:

- arriving too late at the scene of an emergency
- failing to respond with adequate equipment or personnel
- alleged incompetence on the fire ground
- causing unnecessary damage to a structure or personal property
- failing to save a victim
- rekindling

Employee Benefits Liability

Employee Benefits Liability provides coverage for administering benefit plans that you arrange for your members. These may include a pension plan, life insurance, disability coverage or group health insurance. In the event that you make a mistake in administering these plans, Employee Benefits Liability is provided under Coverage D—Emergency Service Liability.

For example, say that your group life insurance plan provides an option for each member to purchase up to \$100,000 of coverage by payroll deduction. A new employee fills out an enrollment card indicating that he wants to purchase the coverage. Your secretary misplaces the enrollment card and fails to put the coverage in place. The employee subsequently dies in a car accident on his way



to a call. His wife is expecting a payment of the \$100,000 death benefit but you don't have any coverage in place. Employee Benefits Liability will cover your legal liability for failing to provide the coverage.

Employment Practices Liability

For most employers, the risk of paying claims to employees (past, present or prospective) is greater than all other loss exposures in terms of both frequency and severity of loss. This is especially true when you consider the variety of employment laws that now regulate the workplace.

While no insurance policy will respond to every employment related claim, we believe that the ESIP policy provides some of the broadest coverage currently available. Employment Practices Liability is provided under Coverage D—Emergency Service Liability. Here are many of the causes of action that our policy will respond to:

- discrimination based on race, ethnicity or national origin, religious or political affiliation, age or medical condition, disability, gender, sexual orientation, marital status, or pregnancy
- sexual or other illegal workplace harassment
- wrongful termination of employment or volunteer duties
- breach of employment contract
- wrongful failure to employ or promote
- wrongful disciplinary action
- wrongful demotion or evaluation
- wrongful infliction of emotional distress

The ESIP policy will respond to lawsuits (tort claims) and will also represent you at mandatory arbitration or alternative dispute resolution proceedings, such as an EEOC hearing.

Malicious or intentional acts are not covered except as respects the vicarious liability of your organization for the malicious or intentional acts of your members (see Intentional Acts/Vicarious Liability below).

**Enhanced Property Damage**

This coverage extension broadens coverage under Coverage A—Bodily Injury and Property Damage Liability to apply to property damage caused by the use of reasonable force to protect persons or property.

Estates, Heirs and Legal Representatives Liability

If a claim or suit for a wrongful act committed by insured person, which is covered under Coverage D—Emergency Service Liability, includes a claim or suit against the insured person's Estates, Heirs or Legal Representatives, we will pay the damages such Estates, Heirs or Legal Representatives become legally obligated to pay.

Fair Labor Standards Act Suits

The ESIP policy will reimburse up to \$100,000 of your reasonable legal defense expenses for a claim or suit that is based on an alleged wrongful act under the Fair Labor Standards Act.

Fellow Member Liability

If one of your members sues another member for injuries sustained on the job or property damage incurred on the job, Fellow Member Liability coverage provides insurance protection for your members under Coverage A—Bodily Injury and Property Damage Liability.

Fund-Raising Activities

Injury to the public, spectators at an exhibition softball game for example, or damage to the public's property during fund-raising activities is covered under Coverage A—Bodily Injury and Property Damage Liability. Injury to participants or damage to participants' property normally is not covered. If you hold a fund-raiser, advise your agent well in advance of the event so that, if automatic coverage is not provided, adequate coverage can be arranged.



Good Samaritan Liability

Many states have statutes that protect private citizens who provide assistance to others in an emergency. These laws have come to be known as Good Samaritan laws. In some states there aren't any Good Samaritan laws and, in the states that do have them, some laws are good while others are weak.

Our policy takes the guesswork out for your members. No matter where they may be in the world, our policy covers them if they stop to render aid at an emergency (provided the lawsuit is brought in the U.S), even if they are off-duty or on vacation. This coverage only applies to emergencies that your members encounter suddenly and unexpectedly.

The coverage does not apply to any member who is responding to an emergency on behalf of another organization.

Injury to Volunteers

In most states, employers are required by law to carry workers compensation or disability benefits insurance covering their employees. In addition, most states have laws protecting employers from lawsuits brought by employees for injuries sustained on the job. However, many of these laws do not protect employers from lawsuits brought by volunteers even if they are performing essentially the same job as an employee.

The ESIP policy contains a special provision stating that if you are in compliance with the laws in your state that require workers compensation coverage or disability benefits insurance, then Coverage A—Bodily Injury and Property Damage Liability will cover lawsuits against you by volunteers for Bodily Injury sustained on the job.

Insureds

Each of your officers, directors, commissioners, board members, employees, trustees, volunteers and appointees is an insured while they are acting within the scope of their duties for you. This holds true for all sections of the Commercial General Liability part of the policy.



Owners of Commandeered Property are Insureds under the ESIP policy for liability arising from your use of such Commandeered property. Coverage for owners of Commandeered Property applies on a primary basis.

Intentional Acts/Vicarious Liability

Malicious or intentional acts are not covered by the ESIP policy. Such coverage is considered to be against public policy and is not permitted by law in most states. However, vicarious liability is covered.

In many cases, an innocent party such as a supervisor or the employer may be sued for failing to prevent or curtail the malicious or intentional acts of an employee (this is called vicarious liability). In these cases, the ESIP policy will provide for the legal defense of the innocent parties, and it will cover the damages that may result to the extent that the damages are allocated by the courts to the innocent parties.

For example, one of your members intentionally discriminates against or sexually harasses another person, the member is not covered. The policy will defend the member if he or she is innocent, but coverage will cease if a malicious act or deliberate intent is legally proven or admitted. If any of your other members are sued due to the actions of the member that committed the malicious or intentional act, the policy will provide coverage them.

An exception to this coverage applies in New York State, where state law does not permit us to provide coverage, including legal defense, for an employee if accused of discrimination based on disparate treatment.

Liberalization

If we revise a coverage form to provide more coverage without an additional premium charge, your policy will automatically provide the additional coverage as of the day the revision is effective in your state.



Liquor Liability

The ESIP policy automatically provides Host Liquor Liability coverage. If your organization serves (but does not sell) alcohol after drills, at meetings, at social functions or at other events, the policy covers claims for Bodily Injury or Property Damage that might result.

In addition, the policy automatically provides Temporary Liquor Liability coverage when your organization sells alcohol at social functions or other events that last 10 days or less, the policy covers claims for Bodily Injury or Property Damage that might result, but only if:

- you carry the required license or permit; or
- a license or permit is not required.

If you sell or distribute alcoholic beverages at events lasting longer than 10 days or on a regular basis, at a social club for instance, you need to purchase Liquor Legal Liability insurance to protect your organization. This coverage is available as an option under the ESIP policy.

Medical Director's E&O

ESIP does not cover the personal liability of any doctor for medical malpractice while he or she is acting as a doctor (see Medical Malpractice below). However if you use a doctor as your EMS medical director or supervising physician, we provide coverage for their administrative duties, including:

- establishing medical protocol
- creating medical training curriculum
- providing medical training
- conducting medical quality assurance programs

In addition, if you have a doctor who is an employee or volunteer, he or she is covered while performing their duties for you as a firefighter or EMT. This coverage is described in more detail in Medical Malpractice below.



Medical Malpractice

Under Coverage A—Bodily Injury and Property Damage Liability, the ESIP policy covers Medical Malpractice for all members of your organization, including physicians while working within the scope of their duties for your organization. Our coverage protects your members while responding to calls, providing dispatching, during training activities, and when they are off-duty (see Good Samaritan Liability above). Coverage for training activities also applies while members are getting training in your local hospital emergency room or trauma center if the training falls within the scope of their duties for you, and is not something they are doing on their own or for somebody else.

There is no medical malpractice coverage for any doctor while acting as a doctor, except for their administrative duties (see Medical Director's E&O above). However, if you have a member who is a doctor, he or she can perform BLS or ALS services and the ESIP policy will cover them.

Mental Anguish

This coverage extension modifies the definition of bodily injury to include mental anguish resulting from bodily injury, sickness or disease.

Network Security and Data Breach Liability

In today's technology driven world the risks associated with electronically storing sensitive, protected or confidential information related to the public you serve and with doing business online have never been greater. Cyber risk is steadily increasing and data breaches now affect millions of records a year.

The risk doesn't affect only large businesses. Any non-profit organization that has a computer, handles confidential information or collects personally identifiable information is at risk for a network security or data breach event. A traditional insurance policy doesn't provide coverage for such exposures.

The ESIP policy will respond to third party claims and suits related to cyber risk under Coverage E—Network Security and Data Breach Liability. It provides liability coverage for:



- disclosure, loss or theft of personally identifiable or confidential corporate information in your care, custody or control which is obtained or released from your computer system
- failure to disclose or warn of the actual or potential disclosure or misappropriation of personally identifiable or confidential corporate information
- violation of any federal, state or local privacy statute addressing disclosure or misappropriation of personally identifiable or confidential corporate information
- transmission of malware from your computer system to a third party
- a denial of service attack which blocks access to your website or computer system

Coverage applies to events first discovered and reported during the policy period or any extended reporting period*.

**In NY coverage applies to claims first made during the policy period or any extended reporting period.*

Newly Formed or Acquired Organizations

This coverage extension increases the length of time for reporting of a newly formed or acquired organization to 180 days or the end of the policy period, whichever is earlier.

Non-Monetary Relief

When somebody sues you, they are usually seeking monetary damages (trying to get some money). Occasionally however, a policyholder may be sued for non-monetary relief. In these cases, the outside party asks the courts to make you stop doing something or perhaps change the way you operate. If they are successful, the courts can issue a restraining order, injunction or some other judgment to force you to change your operations. These cases do not normally involve an insurance carrier. The ESIP policy however will reimburse up to \$100,000 of your reasonable legal defense expenses if the non-monetary suit is based on an alleged wrongful act that is otherwise covered by the policy.



Outside Directorships

On occasion, you may ask one of your board members or chief officers to sit on the board of a not-for-profit organization. An example would be the state fire chief's association or the local chamber of commerce. While these associations normally carry their own directors and officers' liability insurance, you may feel better extending your own coverage for the benefit of your member. If your member serves with your express approval and consent as an officer or director of a not-for-profit organization that is outside of your control and qualifies as a not-for-profit organization under the provisions of the Internal Revenue Code, coverage is provided under Coverage D—Emergency Service Liability for that member while serving in that position.

Pollution Liability

Under Coverage A—Bodily Injury and Property Damage Liability, the ESIP policy provides coverage for lawsuits claiming Bodily Injury or Property Damage caused by pollution accidents that occur on-premises (at any of your locations). This coverage excludes leaks from underground buried or partially buried storage tanks. Aboveground storage tanks and tanks that are located in underground vaults are not excluded.

We also provide coverage for any pollution spills or accidents occurring off-premises (at other locations), if they happen while you are training or responding to an emergency call. ESIP's off-premises pollution liability provides coverage for a pollution accident in two ways. First, it covers lawsuits claiming Bodily Injury or Property Damage arising out of your training activities, controlled burns, or caused by your actions at the scene of an emergency. Second, it will pay for corrective action costs which are expenses incurred by you for the removal or neutralization of pollutants to comply with an order by the U.S. Environmental Protection Agency or by a state EPA.

Prior Acts/Unlimited Tail

Under the claims-made option for Coverage D—Emergency Service Liability, we provide coverage for lawsuits or claims arising out of events that took place before the policy went into effect. This Prior Acts coverage only applies to



situations of which you had no knowledge prior to the inception of the policy or, if you did know about them, you had no reason to believe the situation was going to give rise to a claim.

Also, under the claims-made option for Coverage D—Emergency Service Liability, we offer our policyholders the opportunity to purchase a Supplemental Extended Reporting Period (SERP) after the policy is terminated. We call this SERP an Unlimited Tail because once it is put in place, it can't be canceled and it never expires. If an aggregate limit applies to the policy, we provide a separate aggregate limit in the same amount for the SERP. This coverage option may be needed if the ESIP policy is being terminated, or if you are changing Coverage D—Emergency Service Liability from a claims-made basis to an occurrence form basis. This should be discussed with your ESIP agent.

Privacy Event Mitigation Expense

Barely a day goes by without a report of a business facing a computer hack or a data breach, compromising private information of clients. What doesn't make the headlines is that non-profit organizations face the same threats. These privacy events can result in significant out-of-pocket costs. Just one lost or stolen laptop, one resourceful hacker, or one virus can create enormous financial and reputational consequences for your organization.

The ESIP policy will help alleviate the financial burden associated with compromised data under Coverage F—Privacy Event Mitigation Expense. It will pay reasonable and necessary fees and expenses for:

- computer forensic analysis of your computer system to determine the cause and extent of the privacy event
- review of the privacy event by an approved crisis management or legal firm to advise you of the appropriate response
- travel by your directors, executive officers or employees which is done to mitigate the damage of a privacy event
- costs associated with notifying affected parties of the privacy event to maintain good will or to comply with notification requirements imposed by law



- expenses for services, such as credit monitoring, provided to individuals whose primary identification was the subject of a privacy event, if the purpose of such services is mitigating the effect of a privacy event on them

Coverage applies to events first discovered and reported during the policy period or any extended reporting period*.

**In NY coverage applies to claims first made during the policy period or any extended reporting period.*

Property Damage to Rented Premises (other than fire)

This coverage applies if you rent or lease a building, or otherwise occupy a building that you do not own for a period of eight (8) days or more. We will pay for damage your organization causes to the building. This coverage is subject to a limit of \$50,000.

Spousal Liability

If a claim or suit or a wrongful act committed by insured person, which is covered under Coverage D—Emergency Service Liability, includes a claim or suit against the insured person's spouse, we will pay the damages the spouse becomes legally obligated to pay. This affords no coverage for wrongful acts committed by the spouse.

Unintentional Release of Individually Identifiable Health Information

Under Coverage D—Emergency Service Liability, the ESIP policy provides coverage for lawsuits claiming violation of a federal, state or local law regarding the release of individually identifiable health information. Coverage only applies to the unintentional release of such information. For example, if a member at your sub-station mistakenly faxes a patient care report to a local real estate office instead of your headquarters and a suit is filed alleging violation of federal statute, the ESIP policy will respond.



As an option, we can also provide coverage for Fines and Penalties* assessed by a federal, state or local authority as a result of the violation of such a law. This coverage is subject to a limit of \$100,000 and will not reduce the limits otherwise applicable to wrongful act.

**Not applicable in KS or NY.*

Your Expenses

This coverage extension increases the limit for reasonable expenses incurred by an insured at our request to assist in the investigation and defense of a claim under supplementary payments from \$250 to \$1,000 a day.



CRIME

Coverage Review

Employee Theft

Employee Theft coverage is also referred to as fidelity bonding, employee dishonesty or sometimes as crime insurance. By whatever name, it covers theft of your money or property by your employees or volunteers. Coverage applies to your property as well as property of others for which you are legally liable. It also covers misappropriation or theft by board members, but only if the board member is performing duties usual to an employee.

Employee Theft coverage does not apply to inventory shortages, nor to malicious or destructive acts of your employees. It also does not apply to any employee that you know has committed a dishonest act in the past, while employed by you or previously.

When Blanket coverage is provided, the limit of insurance applies to all losses caused by a single employee. This means that if a single employee steals money or property from you on numerous occasions, over several days, months, or years, the limit of insurance will only apply once to all of the thefts that the employee committed. If the employee is in collusion with other employees, this is still considered to be one loss and a single limit of insurance applies. When selecting a blanket limit for this coverage, you should not consider how much one employee can steal on one day, but how much two or more employees in collusion can pilfer over a long period of time.

When Position Schedule coverage is provided, the limit of insurance applies to all losses caused by a single employee, similar to blanket coverage. The position schedule coverage differs from blanket coverage, however, in how the limit applies to each covered employee. With the position schedule coverage, a limit is listed on the policy for each of the covered positions that you have requested (such as Treasurer, District Secretary, Chief, etc.). The limit applies per loss to all of the dishonest acts committed by the person holding the scheduled position, whether acting alone or in collusion with others. If the thefts involve more than



one of the covered positions, then the limits applying to each of the positions would apply.

Faithful Performance of Duty

Faithful Performance of Duty insurance pays for loss or damage to money, securities or other property due to the failure of an employee to faithfully perform his or her duties as prescribed by your constitution and bylaws or resolution of your governing body, or if you are a governmental entity, as prescribed by law.

Forgery or Alteration

Forgery or Alteration insurance pays for losses you sustain due to the forgery or alteration of checks, drafts or promissory notes made by you or drawn against one of your accounts. This does not apply to forgery or alteration by a member of your organization. The limit of insurance applies to all losses caused by a single person.

Credit Card Forgery

Credit Card Forgery insurance pays for losses you sustain due to the forgery or alteration of written instruments required in conjunction with any credit, debit or charge card issued to you or any employee for business purposes. This does not apply to forgery or alteration by a member of your organization. The limit of insurance applies to all losses caused by a single person. A \$250 deductible applies to this coverage extension.

Computer and Funds Transfer Fraud

Computer and Funds Transfer Fraud provides coverage for:

- Loss resulting from fraudulent entry or change of electronic data or a computer program in a computer system owned, leased or operated by you which causes your money, securities or other property to be transferred paid or delivered to another, or an account at your financial institution to be debited or deleted.
- Loss of your money or securities resulting from fraudulent instruction directing a financial institution to transfer, pay or deliver those funds from your account.

This coverage does not apply to the fraudulent acts of your members.

**Inside the Premises – Theft of Money and Securities**

Inside the Premises – Theft of Money and Securities provides coverage for theft, disappearance or destruction of your money and securities while at your premises or at a banking premises. This does not apply to theft by members of your organization, it is designed to apply to theft by others.

Outside the Premises

Outside the Premises provides coverage for theft, disappearance or destruction of your money and securities while in the custody of a messenger, including your members and employees, while outside your premises. This does not apply to theft by members of your organization, it is designed to apply to theft by others.



Automobile Liability

Limits of Insurance

Liability Combined Single Limit—this is the total amount of insurance available to pay third parties for injuries, damages or lawsuits that arise out of a single accident. A third party is any person or entity that is not an insured under the policy.

Uninsured/Underinsured Motorists Limit—this is the amount of insurance available to pay claims that arise out of a single accident under the Uninsured/Underinsured Motorists coverage. This coverage is described in the Coverage Review below.

Personal Injury Protection Limit—this is the amount of insurance available to pay claims that arise out of a single accident under the Personal Injury Protection coverage. In many states, this coverage is required by state law. This coverage is described in the Coverage Review below.

Medical Payments Limit—this is the amount of insurance available to pay for each person's injuries under the Auto Medical Payments Coverage. This coverage is described in the Coverage Review below.

All of the limits described above apply only to actual payments that the policy makes to claimants. Any money the insurance company spends on court costs, attorney fees, investigations or other claim expenses are not taken from the limit of insurance. The policy will continue to pay for these expenses until all of your coverage is used up in the actual payment of claims to claimants.



Coverage Review

Auto Liability

Automobile Liability coverage protects your organization and its members from lawsuits for accidents involving your vehicles. The coverage normally applies to all motor vehicles licensed for highway use that you own or operate (symbol 1-any auto) and to mobile equipment, such as a bulldozer (symbol 19-mobile equipment subject to financial responsibility laws). This includes vehicles owned by your members while they are being used on your behalf. Depending on the laws in your state, coverage for mobile equipment may fall under the General Liability.

Hired Auto Liability

Hired auto liability coverage is needed to cover situations where you rent or borrow a vehicle on a temporary basis. You are not required to advise the insurance company either before or after using one of these vehicles. Vehicles subject to a long-term lease are not considered to be hired autos—they are treated as if they are owned autos and they must be reported to your agent and listed on the policy.

Medical Payments

Medical payments coverage pays medical expenses for anyone who is injured while using or riding in a covered auto. This coverage excludes employees if the injuries occur out of their employment. For Example: a fire chief is provided with a command car that he also uses as a personal vehicle. One evening, he and his wife are injured when they are involved in an accident while they are driving home from the movies. Medical Payments coverage will pay for the resulting medical expenses.



No-Fault and Personal Injury Protection

These coverages vary from state to state but typically provide coverage for medical expenses and loss of earnings associated to injuries sustained during an auto accident. Our policy automatically provides the minimum coverage required by law in your state. In some states, increased limits or optional coverages are available. To better understand the coverage in your state, please review this topic with your ESIP insurance agent.

Non-Owned Auto Liability

Your organization may be found liable for a member's negligence while using a vehicle you do not own to respond to a call or to perform some other duty for your organization. Non-Owned Auto Liability coverage provides the necessary protection if a member of your organization, is involved in an accident in a vehicle not owned by the organization. Coverage would also apply to a vehicle that you borrow or officially commandeer in order to handle an emergency situation, whether driven by a member of your organization or the owner of the vehicle. ESIP automatically includes this coverage.

Uninsured and Underinsured Motorists Liability

This coverage applies when a covered auto is in an accident with another vehicle, the other driver is at fault, and the other driver has no insurance (uninsured) or very little insurance (underinsured). If one of your members sustains injuries in such an auto accident, they may want to sue the other driver for damages. Uninsured/Underinsured Motorists coverage permits the member to seek damages from the other driver, with your policy providing coverage as if the other driver were insured under your policy.

This coverage is not automatic and the available limits of liability, terms and conditions vary from state to state according to state law. To better understand the coverage in your state, please review this topic with your ESIP insurance agent.



Coverage Features

Bail Bonds

This coverage extension increases the limit for bail bonds in supplementary payments under Liability Coverage from \$2,000 to \$5,000.

Blanket Additional Insured

This coverage extension adds persons or organizations as additional insureds under the policy if required in a written contract or agreement with them.

Coverage shall be primary and any other insurance the persons or organizations have will be excess and not contributory with your insurance, provided that it is required in the written contract or agreement.

Damage to Customer's Autos

This coverage applies if you provide repair services for vehicles belonging to others. We will pay for damage to a customer's vehicle that is left in your care while you are servicing, repairing, parking or storing it at your premises. This coverage also applies to damage that occurs while the vehicle is being road tested. There is a \$50,000 limit of insurance and a \$500 deductible applying to this coverage.

Damage to Non-Owned Buildings

This coverage applies if you rent or lease a building, or otherwise occupy a building that you do not own. We will pay for damage to the building which is caused by a covered auto.

**Duties in the Event of Accident, Claim, Suit or Loss**

This coverage extension limits the persons required to provide us notice of an accident, claim, suit or loss to an officer, director, commissioner, board member, trustee, employee, volunteer worker or appointee designated by you to give us notice.

Enhanced Property Damage

This coverage extension broadens coverage under Auto Liability to apply to property damage caused by the use of reasonable force to protect persons or property.

Fellow Member

If one of your members sues another member for injuries sustained on the job or while volunteering, the ESIP policy provides insurance protection to your members. Fellow member coverage provides the appropriate liability coverage for all of your members while they are using a covered vehicle.

Garage Liability

Garage liability refers to claims arising out of repairs or maintenance that you perform on vehicles belonging to others. If you make a faulty repair to a vehicle, and the owner then has an accident because of the faulty repair, you may be liable for damage to the vehicle and any injuries that result. The ESIP policy covers these types of claims.

Injury to Volunteers

In most states, employers are required by law to carry workers compensation or disability benefits insurance covering their employees. In addition, most states have laws protecting employers from lawsuits brought by employees for injuries sustained on the job. However, many of these laws do not protect employers from lawsuits brought by volunteers even if they are performing essentially the same job as an employee.



The ESIP policy contains a special provision stating that if you are in compliance with the laws in your state that require workers compensation coverage or disability benefits insurance, then the Auto Liability section of the policy will cover lawsuits against you by volunteers for Bodily Injury sustained on the job.

Members as Insureds

Each of your board members, directors, commissioners, officers, employees, trustees, volunteers, and appointees is an insured while using a covered auto within the scope of their duties for you. A covered auto includes not only those vehicles that you own, lease or operate, it includes the vehicles owned, borrowed or rented individually by your members while they are being used on your behalf. This coverage is automatic.

Coverage for members is primary while they are using a covered auto. This means, for instance, that if one of your members has an accident while using their personal car to respond to an emergency call, the ESIP policy will handle any resulting liability claims. The member's personal insurance policy will be excess.

Mental Anguish

This coverage extension modifies the definition of bodily injury to include mental anguish resulting from bodily injury, sickness or disease.

Pollution Liability

This coverage provides protection from lawsuits resulting from the escape or release of pollutants from a covered auto that are used in the performance of your duties as an emergency service organization.

Waiver of Immunity

In some states emergency service organizations have governmental or charitable immunity. This means that they cannot be held liable for various liability claims against them and can thus use that as a defense for claims arising from the use of vehicles in their emergency service operations. The ESIP policy waives the right such defense for property damage claims of up to \$250,000.

**Waiver of Subrogation**

This coverage extension modifies the policy to indicate that we will not subrogate against a person or organization with which you have a written contract, but only to the extent that subrogation was waived in such contract prior to the accident or loss.

Your Expenses

This coverage extension increases the limit for reasonable expenses incurred by an insured at our request to assist in the investigation and defense of a claim in supplementary payments under Liability Coverage from \$250 to \$1,000 a day.



Damage To Vehicles

Limits of Insurance

ESIP insures damage to vehicles on an Agreed Value basis and on an Actual Cash Value (ACV) basis. If a vehicle is shown in the Vehicle Schedule of your proposal with a dollar amount in the Agreed Value column, then the Agreed Value basis applies. If a vehicle is shown in the Vehicle Schedule of your proposal with an X in the ACV column, then the ACV basis applies.

A Guaranteed Replacement Cost (GRC) option is also available for vehicles no more than 5 years old. If a GRC indicator is shown on the Vehicle Schedule next to the Agreed Value, then the GRC basis applies.

Each basis is explained in the coverage review below.

Coverage Review

ESIP provides coverage for vehicle damage in two different areas of the policy:

- Damage to Private Passenger-Type vehicles (also known as PPT's) is usually covered under the Automobile section of the package policy or, in some states, on a separate Automobile policy. ESIP may also include service vehicles such as pick-up trucks or cargo vans under the Automobile.
- Damage to Emergency Response Vehicles (Apparatus) is usually covered under a separate Inland Marine policy. Emergency response vehicles include all firefighting apparatus, rescue vehicles and medical units.
- Any permanently attached (welded, bolted, screwed, wired into, or held in place with setscrews or tension) equipment is considered part of the vehicle and will be covered under the Automobile or Inland Marine with the vehicle.

[In Louisiana and Texas all vehicle coverage is insured under the Automobile policy.]



If a vehicle is insured under the Automobile, you can choose to insure the vehicle for comprehensive coverage, for collision coverage, or for both. You can also choose different deductibles to apply to comprehensive and collision. Under the Inland Marine, all vehicles are covered automatically for both comprehensive coverage and collision, and a single deductible amount applies.

Comprehensive coverage means protection from theft, fire, vandalism, windstorm, flood, earthquake, immersion (sinking) and similar hazards. Collision coverage refers to collision with another auto (even if parked), collision with an object (tree, animal, building, mailbox, etc.), and collision with the road surface itself (rollover accidents).

Under both the Automobile and the Inland Marine, the important exclusions include wear and tear, breakdown, and freezing; though for emergency apparatus we provide specialized coverage for some types of freezing damage (see Freezing below).

Vehicle damage claims are adjusted both by ESIP Claims Department staff as well as by ESIP's exclusive network of independent claims adjusters. Our adjusters work closely with the repair shop you choose in order to return your vehicle to service as quickly as possible. Our goal is to make certain that the work is done quickly and to the complete satisfaction of the policyholder.

The ESIP program uses unique policy language that provides our customers with flexible coverage options and innovative coverage enhancements.

Agreed Value Coverage

If a vehicle is insured for Agreed Value (see Limits of Insurance above), we will pay the lesser of:

1. The Agreed Value

This is the value or limit of insurance that the policyholder chooses to apply to a vehicle. The policy will contain a Schedule of Apparatus showing each insured vehicle and the applicable Agreed Value.



2. The Replacement Cost

This is the cost of a new vehicle manufactured to similar specifications as the lost or damaged vehicle, including the cost of any enhancements due to advancements in technology, safety or equipment standards (as required by governmental authority or any nationally recognized standards setting organizations).

3. The Repair Cost

This is the amount needed to repair your vehicle. We pay for the cost of labor and for new parts identical to the lost or damaged parts. If identical new parts are not available, other parts of similar quality and usefulness will be used.

On the ESIP policy, the repair cost includes:

- any enhancements to the lost or damaged parts of the vehicle due to advancements in technology, safety or equipment standards (as required by governmental authority or any nationally recognized standards setting organizations) provided that such enhancements do not increase the amount needed to repair the loss or damage by more than 50%; and
- the cost to recertify the vehicle if such recertification is required as a result of the damage.

Agreed Value Option

To give our policyholders even greater flexibility, we include another option. If the estimated cost to repair the vehicle is 75% or more of the Agreed Value, you have the option of going ahead with the repairs as described above, or asking us to pay either the full Agreed Value or the full Replacement Cost, whichever is less.

If payment is made under 1 or 2 above, we will take title to the damaged vehicle and sell it as salvage.



Guaranteed Replacement Cost Coverage

If a vehicle is insured for Guaranteed Replacement Cost Coverage (see Limits of Insurance above), we will increase the Agreed Value to whatever amount is necessary to equal the lesser of:

1. The Cost of a New Vehicle

This is the cost of a new vehicle manufactured to similar specifications as the lost or damaged vehicle, including the cost of any enhancements due to advancements in technology, safety or equipment standards (as required by governmental authority or any nationally recognized standards setting organizations).

2. The Repair or Replacement Cost

This is the amount actually spent to repair or replace your vehicle.

ACV Coverage

For vehicles insured on an ACV basis (see Limits of Insurance above), we will take into consideration age, depreciation, and wear and tear if you total the vehicle. We use standard industry guides to determine the ACV (Actual Cash Value) of each damaged or stolen vehicle.

However, in the event of loss or damage to permanently attached special equipment (such as light bars, sirens, computers, two-way radios, scanners, antennas, traffic signal control devices, custom paint, decals or gold leaf lettering) we will pay for the cost to repair or replace this property with new property of like kind and quality without deduction for depreciation. We will also pay for any safety or equipment enhancements required by governmental authority or a nationally recognized standards setting organization.



Coverage Features

Airbags

We will pay for the accidental discharge of an airbag. Coverage under this coverage extension is excess over any other valid and collectible insurance or warranty. No deductible applies to this coverage extension.

Commandeered and Impounded Vehicles

You may have occasion to use your official capacity to commandeer, seize or borrow vehicles belonging to civilians in order to handle an emergency situation. Our policy provides insurance for the civilian's vehicle during the emergency situation and for a reasonable period of time needed to return the vehicle. It also covers any lost income suffered by the civilian as a result. We also cover any vehicle that you impound in your official capacity of enforcing local, state or federal law.

Coverage shall also apply to vehicles belonging to your members if they are commandeered in the course of an emergency at the direction of the officer in charge of the emergency scene.

We will adjust the loss based on the provisions of the owner's insurance policy if their policy pays on a basis other than actual cash value (ACV). No deductible applies to this coverage extension.

Debris Removal

This extension only applies in rare situations. For example, say one of your vehicles is responding to a wild land fire in a rugged area, and gets onto a soft shoulder and rolls into a ravine. The apparatus is totaled and we settle the claim with you. Then the Forest Service demands that the damaged apparatus be removed from the ravine. You have to hire a special team of salvage experts to remove the chassis by helicopter. Even though we already paid the claim in full, we will pay up to \$25,000 for the cost to remove the debris. The \$25,000 applies in addition to the amount paid for direct damage.



Freezing

For emergency apparatus insured on an Agreed Value basis, we cover freezing as long as the loss or damage is not caused by your failure to properly maintain the damaged vehicle. However, loss or damage caused by freezing to the engine or cooling system is not covered.

Full Glass Coverage

No deductible applies for damage to windshields or window glass on vehicles that are insured for physical damage coverage either on an ACV basis or Agreed Value basis.

Garagekeepers

We will pay up to \$50,000 for loss or damage to a customer's auto that is left in your care while you are attending, servicing, repairing, parking or storing it in your garage operations. A \$250 deductible applies to this coverage extension. Coverage applies on a direct primary basis.

Hired Autos

We will pay up to \$500,000 for loss or damage to vehicles that are leased, hired, rented or borrowed that are used by your members on behalf of your organization. This coverage includes any indirect loss claimed by the rental company. We will adjust the loss based on the provisions of the owner's insurance policy if their policy pays on a basis other than actual cash value (ACV). The deductible applying to emergency apparatus insured on an Agreed Value basis also applies to this coverage extension.

For example, your assistant chief flies to another state for a training conference and he has an accident with the Ford Taurus he just rented from Hertz. Hertz will want him to pay for repairs to the vehicle (direct loss) and will also want to be reimbursed for the loss of rental income they would have earned from the vehicle while it is being repaired (indirect loss). We will pay for both the direct and the indirect loss.



Loan or Lease Gap

In the event of a total loss to covered vehicle, we will pay the unpaid amount due on a lease or loan for the covered vehicle. Such amount will be reduced by the amount paid for direct damage to the vehicle and amounts owed for such things as past due payments, penalties or extended warranties.

Members' Vehicles

We will pay for damage to your member's personal vehicle, whether owned by the member or not, if it is damaged while going to, during or returning directly from an emergency. At the option of the member, will pay the full cost of repairs up to the actual cash value (ACV) of the vehicle plus towing and labor costs, and rental reimbursement of \$40 per day for up to 30 days.

We will also pay for damage to your member's personal vehicle, whether owned by the member or not, if it is damaged during drills or other training activities, or while the member is otherwise engaged in their duties for you. If the vehicle is insured under another insurance policy, we will pay the amount of the deductible that applies to the vehicle under the other policy. If the vehicle is not insured under another insurance policy, we will pay the full cost of repairs up to the actual cash value (ACV) of the vehicle.

This coverage extension only applies if you have emergency apparatus insured on an Agreed Value basis. No deductible applies to this coverage extension.

Newly Acquired Vehicles

We will pay up to \$1,000,000 for loss or damage to any vehicles that you acquire during the policy period. This coverage extension applies for a period of sixty (60) days from the date of acquisition. The intent of this coverage extension is to provide coverage in the event you are unable (or forget) to tell your insurance agent about acquiring a new vehicle. Once you report the acquisition, we will charge an additional premium for the vehicle based on the date you took possession. The deductible applying to emergency apparatus insured on an Agreed Value basis also applies to this coverage extension.



Property on Loan

We will pay for loss or damage to emergency apparatus or permanently attached special equipment that is on loan to you under the Federal Excess Property Program, Firefighter Property Program or any similar state or federal program. Coverage for permanently attached special equipment applies whether it is attached to an emergency apparatus on loan to you or to apparatus owned by you.

We will pay the actual cash value of the covered property or the amount necessary to repair or replace the covered property, whichever is less. If the covered property is not repaired or replaced, we will make no payment under this coverage extension. The deductible applying to emergency apparatus covered on an Agreed Value basis also applies to this coverage extension.

Rental Reimbursement

We will pay up to \$15,000 in a 90 day period towards the cost of renting a substitute vehicle if one of your emergency apparatus which is insured on an Agreed Value basis is damaged by a covered loss and you don't have an available reserve or surplus vehicle.

Rental Reimbursement – Member's Vehicles

We will pay up to \$40 per day for up to 30 days to rent a substitute vehicle if your member's personal vehicle, whether owned by the member or not, is damaged while going to, during or returning directly from an emergency and the member has no rental reimbursement coverage on their personal auto policy. No deductible applies to this coverage extension.

Single Occurrence Deductible

All deductibles applying to vehicles, buildings, business personal property and portable equipment in our policies apply on a single occurrence deductible basis. This means that we only apply one deductible (the largest) to an accident even if several vehicles or multiple coverages are involved.



Substitute Vehicles

We will pay up to \$1,000,000 for loss or damage to an emergency vehicle that you do not own if it's being used as a substitute for one of your emergency apparatus which is covered on an Agreed Value basis while it is temporarily out of service. We will adjust the loss based on the provisions of the owner's insurance policy if their policy pays on a basis other than actual cash value (ACV). This coverage extension applies for up to six (6) months. The deductible applying to emergency apparatus covered on an Agreed Value basis also applies to this coverage extension. There is no need to schedule substitute apparatus on the policy.

Towing and Labor

If one of your vehicles is disabled while away from your premises, we will pay for the cost of labor for necessary repairs performed at the place where the disablement happens. We will also pay for the cost of towing. However, if this happens more than 250 miles from the vehicle's usual garage location, we will not pay more than \$2,500 for this coverage extension.

If one of your vehicles is damaged by a covered loss while away from your premises, we will pay for the cost of towing.

If the vehicle has to be towed from the place of damage or disablement to a temporary storage location and then to a repair facility, we will pay the cost of towing for both trips.

No deductible applies to this coverage extension.

Waived Deductible

Deductibles will be waived if you have suffered no losses under any policy issued by us during the two (2) consecutive policy periods immediately preceding the current policy period. Deductibles applying to loss or damage to vehicles, buildings, business personal property, and portable equipment will be waived. The maximum amount of the waiver for any one loss is \$1,000. Deductibles will be waived up to three times during the policy period.



Portable Equipment

Limits of Insurance

The ESIP policy typically provides coverage for unscheduled Portable Equipment on a Guaranteed Replacement Cost (GRC) basis. GRC means that we will pay the amount necessary to repair or replace the lost or damaged equipment, without deduction for depreciation, with no limit of insurance applying. It eliminates the need to adjust a limit of insurance whenever new equipment is purchased.

Coverage can also be provided on a Replacement Cost Value (RCV) basis. RCV means that we will pay the cost to repair or replace lost or damaged property, with no deduction for depreciation, subject to the limit of insurance on the policy. RCV coverage is generally provided if the type and number of emergency apparatus is not provided for determination of the rating value or at the request of the insured when a specific limit of insurance is desired.

Coverage Review

Portable equipment is property normally used by you away from your premises. This includes all of the gear that is used for firefighting, rescue and emergency medical services, as well as equipment used for teaching, training, community awareness and education. For example, portable equipment includes such items as ladders and hose, turnout gear, SCBA, pagers, portable radios, hydraulic tools, defibrillators, and EMS kits. Portable equipment also includes all-terrain vehicles, golf carts, watercraft, and snowmobiles if such property is not covered more specifically elsewhere in the policy.

Portable equipment is insured for many different perils, including fire, wind, flood, earthquake, burglary, theft, vandalism, and accidental breakage. In addition, the ESIP policy provides coverage for damage to portable equipment caused by electrical malfunctions, internal rupture or mechanical breakdown. For



a more detailed discussion of this coverage, see Equipment Breakdown under the Property section above.

The major exclusions and limitations that apply are war and military action, nuclear reaction or radioactive contamination, bird and insect damage, wear and tear, rust, corrosion, hidden defect, employee dishonesty, governmental seizure, or destruction of property by order of governmental authority.

Coverage Features

Additional Living Expenses – Members Residence

In the event of damage to a member's primary residence, which is covered by their own personal insurance, we will pay up to \$1,000 to reimburse the member for reasonable and necessary living expenses incurred by the member due to the loss of use of their residence for up to 3 days following the loss. Coverage applies if the damage to the member's residence occurs while the member is going to an emergency, at an emergency scene or returning directly from an emergency. No deductible applies to this coverage extension.

Commandeered and Impounded Property

You may have occasion to use your official capacity to commandeer, seize or borrow property belonging to civilians in order to handle an emergency situation. Our policy provides insurance for the civilian's property during the emergency situation and for a reasonable period of time needed to return the property. It also covers any lost income suffered by the civilian as a result. We also cover any property that you impound in your official capacity of enforcing local, state or federal law.

Coverage shall also apply to all terrain vehicles, watercraft and snowmobiles belonging to your members if they are commandeered in the course of an emergency at the direction of the officer in charge of the emergency scene.



We will adjust the loss based on the provisions of the owner's insurance policy if their policy pays on a basis other than actual cash value (ACV). No deductible applies to this coverage extension.

For example, heavy snow causes the roof of the local library to collapse, trapping several injured people under the debris. There is an equipment dealer with a 50-ton crane in a nearby town. You commandeer the crane, recruit his shop foreman to operate it, and use the crane to lift the roof debris high enough to allow your rescue squad to evacuate the injured. Unfortunately, the crane is damaged during the rescue. We will pay the dealer for the cost to repair the crane. If the dealer lost some rental income while the crane was being repaired, the policy will also reimburse the dealer for his lost income.

Computers

We will pay up to \$25,000 for loss or damage to computers and software while away from your premises. (See the Property Section for coverage of computers and software while on your premises.) This coverage applies to computers at the scene of a fire or other emergency, while being transported in a vehicle or while being used at the home of a member of your organization. This coverage extension is subject to a \$100 deductible.

Deductible Reimbursement – Members Residence

In the event of damage to a member's primary residence, which is covered by their own personal insurance, we will pay up to \$1,000 to reimburse the member for their deductible. Coverage applies if the damage to the member's residence occurs while the member is going to an emergency, at an emergency scene or returning directly from an emergency. No deductible applies to this coverage extension.

Drones

We will pay up to \$25,000 for loss or damage to drones (unmanned aircraft), including permanently attached equipment such as a camera. This coverage extension is subject to a \$500 deductible.

**Members' Personal Property**

We will pay for damage to your member's personal property if it is damaged while going to, during or returning directly from an emergency, during drills or other training activities, or while the member is otherwise engaged in their duties for you. Such property includes all-terrain vehicles, golf carts, watercraft, and snowmobiles. We will pay for the cost to repair or replace the property without deduction for depreciation. No deductible applies to this coverage extension.

Patients' Property

We will pay up to \$50,000 for loss or damage to the personal effects of fire and rescue victims, medical patients, and their immediate relatives, while their property is entrusted to you at the scene of an emergency or in transit to a medical care facility. A \$100 deductible applies to this coverage extension.

Property Permanently Installed Off Premises

We will pay up to \$200,000 for loss or damage to sirens, antennae, relay stations, traffic signal control receivers, fire hydrants, fences, flag poles, light poles, monuments or memorials, or other property that is permanently installed and located away from your premises. A \$100 deductible applies to this coverage extension.

Recertification Costs

If your portable equipment is damaged by a covered loss, we will pay up to \$10,000 for the cost to recertify the equipment if required by a governmental agency or a nationally recognized standards setting organization. For example, one of your hand ladders, while fully extended, is bumped during a fire and falls to the ground on top of some debris. The basic Portable Equipment coverage will pay for the cost to repair the ladder. Recertification costs coverage will pay the cost to have the ladder tested and re-certified.

**Rental Reimbursement**

We will pay up to \$10,000 towards the cost to rent temporary substitute equipment if your equipment is lost or damaged due to a covered loss. We will pay for rental costs that you necessarily incur while your equipment is being cleaned, disinfected, decontaminated, repaired or replaced. No deductible applies to this coverage extension.

Scheduled Other Property

We will pay the cost to repair or replace any scheduled other property, without deduction for depreciation, if it is damaged by a covered loss. This coverage is subject to the deductible and limit of insurance shown on the schedule.

Single Occurrence Deductible

All deductibles applying to vehicles, buildings, business personal property and portable equipment in your policies will apply on a single occurrence deductible basis. This means that we only apply one deductible (the largest) to an accident even if several vehicles or multiple coverages are involved.

Waived Deductible

Deductibles will be waived if you have suffered no losses under any policy issued by us during the two (2) consecutive policy periods immediately preceding the current policy period. Deductibles applying to loss or damage to vehicles, buildings, business personal property, and portable equipment will be waived. The maximum amount of the waiver for any one loss is \$1,000. Deductibles will be waived up to three times during the policy period.



Umbrella Liability

Limits of Insurance

Aggregate Limit—this is the most the policy will pay for all covered claims. The Aggregate Limit does not apply to claims arising out of the ownership or use of an automobile. Automobile Liability claims are not subject to an aggregate limit.

Personal and Advertising Injury Limit—this is the amount of insurance provided to pay for all claims sustained by any one person or organization arising out of personal and advertising injury. The policy contains the complete definition of this term but, in general, personal and advertising injury refers to libel, slander, invasion of privacy, and copyright infringement, as well as wrongful eviction, false arrest, and malicious prosecution.

Each Occurrence Limit—this is the amount of insurance provided to pay all claims that arise out of a single occurrence or event. The Each Occurrence Limit applies to all types of liability claims including automobile liability, general liability, emergency service liability, employment related liability, pollution liability, products-completed operations liability, medical malpractice, etc. Generally speaking, if the claim is covered under the Umbrella, then it's subject to the Each Occurrence Limit.

Retained Limit—this is the amount that the policyholder must pay for claims that are covered under Umbrella Liability that are not covered under any underlying insurance policies. The ESIP policy does not have a retained limit.



Coverage Review

The Umbrella Liability policy is designed to provide extra limits of insurance above the underlying limits provided by your liability policies, such as Commercial General Liability, Automobile Liability, and Employers Liability. The Umbrella Liability policy covers damages and any legal defense costs you incur if the coverage under the underlying policies is used up or exhausted.

Excess Employer's Liability coverage is available if minimum underlying limits are carried and the carrier for the underlying Employer's Liability coverage is rated A- or better.

There is no right amount of umbrella coverage. As you evaluate your need for coverage, following are some things to consider:

- the size of awards that you have heard or read about;
- the assets you want to protect;
- some accidents result in multiple claimants;
- the value of properties in your service area and the size of the potential lawsuit if you were to be sued for alleged incompetence on the fireground

We recommend that you purchase as much umbrella coverage as you can afford without eliminating other essential coverages.

You should discuss this coverage with your organization's attorney and your ESIP insurance agent.



Training and Safety

E-Learning

- Online Training
- Variety of Available Courses
- Available 24/7

Vehicle Accident Avoidance

- EVOC Training
- Intersection Accident Avoidance Training
- Vehicle Accident Claims Guides
- Safety Posters

Member Safety

- Violence Awareness for Emergency Responder Training
- Safe Patient Handling Training
- PASS Reminder Kits
- Haz-Mat Pocket Guides

Reducing Liability

- Employment Practices Hotline
- Alcohol Server Training
- Alcohol Awareness Kits
- Safety Forms & Checklists
- Policy Development Assistance

General Safety

- On Site Safety Audits
- Risk Management Reports
- Speakers Bureau

For More Information Visit:

- www.esip.com, proceed to the Risk Management link and choose training