

ARCH INSURANCE COMPANY

Harborside 3
210 Hudson Street, Suite 300
Jersey City, NJ 07311-1107

**DECLARATIONS
PORTABLE EQUIPMENT COVERAGE FORM**

POLICY NO. MEIM06985513

RENEWAL OF POLICY NO. MEIM06985512

NAMED INSURED: Williamson County Fire Marshal Special Operations

MAILING ADDRESS: 911 Tracy Chambers Lane
Georgetown, TX 78626

POLICY PERIOD: From 01/27/2019 To 01/27/2020
at 12:01 A.M. Standard Time at your Mailing Address shown above

FORM OF BUSINESS: Individual Joint Venture Partnership Corporation Limited Liability Company
 Other (specify):
Fire Marshal Operations/Haz Mat Team

LIMITS OF INSURANCE: Portable Equipment – Guaranteed Replacement Cost – see
section **C. What We Will Pay**
Other Property – see the Schedule of Other Property

DEDUCTIBLE: \$250 Portable Equipment
\$N/A Other Property


PREMIUM FOR THIS COVERAGE: \$770 Total Premium
\$ Advance Premium (if any)

Forms and Endorsements made a part of this policy at time of issue:
See GU 207

In return for the payment of the premium, and subject to all of the terms and conditions of this policy, we agree with you to provide the insurance as stated in this policy. These Declarations, together with the Common Policy Conditions and Coverage Form(s) and any endorsements, complete the above numbered policy.

Countersigned at:

McNeil Insurance and Risk Services, Inc.

by:  03/05/2019
Authorized Signature and Title Date

sa

(The Attaching Clause need be completed only when this endorsement is issued subsequent to preparation of the policy.)

ENDORSEMENT

This endorsement, effective on 01/27/2019 at 12:01 A.M. standard time, forms a part of

Policy No. MEIM06985513 of the Arch Insurance Company
(NAME OF INSURANCE COMPANY)

issued to Williamson County Fire Marshal Special Operations

By McNeil Insurance and Risk Services, Inc.



Authorized Representative

ENDORSEMENT SCHEDULE

FORMS AND ENDORSEMENTS APPLYING TO THIS COVERAGE PART AND MADE PART OF THIS POLICY AT THE TIME OF ISSUE:

<u>NUMBER</u>	<u>EDITION</u>	<u>NAME</u>
DEC MA 01	01/11	Portable Equipment Policy Declarations
GU207 - FC	06/78	Endorsement Schedule
GU207 - N1	06/78	Long Named Insured Endorsement
05 ML0002	12/14	Signature Page
IL P 001	01/04	OFAC - U.S. Treasury Department
00 ML0042	04/16	TX Policyholder's Notice
05 ML0209	09/07	TX Policyholder's Notice
IL0017	11/98	Common Policy Conditions
IL0288	09/07	Texas Changes
IL0953	01/15	Exclusion of Certified Acts of Terrorism
IL0171	09/07	Texas Changes
CM0001	09/04	Commercial Inland Marine Conditions
CM0112	09/13	Texas Changes
MA0501	01/15	Portable Equipment Coverage Form
MA5008	01/11	Waived Deductible

(The Attaching Clause need be completed only when this endorsement is issued subsequent to preparation of the policy.)

ENDORSEMENT

This endorsement, effective on 01/27/2019 at 12:01 A.M. standard time, forms a part of

Policy No. MEIM06985513 of the Arch Insurance Company
(NAME OF INSURANCE COMPANY)

issued to Williamson County Fire Marshal Special Operations

By McNeil Insurance and Risk Services, Inc.



Authorized Representative

LONG NAMED INSURED ENDORSEMENT

The Named Insured is amended to read as follows:

Williamson County Fire Marshal Special Operations

Williamson County Haz Mat Team



Signature Page

IN WITNESS WHEREOF, Arch Insurance Company has caused this policy to be executed and attested.

A handwritten signature in black ink that reads "John Mentz".

John Mentz
President

A handwritten signature in black ink that reads "Patrick K. Nails".

Patrick K. Nails
Secretary

U.S. TREASURY DEPARTMENT'S OFFICE OF FOREIGN ASSETS CONTROL ("OFAC") ADVISORY NOTICE TO POLICYHOLDERS

No coverage is provided by this Policyholder Notice nor can it be construed to replace any provisions of your policy. You should read your policy and review your Declarations page for complete information on the coverages you are provided.

This Notice provides information concerning possible impact on your insurance coverage due to directives issued by OFAC. **Please read this Notice carefully.**

The Office of Foreign Assets Control (OFAC) administers and enforces sanctions policy, based on Presidential declarations of "national emergency". OFAC has identified and listed numerous:

- Foreign agents;
- Front organizations;
- Terrorists;
- Terrorist organizations; and
- Narcotics traffickers;

as "Specially Designated Nationals and Blocked Persons". This list can be located on the United States Treasury's web site – <http://www.treas.gov/ofac>.

In accordance with OFAC regulations, if it is determined that you or any other insured, or any person or entity claiming the benefits of this insurance has violated U.S. sanctions law or is a Specially Designated National and Blocked Person, as identified by OFAC, this insurance will be considered a blocked or frozen contract and all provisions of this insurance are immediately subject to OFAC. When an insurance policy is considered to be such a blocked or frozen contract, no payments nor premium refunds may be made without authorization from OFAC. Other limitations on the premiums and payments also apply.

IMPORTANT NOTICE TO ALL TEXAS POLICYHOLDERS

IMPORTANT NOTICE

To obtain information or make a complaint:

You may call Arch Insurance Group's toll-free telephone number for information or to make a complaint at:

1-866-413-5550

You may also write to Arch Insurance Group at:

**Arch Insurance Group
Harborside 3
210 Hudson Street, Suite 300
Jersey City, NJ 07311-1107**

You may contact the Texas Department of Insurance to obtain information on companies, coverages, rights or complaints at:

1-800-252-3439

You may write the Texas Department of Insurance:

P.O. Box 149101
Austin, TX 78714-9101
Fax: (512) 490-1007
Web: <http://www.tdi.texas.gov>
E-mail: ConsumerProtection@tdi.texas.gov

PREMIUM OR CLAIM DISPUTES:

Should you have a dispute concerning your premium or about a claim you should contact the Arch Insurance Group first. If the dispute is not resolved, you may contact the Texas Department of Insurance.

ATTACH THIS NOTICE TO YOUR POLICY:

This notice is for information only and does not become a part or condition of the attached document.

AVISO IMPORTANTE

Para obtener informacion o para someter una queja:

Usted puede llamar al numero de telefono gratis de Arch Insurance Group para informacion o para someter una queja al:

1-866-413-5550

Usted también puede escribir a Arch Insurance Group:

**Arch Insurance Group
Harborside 3
210 Hudson Street, Suite 300
Jersey City, NJ 07311-1107**

Puede comunicarse con el Departamento de Seguros de Texas para obtener informacion acerca de companias, coberturas, derechos o quejas al:

1-800-252-3439

Puede escribir al Departamento de Seguros de Texas:

P.O. Box 149101
Austin, TX 78714-9101
Fax: (512) 490-1007
Web: <http://www.tdi.texas.gov>
E-mail: ConsumerProtection@tdi.texas.gov

DISPUTAS SOBRE PRIMAS O RECLAMOS:

Si tiene una disputa concniente a su prima o a un reclamo, debe comunicarse con el Arch Insurance Group primero. Si no se resuelve la disputa, puede entonces comunicarse con el departamento (TDI).

UNA ESTE AVISO A SU POLIZA:

Este aviso es solo para proposito de informacion y no se convierte en parte o condicion del documento adjunto.

**POLICYHOLDER NOTICE - TEXAS
(For General Liability and Commercial Auto Policies)**

LOSS CONTROL ENGINEERING SERVICES

As a policyholder of Arch Insurance Company insured for certain general liability and/or commercial auto exposures in the State of Texas, you are entitled to loss control consultative services.

These services may include, but not necessarily be limited to: loss data and analyses; training assistance in hazard reduction and loss control; physical hazard surveys; and training in hazard recognition and loss control.

The above services will be made available by Arch Insurance Company, through McNeil & Company's Loss Control Department. If you have any questions with which we can assist you regarding loss prevention services, please contact McNeil & Company, Inc. at 1-800-822-3747, or at the following address:

**McNeil & Company, Inc.
20 Church Street
P.O. Box 5670
Cortland, NY 13045**

You may also contact the Arch Loss Control Services Center at 1-888-411-2832, LossControl@archinsurance.com, or at the following address:

**Arch Insurance Group
One Liberty Plaza, 53rd Floor
New York, NY 10006**

COMMON POLICY CONDITIONS

All Coverage Parts included in this policy are subject to the following conditions.

A. Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
 - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

B. Changes

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

C. Examination Of Your Books And Records

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

D. Inspections And Surveys

1. We have the right to:
 - a. Make inspections and surveys at any time;

- b. Give you reports on the conditions we find; and
- c. Recommend changes.

2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
 - a. Are safe or healthful; or
 - b. Comply with laws, regulations, codes or standards.

3. Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

E. Premiums

The first Named Insured shown in the Declarations:

1. Is responsible for the payment of all premiums; and
2. Will be the payee for any return premiums we pay.

F. Transfer Of Your Rights And Duties Under This Policy

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TEXAS CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

COMMERCIAL INLAND MARINE COVERAGE PART
CRIME AND FIDELITY COVERAGE PART
EQUIPMENT BREAKDOWN COVERAGE PART
FARM COVERAGE PART – LIVESTOCK COVERAGE FORM
FARM COVERAGE PART – MOBILE AGRICULTURAL MACHINERY AND EQUIPMENT COVERAGE FORM

A. The following is added to Paragraph 2. of the **Cancellation** Common Policy Condition:

We may cancel this policy for any reason except, that under the provisions of the Texas Insurance Code, we may not cancel this policy solely because the policyholder is an elected official.

B. The following condition is added:

NONRENEWAL

We may elect not to renew this policy except, that under the provisions of the Texas Insurance Code, we may not refuse to renew this policy solely because the policyholder is an elected official.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

BOILER AND MACHINERY COVERAGE PART
 COMMERCIAL INLAND MARINE COVERAGE PART
 COMMERCIAL PROPERTY COVERAGE PART
 CRIME AND FIDELITY COVERAGE PART
 EQUIPMENT BREAKDOWN COVERAGE PART
 FARM COVERAGE PART
 STANDARD PROPERTY POLICY

SCHEDULE

The **Exception Covering Certain Fire Losses** (Paragraph **C**) applies to property located in the following state(s), if covered under the indicated Coverage Form, Coverage Part or Policy:

State(s)	Coverage Form, Coverage Part Or Policy
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. The following definition is added with respect to the provisions of this endorsement:

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

B. The following exclusion is added:

CERTIFIED ACT OF TERRORISM EXCLUSION

We will not pay for loss or damage caused directly or indirectly by a "certified act of terrorism". Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

C. Exception Covering Certain Fire Losses

The following exception to the exclusion in Paragraph **B.** applies only if indicated and as indicated in the Schedule of this endorsement.

If a "certified act of terrorism" results in fire, we will pay for the loss or damage caused by that fire. Such coverage for fire applies only to direct loss or damage by fire to Covered Property. Therefore, for example, the coverage does not apply to insurance provided under Business Income and/or Extra Expense coverage forms or endorsements which apply to those forms, or to the Legal Liability Coverage Form or the Leasehold Interest Coverage Form.

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

D. Application Of Other Exclusions

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss which would otherwise be excluded under this Coverage Part or Policy, such as losses excluded by the Nuclear Hazard Exclusion or the War And Military Action Exclusion.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TEXAS CHANGES – LOSS PAYMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL INLAND MARINE COVERAGE PART
CRIME AND FIDELITY COVERAGE PART
EQUIPMENT BREAKDOWN COVERAGE PART

A. Loss Payment

1. With respect to the Crime And Fidelity Coverage Part and Equipment Breakdown Coverage Part, the following conditions are added.
2. With respect to the Commercial Inland Marine Coverage Part, the following conditions replace Item **E. Loss Payment** in the Commercial Inland Marine Loss Conditions:

a. Claims Handling

- (1) Within 15 days after we receive written notice of claim, we will:
 - (a) Acknowledge receipt of the claim. If we do not acknowledge receipt of the claim in writing, we will keep a record of the date, method and content of the acknowledgment;
 - (b) Begin any investigation of the claim; and
 - (c) Request a signed, sworn proof of loss, specify the information you must provide and supply you with the necessary forms. We may request more information at a later date, if during the investigation of the claim such additional information is necessary.

- (2) We will notify you in writing as to whether:

- (a) The claim or part of the claim will be paid;
- (b) The claim or part of the claim has been denied, and inform you of the reasons for denial;
- (c) More information is necessary; or
- (d) We need additional time to reach a decision. If we need additional time, we will inform you of the reasons for such need.

We will provide notification, as described in **(2)(a)** through **(2)(d)** above, within:

- (i) 15 business days after we receive the signed, sworn proof of loss and all information we requested; or
- (ii) 30 days after we receive the signed, sworn proof of loss and all information we requested, if we have reason to believe the loss resulted from arson.

If we have notified you that we need additional time to reach a decision, we must then either approve or deny the claim within 45 days of such notice.

b. We will pay for covered loss or damage within 5 business days after:

- (1)** We have notified you that payment of the claim or part of the claim will be made and have reached agreement with you on the amount of loss; or
- (2)** An appraisal award has been made.

However, if payment of the claim or part of the claim is conditioned on your compliance with any of the terms of this policy, we will make payment within 5 business days after the date you have complied with such terms.

c. Catastrophe Claims

If a claim results from a weather related catastrophe or a major natural disaster, the claim handling and claim payment deadlines described in **a.** and **b.** above are extended for an additional 15 days.

Catastrophe or Major Natural Disaster means a weather related event which is:

- (1)** Declared a disaster under the Texas Disaster Act of 1975; or
- (2)** Determined to be a catastrophe by the State Board of Insurance.

d. The term "business day", as used in this endorsement, means a day other than Saturday, Sunday or a holiday recognized by the state of Texas.

B. With respect to the Commercial Inland Marine Coverage Part the following is added:

We will not be liable for any part of a "loss" that has been paid or made good by others.

COMMERCIAL INLAND MARINE CONDITIONS

The following conditions apply in addition to the Common Policy Conditions and applicable Additional Conditions in Commercial Inland Marine Coverage Forms:

LOSS CONDITIONS

A. Abandonment

There can be no abandonment of any property to us.

B. Appraisal

If we and you disagree on the value of the property or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

1. Pay its chosen appraiser; and
2. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

C. Duties In The Event Of Loss

You must see that the following are done in the event of loss or damage to Covered Property:

1. Notify the police if a law may have been broken.
2. Give us prompt notice of the loss or damage. Include a description of the property involved.
3. As soon as possible, give us a description of how, when and where the loss or damage occurred.
4. Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a Covered Cause of Loss. Also, if feasible, set the damaged property aside and in the best possible order for examination.

5. You will not, except at your own cost, voluntarily make a payment, assume any obligation, or incur any expense without our consent.

6. As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records.

Also permit us to take samples of damaged and undamaged property for inspection, testing and analysis, and permit us to make copies from your books and records.

7. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

8. Send us a signed, sworn proof of loss containing the information we request to settle the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.

9. Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or suit.

10. Cooperate with us in the investigation or settlement of the claim.

D. Insurance Under Two Or More Coverages

If two or more of this policy's coverages apply to the same loss or damage, we will not pay more than the actual amount of the loss or damage.

E. Loss Payment

1. We will give notice of our intentions within 30 days after we receive the sworn proof of loss.
2. We will not pay you more than your financial interest in the Covered Property.
3. We may adjust losses with the owners of lost or damaged property if other than you. If we pay the owners, such payments will satisfy your claim against us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.
4. We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.

5. We will pay for covered loss or damage within 30 days after we receive the sworn proof of loss if you have complied with all the terms of this Coverage Part and:
 - a. We have reached agreement with you on the amount of the loss; or
 - b. An appraisal award has been made.
6. We will not be liable for any part of a loss that has been paid or made good by others.

F. Other Insurance

1. You may have other insurance subject to the same plan, terms, conditions and provisions as the insurance under this Coverage Part. If you do, we will pay our share of the covered loss or damage. Our share is the proportion that the applicable Limit of Insurance under this Coverage Part bears to the Limits of Insurance of all insurance covering on the same basis.
2. If there is other insurance covering the same loss or damage, other than that described in 1. above, we will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable Limit of Insurance.

G. Pair, Sets Or Parts

1. Pair Or Set

In case of loss or damage to any part of a pair or set we may:

- a. Repair or replace any part to restore the pair or set to its value before the loss or damage; or
- b. Pay the difference between the value of the pair or set before and after the loss or damage.

2. Parts

In case of loss or damage to any part of Covered Property consisting of several parts when complete, we will only pay for the value of the lost or damaged part.

H. Recovered Property

If either you or we recover any property after loss settlement, that party must give the other prompt notice. At your option, the property will be returned to you. You must then return to us the amount we paid to you for the property. We will pay recovery expenses and the expenses to repair the recovered property, subject to the Limit of Insurance.

I. Reinstatement Of Limit After Loss

The Limit of Insurance will not be reduced by the payment of any claim, except for total loss or damage of a scheduled item, in which event we will refund the unearned premium on that item.

J. Transfer Of Rights Of Recovery Against Others To Us

If any person or organization to or for whom we make payment under this Coverage Part has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after loss to impair them. But you may waive your rights against another party in writing:

1. Prior to a loss to your Covered Property.
2. After a loss to your Covered Property only if, at time of loss, that party is one of the following:
 - a. Someone insured by this insurance; or
 - b. A business firm:
 - (1) Owned or controlled by you; or
 - (2) That owns or controls you.

This will not restrict your insurance.

GENERAL CONDITIONS

A. Concealment, Misrepresentation Or Fraud

This Coverage Part is void in any case of fraud, intentional concealment or misrepresentation of a material fact, by you or any other insured, at any time, concerning:

1. This Coverage Part;
2. The Covered Property;
3. Your interest in the Covered Property; or
4. A claim under this Coverage Part.

B. Control Of Property

Any act or neglect of any person other than you beyond your direction or control will not affect this insurance.

The breach of any condition of this Coverage Part at any one or more locations will not affect coverage at any location where, at the time of loss or damage, the breach of condition does not exist.

C. Legal Action Against Us

No one may bring a legal action against us under this Coverage Part unless:

1. There has been full compliance with all the terms of this Coverage Part; and
2. The action is brought within 2 years after you first have knowledge of the direct loss or damage.

D. No Benefit To Bailee

No person or organization, other than you, having custody of Covered Property will benefit from this insurance.

E. Policy Period, Coverage Territory

We cover loss or damage commencing:

1. During the policy period shown in the Declarations; and
2. Within the coverage territory.

F. Valuation

The value of property will be the least of the following amounts:

1. The actual cash value of that property;

2. The cost of reasonably restoring that property to its condition immediately before loss or damage; or

3. The cost of replacing that property with substantially identical property.

In the event of loss or damage, the value of property will be determined as of the time of loss or damage.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TEXAS CHANGES

This endorsement modifies insurance provided under the following:

COMMERCIAL INLAND MARINE COVERAGE PART

- A. Loss Condition B. Appraisal** in the Commercial Inland Marine Conditions is replaced by the following:
- B. Appraisal**
1. If we and you disagree on the value of the property or the amount of loss, either may make written demand, within 60 days after our receipt of a signed, sworn proof of loss, for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree for 15 days upon such umpire, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:
 - a. Pay its chosen appraiser; and
 - b. Bear the other expenses of the appraisal and umpire equally.
 2. If there is an appraisal:
 - a. You will still retain your right to bring a legal action against us, subject to the provisions of the Legal Action Against Us Commercial Inland Marine Condition; and
 - b. We will still retain our right to deny the claim.
- B. Paragraph 8.** of Loss Condition **C. Duties In The Event Of Loss** in the Commercial Inland Marine Conditions is replaced by the following:
8. Send us a signed, sworn proof of loss containing the information we request to settle the claim. You must do this within 91 days after our request. We will supply you with the necessary forms.
- C. Paragraph 2.** of General Condition **C. Legal Action Against Us** in the Commercial Inland Marine Conditions is replaced by the following:
2. The action is brought within two years and one day from the date the cause of action first accrues. A cause of action accrues on the date of the initial breach of our contractual duties as alleged in the action.
- D. Paragraphs A.5.a.** and **A.5.b.** of the **Coverage Extensions** and Section **F. Definitions** in the Equipment Dealers Coverage Form are deleted.

PORTABLE EQUIPMENT COVERAGE FORM

In return for the payment of premium and subject to all the terms of the policy, we agree to provide the insurance as stated in this policy. Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered. Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the Company providing this insurance. Other words and phrases that appear in quotation marks have special meaning. Refer to the **Definitions** section.

A. Coverage**1. Covered Property**

We will pay for direct loss or damage to Covered Property caused by or resulting from a Covered Cause of Loss. Covered Property, as used in this Coverage Form, means:

- a. "Portable Equipment;" and
- b. "Other Property" as listed and described in the Declarations or the Coverage Extensions.

2. Property Not Covered

Covered Property does not include:

- a. Buildings;
- b. Your building maintenance equipment used to maintain or service the building or structure you occupy unless specifically listed and described in the Declarations;
- c. Your furniture, furnishings and building fixtures unless specifically listed and described in the Declarations;
- d. Valuable papers and records, stamps, money, securities, precious metals, or gems, except jewelry;
- e. "Apparatus";
- f. "Computers and software", however this exclusion does not apply to "permanently attached special equipment."

3. Covered Cause of Loss

Covered Cause of Loss means risks of direct physical loss or damage to Covered Property except those causes of loss listed in **Exclusions**.

B. Exclusions

1. We will not pay for loss or damage caused directly or indirectly by any of the following. Such loss or damage is excluded regardless of any other cause or event that contributed concurrently or in any sequence to the loss:
 - a. Seizure or destruction of property by order of governmental authority. But we will pay for loss or damage caused by or resulting from acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread if the fire would be covered under this Coverage Form. This exclusion does not apply to seizure or destruction due to covered property being contaminated by or exposed to non-radioactive hazardous materials or other non-radioactive substances.
 - b. Any weapon employing atomic fission or fusion; nuclear reaction or radiation, or radioactive contamination from any other cause. But if loss or damage by a Covered Cause of Loss results, we will pay for the loss or damage caused by that Covered Cause of Loss.
 - c. War, including undeclared or civil war; warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

2. We will not pay for loss or damage caused by or resulting from any of the following:
 - a. Dishonest or criminal acts by you, your "members" or anyone else to whom you entrust the property for any purpose:
 - (1) Acting alone or in collusion with others; or
 - (2) Whether or not occurring during the hours of employment.

This exclusion does not apply to Covered Property that is entrusted to others who are carriers for hire or to acts of destruction by your "members"; but theft by "members" is not covered.

- b. Delay, loss of use, loss of market or any other consequential loss.
 - c. Any mysterious disappearance or unexplained shortage discovered by taking inventory.
3. We will not pay for loss or damage caused by or resulting from any of the following:
 - a. Wear, tear, hidden or latent defect, gradual deterioration, mechanical breakdown, or any quality in the property that causes it to damage or destroy itself, depreciation, corrosion or rust.
 - b. Freezing, if the loss or damage is caused by your failure to properly maintain the damaged property.

But if loss or damage by a Covered Cause of Loss results, we will pay for the loss or damage caused by that Covered Cause of Loss.

C. What We Will Pay

1. Portable Equipment

In the event of covered loss or damage to "Portable Equipment" for which a Deductible is shown in the Declarations, we will pay the amount necessary to repair or replace the covered property without deduction for depreciation.

We will also pay up to \$10,000 for the cost to recertify your "Portable Equipment" arising from covered loss or damage if such recertification is required by a government agency or nationally recognized standards setting organization.

2. Other Property

In the event of covered loss or damage to your "Other Property", we will pay the amount necessary to repair or replace the covered property without deduction for depreciation, or the Limit of Insurance, whichever is less.

3. Deductible

- a. We will not pay for loss or damage in any one occurrence until the amount of the adjusted loss or damage exceeds the Deductible shown in the Declarations. We will then pay the amount of the adjusted loss or damage in excess of the Deductible, up to the applicable Limit of Insurance (if any).
- b. In the event of covered loss or damage arising out of a single occurrence where more than one deductible applies, then we will only apply one deductible, the largest, and the other deductibles will be waived.
- c. In the event of covered loss or damage arising out of a single occurrence, accident or event that is covered under this coverage part and any other coverage part of this policy or any other policy issued by us to you, we will only apply one deductible, the largest, to all covered loss or damage and the other deductibles will be waived.
- d. Sections 3.b. and 3.c. above shall apply only if such application results in a greater claim payment to you than the claim payment we would have made if not applied.

D. Coverage Extensions

1. Member's Property

We will pay for loss or damage from a Covered Cause of Loss to your "member's" personal property if the loss or damage occurs:

- a. At your premises;
- b. While the "member" is in possession of the property when responding to an emergency. Coverage shall only apply while in route to the emergency scene, during the emergency (including property at the scene that is temporarily not in the "member's" possession), and returning directly from the emergency scene to the "member's" home, place of employment, or to your premises;
- c. While the "member" is in possession of the property when otherwise performing their duties for you. Such coverage shall include loss or damage that occurs while attending training activities, including while in route to the training location, during training (including property at the training location that is temporarily not in the "member's" possession), and while returning directly from the training location to the "member's" home, place of employment, or to your premises.

We will pay the cost to repair or replace the lost or damaged property without deduction for depreciation.

As used in this coverage extension, your "member's" personal property shall include all-terrain vehicles, watercraft, golf carts or snowmobiles.

Subparagraph **A.2.f.** does not apply to this coverage extension.

No deductible applies to this coverage extension.

2. Rental Reimbursement - Portable Equipment

We will pay up to \$10,000 per occurrence for the cost to rent substitute "Portable Equipment" because of loss or damage to your "Portable Equipment" from a Covered Cause of Loss. We will only pay rental costs that you necessarily incur while your "Portable Equipment" is being cleaned, disinfected, decontaminated, repaired or replaced.

No deductible applies to this coverage extension.

3. Debris Removal

We will pay up to \$25,000 per occurrence for the cost to remove debris arising from loss or damage to Covered Property from a Covered Cause of Loss.

The deductible applying to such Covered Property on the Declarations applies to this coverage extension.

4. Commandeered and Impounded Property

We will pay for direct physical loss or damage from a Covered Cause of Loss to "Commandeered Property" and "Impounded Property".

We will pay the actual cash value of the lost or damaged property or the amount for which you are legally liable. However, if the insurance policy of the owner of the "Commandeered Property" or "Impounded Property" provides coverage on a basis other than actual cash value, we will adjust the loss based on the provisions of the owner's insurance policy.

In addition, we will pay those sums that you are legally obligated to pay as damages for any resulting indirect loss incurred by the owner of the property arising from loss of use of the property.

Under this coverage extension, we do not cover:

- a. Personal effects belonging to you, your partners, officers, employees or volunteers;
- b. Money and securities;
- c. "Impounded property" before an official inventory of the property is taken and signed by the owner of the property.

However, we will cover automobiles, watercraft, all terrain vehicles and snowmobiles belonging to your officers, employees or volunteers if such are commandeered at the direction of the officer in charge of the emergency scene.

Coverage is provided for "commandeered property" only for the time you officially use the property to handle an "emergency situation" plus the reasonable time necessary to return the property. Coverage is provided for "impounded property" only for the time you are in possession of the property in your official capacity of enforcing the laws of the local, state or Federal government. In no case will coverage extend beyond the policy period.

Subparagraph **A.2.f.** does not apply to this coverage extension.

No deductible applies to this coverage extension.

5. Patient's Property

We will pay for direct physical loss or damage by a Covered Cause of Loss to the personal effects of fire and rescue victims, medical patients, and the immediate relatives of such victims and patients, while such property is in your care, custody or control at the scene of an emergency or while in transit to or from a medical care facility.

We will pay up to \$50,000 per occurrence or the amount necessary to repair or replace the lost or damaged property without deduction for depreciation, whichever is less.

Subparagraphs **A.2.d.**, **A.2.f.**, and **B.2.a.** do not apply to this coverage extension.

This coverage extension is subject to a deductible of \$100 per occurrence.

6. Computers

We will pay for direct physical loss or damage from a Covered Cause of Loss to "computers and software" you own, lease or rent from others, or for which you are legally responsible while in transit or away from your premises. Such loss shall include loss or damage caused by computer virus or accidental erasure.

We will pay the amount necessary to repair or replace the "computers and software", without deduction for depreciation, including the research and other costs necessary to reproduce, repair, replace or restore the lost or damaged property provided you actually repair, replace or reproduce such property. We will not pay more \$25,000 per occurrence for all such loss, damage and costs.

Subparagraph **A.2.f.** does not apply to this coverage extension.

This coverage extension is subject to a deductible of \$100 per occurrence.

7. Permanently Installed Property Off Premises

We will pay for direct physical loss or damage from a Covered Cause of Loss to your property that is permanently installed at a premises which is not regularly used for the storage of your "Apparatus" or "Portable Equipment." Such property may include, but is not limited to, sirens, antennae, communication system relay stations, call boxes, traffic control devices, hydrants, fences, flag poles, light poles, monuments or memorials.

We will pay up to \$200,000 per occurrence or the amount necessary to repair or replace the lost or damaged property without deduction for depreciation, whichever is less.

This coverage extension does not apply to:

- a.** Covered Property in or on an "Apparatus";
- b.** "Portable Equipment."

This coverage extension is subject to a deductible of \$100 per occurrence.

8. Deductible Reimbursement – Members

In the event of direct physical loss or damage to a “member’s” permanent residence, which is covered by the “member’s” insurance policy, we will pay the amount of the deductible applying to such loss or damage. Coverage applies to real property only and the loss or damage must occur while the “member” is responding to an emergency. Coverage shall apply while the “member” is in route to an emergency scene, during the emergency, and returning directly from an emergency scene to the “member’s” permanent residence, place of employment, or to your premises.

The most we will pay under this coverage extension is \$1,000.

No deductible applies to this coverage extension.

9. Additional Living Expenses – Members

In the event of direct physical loss or damage to a “member’s” permanent residence, which is covered by the “member’s” insurance policy, we will pay reasonable and necessary living expenses incurred by the “member” due to the loss of use of their residence for up to three days following the loss. Coverage applies to real property only and the loss or damage must occur while the “member” is responding to an emergency. Coverage shall apply while the “member” is in route to an emergency scene, during the emergency, and returning directly from an emergency scene to the “member’s” permanent residence, place of employment, or to your premises.

The most we will pay under this coverage extension is \$1,000.

No deductible applies to this coverage extension.

10. Drones

We will pay up to \$25,000 per occurrence for direct physical loss or damage from a Covered Cause of Loss to an unmanned aerial device, more commonly known as a drone, including any permanently attached equipment such as a camera, which is normally used by you away from your premises in the performance of your duties as an emergency service organization. We will pay the amount necessary to repair or replace the covered property without deduction for depreciation.

This coverage extension is subject to a deductible of \$500 per occurrence.

E. Definitions

1. "Apparatus" means a land motor vehicle, trailer or semi-trailer designed for travel on public roads and its "permanently attached special equipment."
2. "Commandeered Property" means real and personal property belonging to someone else including but not limited to automobiles, watercraft, all-terrain vehicles, golf carts, snowmobiles, aircraft and animals that you commandeer, seize, borrow or take over for official use to handle an "emergency situation" or to enforce the laws of the local, state or federal government.
3. "Computers and software" means computers, printers and related peripheral computer equipment, and programs, files and data which exist on computer disks, drives or tapes.
4. "Emergency Situation" means an unexpected situation demanding immediate, official action.
5. "Impounded Property" means real and personal property belonging to someone else including but not limited to automobiles, watercraft, aircraft and animals that you take and hold in legal custody in your official capacity of enforcing the laws of the local, state or Federal government.
6. "Member" includes your officers, directors, commissioners, board members, trustees, employees (including leased employees) and volunteers.
7. "Other Property" means property, including property of others, specifically described in the Declarations.
8. "Permanently attached special equipment" means property which is welded, bolted, screwed or wired to the "Apparatus", or held in place with set screws or tension.
9. "Portable Equipment" means property, including property of others, normally used by you away from your premises in the performance of your duties as an emergency service organization. Such property includes

materials used away from your premises for firefighting, rescue and emergency medical services, or for teaching and training purposes, including community awareness and education. "Portable Equipment" includes watercraft, all-terrain vehicles, golf carts and snowmobiles if such property is not covered under this or another coverage form or policy issued by us where it is more specifically described.

"Portable Equipment" does not include "Apparatus".

F. Loss Conditions

1. Other Insurance

As respects **D.1. Member's Property**, **D.4. Commandeered and Impounded Property**, and **D.5. Patient's Property**, this insurance shall be primary to any other insurance issued to the owner of the lost or damaged property.

2. Privilege to Adjust with Owner

In the event of loss or damage involving property of others in your care, custody and control, we have the right to:

- a. Settle the claim with the owners of the property. A receipt for payment from the owners of that property will satisfy any claim of yours;
- b. Provide a defense for legal proceedings against you. If provided, the expense of this defense will be at our cost and will not reduce the applicable Limit of Insurance under this insurance. We have no duty to provide such defense.

3. Recoveries

If any person or organization to whom or for whom we make payment under this Coverage Form has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after the loss to impair them.

4. Liberalization

If a revision of a form or endorsement which would broaden coverage without an additional premium is adopted by us during the policy period, or within six (6) months before this coverage is effective, the broadened coverage will apply.

5. Coverage Territory

Coverage provided by this Coverage Form shall only apply to loss or damage to covered property that is located within the following territory at the time of loss or damage:

- a. The United States of America;
- b. Puerto Rico;
- c. Canada.

ARCH INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WAIVED DEDUCTIBLE

This endorsement modifies the insurance provided under the following:

APPARATUS AND PORTABLE EQUIPMENT COVERAGE FORM

PORTABLE EQUIPMENT COVERAGE FORM

The following is added to **4. Deductible** under **C. What We Will Pay**:

The deductible will be waived if the "insured" has suffered no losses under this or any other coverage form or policy issued by us in the two consecutive policy periods immediately preceding this policy period.

The most we will waive for any one loss is \$1,000. If the deductible applying to the "loss" is greater than \$1,000, we will reduce such deductible by \$1,000 and apply the remaining deductible to the "loss".

We will only waive a deductible under this or any other coverage form or policy issued by us up to three times during this policy period.