

Policy Forms List

Interline

IL-DEC (01/02) - Common Policy Declarations
AG 005 1013 - Signature Page
IL 00 21 TIS 09 07 - Nuclear Energy Liability Exclusion Endorsement
IL-100 (07/00) - Common Policy Conditions
IL-101 (09/07) - Sovereign Immunity Non-Waiver Endorsement
IL-102 (09/07) - Two or More Policies Or Coverage Parts Or Coverage Forms
IL-301 (09/07) - Year 2000 Exclusion
IL-411 (09/07) - Building Related Illness Exclusion
NOTICE - MI (06/08) - Disclosure Notice - Michigan
AG MP 0105 01 02/09 - Additional Exclusions - Pollution and Asbestos
AG MP 0102 01 02/09 - Exclusion of Terrorism
AG MP 0200 01 02/09 - Michigan Changes
IL 09 59 (11/02) TIS - Limited Exclusion of Acts of Terrorism (Other Than Certified Acts of Terrorism); Cap on Losses From Certified Acts of Terrorism
IL 02 86 (07/02) TIS - Michigan Changes - Cancellation and Nonrenewal

Property

CP-DEC (07/00) - Commercial Property Coverage Part Declarations
CP-SD (07/00) - Commercial Property Coverage Part Supplemental Coverages
CP 00 10 (06/95) TIS - Building and Personal Property Coverage Form
CP 00 90 (07/88) TIS X - Commercial Property Conditions
CP-360 PE (01/02) - Additional Coverage Modifications - Public Entity
CP-360-IL (07/00) - 360 Increased Limit of Insurance
CP 10 30 (06/95) TIS - Causes of Loss - Special Form
CP 10 40 (06/95) TIS - Causes of Loss - Earthquake Form
CP-203 (07/00) - Earthquake Coverage Limitation
CP-207 (07/00) - Exclusion Amendment - Flood
CP-300 (01/02) - Mold Exclusion
CP-910 PE (07/04) - Equipment Breakdown Coverage
CP 01 20 (07/01) TIS - Michigan Changes

Inland Marine

CM-DEC (07/00) - Commercial Inland Marine Coverage Part Declarations
CM 00 01 (06/95) TIS - Commercial Inland Marine Conditions
CM-250 (01/02) - Equipment Protection Endorsement
CM 01 11 (07/01) TIS - Michigan Changes

Crime

CR-DEC (07/00) - Commercial Crime Coverage Part Declarations
CR 10 00 (06/95) TIS - Crime General Provisions
CR 00 05 (10/90) TIS - Robbery and Safe Burglary Coverage Form
CR 00 04 (10/90) TIS - Theft, Disappearance and Destruction Coverage Form
CR 00 03 (01/86) TIS - Forgery or Alteration Coverage Form
CR 00 07 (10/90) TIS - Computer Fraud Coverage Form - Form F
CR 00 16 (10/90) TIS - Public Employee Dishonesty Coverage Form O - Per Loss
CR-203 (01/02) - Add Faithful Performance of Duty
CR 00 18 (10/90) TIS - Robbery and Safe Burglary Coverage Form - Money & Securities
CR 02 46 (07/03) TIS - Michigan Changes
CR 01 10 (07/02) TIS - Michigan Changes - Duties

ARGONAUT INSURANCE COMPANY
225 West Washington Street, 24th Floor
Chicago, IL 60606

PUBLIC OFFICIALS' LIABILITY COVERAGE PART DECLARATIONS

POLICY NO.: PO-4632678-00

RENEWAL OF NO.:* -NEW-

Named Insured and Mailing Address*

Peninsula Township, Michigan
13235 Center Rd
Traverse City, MI 49686

IN RETURN FOR THE PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL THE TERMS OF THIS POLICY, WE AGREE WITH YOU TO PROVIDE THE INSURANCE AS STATED IN THIS POLICY.

ITEM 1: POLICY PERIOD:	
Policy covers From: 07/01/2014 To: 07/01/2015 at 12:01 A.M. Standard Time at your mailing address shown above.*	
ITEM 2: LIABILITY LIMIT:	
Each Wrongful Act:	\$1,000,000
Annual Aggregate:	\$2,000,000
ITEM 3: DEDUCTIBLE:	
Deductible: Each Wrongful Act:	\$0
ITEM 4: FORMS AND ENDORSEMENTS CONTAINED IN THIS POLICY AT ITS INCEPTION:	
See policy forms list.	
ITEM 5: PREMIUM:	
Premium:	\$1,021
Minimum Premium:	\$

*Information may be omitted if shown elsewhere in the policy

THESE DECLARATIONS, TOGETHER WITH THE COMMON POLICY DECLARATIONS, IF APPLICABLE, COMMON POLICY CONDITIONS, COVERAGE FORM(S) AND FORMS AND ENDORSEMENTS, IF ANY, COMPLETE THE ABOVE NUMBERED POLICY.

Public Officials Liability Coverage Part

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

Throughout this Coverage Part the words **you** and **your** refer to the Public Entity shown first as Named Insured in the Declarations. The words **we**, **us** and **our** refer to the company providing this insurance.

The word **insured** means any person or organization qualifying as such under WHO IS AN INSURED (Section II).

Other words and phrases that appear in quotation marks have special meaning. Refer to DEFINITIONS (Section V).

SECTION I – COVERAGES

A. Insuring Agreement

We will pay on behalf of the insured those sums that the insured becomes legally obligated to pay as “damages” because of a “wrongful act” committed anywhere in the world to which this insurance applies. This insurance applies to “damages” arising out of a “wrongful act” first committed or allegedly first committed during the policy period.

We will have the right and duty to defend the insured against any “suit” seeking “damages”. However, we will have no duty to defend the insured against any “suit” seeking “damages” for a “wrongful act” to which this insurance does not apply. We may, at our discretion, investigate any “wrongful act” and settle any “claim” or “suit” that may result. However:

- a. The amount we will pay for “damages” is limited as described in Section III Limits Of Insurance And Deductible; and
- b. Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments (Section I. C.).

B. Exclusions

This insurance does not apply to:

1. Any “claim”, or any portion of any “claim”, alleging “bodily injury”, “property damage”, “personal injury”, “advertising injury” or “employee benefits injury”.
2. Any “claim” arising out of
 - a. The issuance of bonds; or
 - b. Tax assessment or valuation of real, business or personal property; and/or
 - c. Tax collection.
3. Any “claim” arising out of:
 - a. a breach of contract; or
 - b. construction, architectural or engineering contracts, faulty preparation of bid specifications or any other procurement contract; or

- c. liability which the insured has assumed in a contract or agreement, except mutual aid agreements between political subdivisions. This exclusion does not apply to liability for "damages" that the insured would have in the absence of the contract or agreement,
4. Any "claim" made by, on behalf of, or for the benefit of the named insured against an "employee" or official of the named insured.
5. Any "claim" arising out of
 - a. a dishonest, malicious, fraudulent or criminal act, error or omission by any person, or
 - b. a knowing violation of any law, statute or governmental regulation.

This exclusion applies only to the insured(s) who committed or had knowledge of the fraudulent, criminal or dishonest act, error, omission or violation of law. However if it is later established by a judgment or other final adjudication that the allegation was not proven, we will reimburse the insured for the reasonable costs of defense
6. Any "claim" arising out of any failure or omission to purchase or to maintain insurance coverage or any self-insurance fund.
7. Any "claim", or any portion of any "claim", seeking "damages" for emotional distress or mental anguish.
8. Any "claim" arising out of employment or application for employment with any insured, or any other employment related policies or practices.
9. Any civil or criminal fines or penalties levied by any federal, state or local governmental regulatory agency or court.
10. Any "claim" arising out of:
 - a. Any collective bargaining agreements; or
 - b. Any lockout, strike, picket line, replacement of workers or other labor disputes or labor negotiations, union grievances or any "claim" filed by or on behalf of a union.
11. Any "claim" based upon or attributable to an insured gaining any profit, advantage, or remuneration to which that insured is not legally entitled.
12. Any claim arising out of:
 - a. Any prior and/or pending litigation as of the effective date of this Coverage Part set forth in the Declarations, or
 - b. Any fact, circumstance, situation, transaction or event underlying or alleged in such litigation, regardless of the legal theory upon which such claim is predicated.
13. Any "claim" arising out of the:
 - a. Actual or threatened sexual abuse or molestation or any other types of improper sexual acts or
 - b. The negligent:
 - i. Employment; or
 - ii. Investigation; or
 - iii. Supervision; or
 - iv. Reporting to the proper authorities or failure to so report; or
 - v. Retention;

Of a person for whom any insured is or ever was legally responsible and whose conduct would be excluded by paragraph a. above;

c. Failure to protect any person from any acts or conduct described in a. above.

14. Any "claim" for relief that is equitable in nature and is not payable in money, or any request for equitable or injunctive relief, or the insured's cost to comply with any such non-monetary relief.

If a "suit" seeks both monetary "damages" and non-monetary relief, we will defend the "suit".

C. Supplementary Payments

1. We will pay, with respect to any "claim" we investigate or settle, or any "suit" against an insured we defend:
 - a. All expenses we incur.
 - b. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
 - c. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the "claim" or "suit", including actual loss of earnings up to \$300 a day because of time off from work.
 - d. All costs taxed against the insured in the "suit" that result from a verdict covered by this policy.
 - e. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.
 - f. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the Limits of Insurance.

Our obligation to defend an insured and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when we have used up the applicable limit of insurance in the payment of judgments or settlements.

SECTION II – WHO IS AN INSURED

You are an insured, and

Each of the following is an insured but only for acts that are both within the scope of his or her duties for you, and motivated, at least in part, by a purpose to serve you:

1. Any member of the governing body of the named insured.
2. Any board, commission, agency, authority, administrative department, or other similar unit operated by you and under your jurisdiction and within your budget.
3. All your past, present, and future elected, appointed, or employed officials.
4. Any "employee" or authorized "volunteer" of the named insured.

No person or organization is an insured with respect to the conduct of any current or past partnership or joint venture that is not shown as a named insured in the Declarations.

SECTION III - LIMITS OF INSURANCE AND DEDUCTIBLE

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
 - a. Insureds; or
 - b. "Claims" made or "suits" brought; or
 - c. Persons or organizations making "claims" or bringing "suits".
2. The most we will pay for all "claims", "suits" or actions covered by this Coverage Part is the ANNUAL AGGREGATE shown in the Declarations.
3. Subject to 2. above, the Each "Wrongful Act" Limit is the most we will pay for the sum of all damages arising out of any one "wrongful act".
4. Deductible
 - a. Our obligation to pay damages on your behalf and to pay "loss adjustment expense" applies only to the amount of damages and "loss adjustment expense" in excess of the Deductible shown in the Declarations. The Deductible shown in the Declarations applies to the total amount of all damages and related "loss adjustment expense" because of all "claims" resulting from any one "wrongful act".
 - b. The terms of this insurance, including those with respect to:
 - i. Our right and duty to defend any "suits" seeking those damages; and
 - ii. Your duties in the event of a "wrongful act", "claim", or "suit"Apply irrespective of the application of the Deductible amount.
 - c. We may pay any part, or all, of the Deductible amount applicable to "damages" or "loss adjustment expense" to effect settlement of any "claim" or "suit", and, upon notification of the action taken, you shall promptly reimburse us for such part of the Deductible amount as has been paid by us.

If we file suit seeking recovery for amounts paid by us as a deductible which is to be reimbursed by you, then you are responsible for all costs of collection, including reasonable attorney's fees and interest on the amount in question in the full amount allowed by law.

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

SECTION IV - CONDITIONS

A. Bankruptcy

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

B. Duties of the Named Insured

1. The Named Insured in the Declarations, or if multiple entities are named, the first of such entities, shall be the sole agent, and shall act on behalf, of each insured with respect to all matters under this Coverage Part, including but not limited to:
 - a. Giving notice of any "claim";

- b. Giving or receiving notice of cancellation;
 - c. Receiving any other written notice or correspondence from us;
 - d. Consenting to the settlement of any "suit";
 - e. The receipt and acceptance of this Coverage Part and any endorsements to this Coverage Part;
 - f. The payment of any premium due under this Coverage Part;
 - g. The receipt of any return premiums that may become due under this Coverage Part; and
2. Each insured agrees that the Named Insured in the Declarations, or if multiple entities are named, the first of such entities, shall act on their behalf.

C. Duties In The Event Of A Claim, "Suit" or "Wrongful Act"

1. You must see to it that we are notified of a "wrongful act" or an offense which may result in a claim covered by this Coverage Part as soon as practicable after the "wrongful act" is known to you, or your "designee". Notice should include:

To the extent possible, notice should include:

- a. How, when and where the "wrongful act" took place;
- b. The names and addresses of any injured persons and witnesses; and
- c. The nature and location of any injury or damage arising out of the "wrongful act".

Notice of a "wrongful act" is not notice of a claim.

2. If a claim is made or "suit" is brought against any insured, you must:

- a. Record the specifics of the claim or "suit" and the date received as soon as you or your "designee" is notified of it;
- b. Notify us as soon as practicable after you or your "designee" learns of the claim or "suit".

You must see to it that we receive written notice of the claim or "suit" as soon as practicable.

3. You and any other involved insured must:

- a. Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";
- b. Authorize us to obtain records and other information;
- c. Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and
- d. Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.

4. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

5. Notice given by or on behalf of:

- a. The insured; or
- b. The injured person; or
- c. Any other claimant;

to a licensed agent of ours with particulars sufficient to identify the insured shall be deemed notice to us.

D. Assignment

Assignment of interest under this Coverage Part shall not bind us until our consent is endorsed hereon; however, subject otherwise to the terms hereof, this Coverage Part shall cover the estate, heirs, legal representative or assigns of the insured in the event of the insured's death, bankruptcy, insolvency or being adjudged incompetent.

E. Legal Action Against Us

No person or organization has a right under this Coverage Part:

1. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or
2. To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

F. Other Insurance

The insurance provided by this Coverage Part is excess over any other collectible insurance. We will have no duty to defend the insured against any "suit" or claim for "damages" if any other insurer has a duty to defend the insured against that "suit".

When this insurance is excess over other insurance, we will pay only our share of the amount of loss, if any, that exceeds the sum of:

1. The total amount that all other insurance would pay in the absence of this insurance; and
2. The total of all deductible and self-insured amounts under the other insurance.

If we share the loss, we will do so by equal share contribution if allowed by the other insurance. If equal share contribution is not permitted, we will contribute by the ratio our limit bears to the total applicable limits of all insurance.

G. Conformity to Statute

This Coverage Part is intended to be in full conformity with the laws of the state in which it is issued. If any provision of this Coverage Part (including endorsements which modify the Coverage Part) conflicts with any law, it is changed to comply with that law.

H. Premium Audit

Unless required by law, premiums for this Coverage Part shall not be subject to audit.

I. Consent To Settle

We will not settle any "suit" without your consent. If, however, you refuse to consent to any settlement recommended by us and elect to contest the "claim" or to continue any legal proceedings in connection with such "claim," then:

1. We will not be obligated to pay defense costs incurred by you subsequent to such refusal and
2. If a settlement or adverse judgment occurs subsequent to such refusal, we will not be obligated to pay any amount in excess of the amount for which the "claim" could have been settled prior to such refusal..

Such amounts are subject to the provisions of Section III Limits of Insurance and Deductible of this Coverage Part.

J. Representations

By accepting this Coverage Part, you agree:

1. The application and the Declarations are the basis of this Coverage Part and are to be considered as incorporated in and constituting part of this Coverage Part.
2. The statements in your application are accurate and complete;
3. Those statements are representations you made to us; and
4. We have issued this Coverage Part in reliance upon your representations.

K. Transfer Of Rights Of Recovery Against Others To Us

If an insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. No insured should do anything after "wrongful act" to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

L. When We Do Not Renew

If we decide not to renew this Coverage Part we will mail or deliver to the Named Insured in the Declarations, or if multiple entities are named, the first of such entities, written notice of the non-renewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing as required by state law will be sufficient proof of notice. Proof of mailing requirements may vary by state.

M. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the Named Insured in the Declarations, or if multiple entities are named, the first of such entities, this insurance applies:

1. As if each Named Insured were the only Named Insured; and
2. Separately to each insured against whom "claim" is made or "suit" is brought.

N. Title of Paragraphs

The titles of the various paragraphs of this Coverage Part and endorsements, if any, attached to this Coverage Part, are inserted solely for convenience or reference and are not deemed in any way to affect the provisions to which they relate.

SECTION V - DEFINITIONS

A. "Advertising Injury" means

1. The use of another's advertising idea in your advertisement; or
2. Infringement of copyright, patent, slogan, trademark, trade secret, trade dress, or other intellectual property rights.

B. "Bodily Injury" means bodily injury, sickness or disease sustained by a person including death resulting from any of these at any time.

C. "Claim" means written or oral demand, including a "suit", to hold the insured responsible for an alleged or actual wrongful act where payment of "damages" is sought.

D. "Damages" means money "damages". "Damages" does not include any amount awarded as liquidated "damages" pursuant to any federal or state statute. "Damages" does not include punitive "damages", unless required by state law.

- E. "Designee" means one of your officers, your legal department or an employee you designate to give notice to us.
- F. "Employee(s)" includes a "leased worker".
- G. "Employee Benefits Injury" means injury that arises out of any act, error or omission in the administration of your "Employee Benefit Programs" or alleged violation of any employment related state or federal code, regulation or statute.
- H. "Employee Benefits Programs" means a program or programs of employee benefits maintained in connection with your business or operations, such as but not limited to, Group Life Insurance, Group Accident or Health Insurance, Pension Plans, Employee Stock Subscription Plans, Workers Compensation, Unemployment Insurance, Social Security and Disability Benefits.
- I. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business.
- J. "Loss adjustment expense" means expenses allocated to a specific loss, "claim" or "suit" we incur or the insured incurs with our consent for the investigation, negotiation, arbitration, adjustment, settlement or defense of any "claim" or suit, whether paid by us or by the insured with our consent. "Loss adjustment expense" does not include salaries and expenses of our employees.
- K. "Personal Injury" means:
 - a. False arrest, detention, imprisonment, abuse of process or malicious prosecution.
 - b. Wrongful entry or eviction, or other invasion of the right of private occupancy.
 - c. Defamation in any form or oral or written publication, in any manner, of material that violates a person's right of privacy;
- L. "Property Damage" means:
 - a. Physical injury to tangible property including all resulting loss of use of that property; or
 - b. Loss of use of personal property that is not physically injured; or
 - c. Disappearance of tangible property (including money).
 - d. Impairment, deprivation or destruction of property, including loss of use thereof, resulting from proceedings in eminent domain, adverse possession, unlawful or unconstitutional taking of property or inverse condemnation, by whatever name called.
- M. "Suit(s)" means a civil proceeding in which "damages" to which this insurance applies are alleged. "Suit" includes:
 - a. An arbitration proceeding in which "damages" are claimed and to which the insured must submit or does submit with our consent; or
 - b. Any other alternative dispute resolution proceeding in which "damages" are claimed and to which the insured submits with our consent.
- N. "Volunteer" means a person who:
 - a. Is not an "employee" of any insured; and
 - b. Donates his or her work; and
 - c. Acts at the direction of, and within the scope of duties determined by, an insured; and
 - d. Is not paid a fee, salary or other compensation by any insured or anyone else for their work performed for the insured.
- O. "Wrongful Act" means any actual or alleged error, omission or breach of duty committed by any insured. All acts, errors or omissions committed by one or more insureds that are substantially the same or are in any way

**PROFESSIONAL
Occurrence**

directly or indirectly related – either logically, causally or temporally -- shall be deemed to constitute one wrongful act, regardless of the number of "claims" or claimants.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL EXCLUSIONS

This endorsement modifies insurance provided under the following:

PUBLIC OFFICIALS' LIABILITY COVERAGE PART

No coverage for any claim shall apply under this Coverage Part if coverage has been excluded below

EXCLUSION APPLIES **EXCLUSION DOES NOT APPLY**

Miscellaneous Public Entity:

- | | | |
|-------------------------------------|-------------------------------------|--|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | 1. Airport or activity related to aviation administration, supervision or operations; |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | 2. Public Housing Project or Authority; |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | 3. Personal Injury to public officials; |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | 4. Medical Clinic; |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | 5. Hospital, Nursing Home or other type of medical facility; |
| | | 6. Professional Services provided by any: |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | a. Doctors; |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | b. Lawyers; |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | c. Engineers; or |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | d. Architects; |
| | | If it is indicated that an exclusion does not apply to items 3a-3d, then coverage will only apply to the professional services provided while the individual(s) is(are) operating within the scope of their employment by the named insured. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | 7. Fire District or Department; |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | 8. Emergency Medical Service |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | 9. Landfill, Dump, Refuse Site or Incinerator; |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | 10. Port Authorities or Terminals |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | 11. Child care facilities operating as a: |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | a. Day Care |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | b. Day Camp |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | c. Nursery or similar facility; |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | 12. Public Transportation System or Transit Authority, including but not limited to transport, operations and premises; |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | 13. Dams over 25 feet in height or any Levees, Dikes; |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Other: |

Utilities:

- | | | |
|-------------------------------------|--------------------------|-------------------------------|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | 14. Utility – Public Gas |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | 15. Utility – Public Water |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | 16. Utility – Public Electric |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | 17. Utility – Sewer System |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Other: |

EXCLUSION APPLIES **EXCLUSION DOES NOT APPLY**

Recreational:

- | | | |
|-------------------------------------|--------------------------|--|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | 18. Firework Display or Exhibition; |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | 19. Ski Facility; |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | 20. Waterslide; |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | 21. Organized or sponsored racing or stunting involving wheeled vehicles including skateboards and roller skating; |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | 22. Golf Course; |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | 23. Rodeo; |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | 24. Circus, amusement park or traveling enterprise offering amusement; |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Other: |

School:

- | | | |
|-------------------------------------|--------------------------|---|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | 25. Public School District or System, Public School, School Board(s), or other similar educational units, entities or institutions; |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Other: |

Law Enforcement:

- | | | |
|-------------------------------------|-------------------------------------|---|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | 26. Activity or function by or on behalf of any law enforcement agency or any agent thereof and/or activity or function related to the administration of the criminal justice system; |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | 27. Jail, Penal Institution or similar type facility; |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | 28. Other: Zoning and Code Enforcement Officers |

APPLICATION OF ENDORSEMENT (Enter below any limitations, clarifications or special conditions on the application of this endorsement):

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.
FIRE, EMERGENCY, AND RESCUE DISTRICTS OR DEPARTMENTS
AMENDATORY FORM

FIRE PLUS

This endorsement modifies insurance provided under the following:

PUBLIC OFFICIALS LIABILITY COVERAGE PART

The following replaces **SECTION II – WHO IS AN INSURED:**

You are an insured, and

Each of the following is an insured but only for acts that are both within the scope of his or her duties for you, and was motivated, at least in part, by a purpose to serve you:

1. Any member of the named insured organization or the governing body of the named insured.
2. Any board, commission, agency, authority, administrative department, or other similar unit operated by you and within your budget.
3. Your managers and supervisors.
4. All your past, present and future elected, appointed or employed officials.
5. Your “employees” and authorized “volunteers”.
6. Your Medical Directors, but only for medical director duties on your behalf.
7. Outside Directorship – Your volunteers, employees, supervisors, managers, officers, directors, commissioners, or trustees, while acting independently and not on behalf of our organization, are insureds while they serve on the board of directors of an outside organization as specified herein:
 - a. The outside organization was established and is currently chartered as not-for-profit, and
 - b. The outside organization is a separate and distinct entity not subject to your direction and control, and
 - c. The outside organization exists for the purpose of supporting and furthering the efforts and welfare of organizations or individuals who provide fire service, emergency medical response or rescue services and the board service has been approved and authorized by you.This coverage shall be excess of and not contribute with
 - (1) Any other insurance, whether primary or excess, and
 - (2) Any corporate indemnification agreements afforded by the outside organization.In no event will this insurance inure to the benefit of the outside organization or to any of its officers, directors, commissioners, trustees, volunteers or employees, except to the extent that coverage is provided to an insured as set for the above.

PROFESSIONAL LIABILITY

The following is added to **SECTION I - COVERAGES, B. Exclusions:**

15. Any "claim" arising out of or from:

- a. Personal Injury to public officials, managers, supervisors, or directors;
- b. Professional Services provided by any:
 - (1) Hospital, Medical Clinic or similar healthcare service or facility;
 - (2) Lawyers;
 - (3) Engineers; or
 - (4) Architects;
- c. Emergency Medical Service;
- d. Firework Display or Exhibition;
- e. Organized or sponsored racing or stunting involving wheeled vehicles including skateboards and roller skating;
- f. Circus, amusement park or traveling enterprise offering amusement;
- g. Pollution;

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

INVERSE CONDEMNATION

This endorsement modifies insurance provided under the following:

PUBLIC OFFICIALS' LIABILITY COVERAGE PART

SECTION VI – Definitions, Definition L. "Property Damage" is deleted and replaced with the following:

L. "Property Damage" means:

1. Physical injury to tangible property including all resulting loss of use of that property; or
2. Loss of use of personal property that is not physically injured; or
3. Disappearance of tangible property (including money).

Notwithstanding the limits set forth in SECTION III – LIMITS OF INSURANCE, the most we will pay for "wrongful acts" coverage provided by deleting this exclusion will be \$100,000 per "wrongful act". The most we will pay for all such "wrongful acts" covered by this policy is \$300,000.

Included in these limits are any supplementary payments associated with these claims as defined in SECTION I - COVERAGES, Paragraph C. Supplementary Payments.

COMMERCIAL EXCESS LIABILITY POLICY DECLARATIONS

Policy No. UMB-4632678-00

Renewal of: -NEW-

1. NAMED INSURED AND MAILING ADDRESS

Peninsula Township, Michigan
13235 Center Rd
Traverse City, MI 49686

Argonaut Insurance Company

(A Stock Insurance Company)

The issuing company is designated by an "x"

2. POLICY PERIOD

From 07/01/2014 To 07/01/2015

12:01 A.M. standard time at your mailing address
shown above.

3. LIMITS OF EXCESS LIABILITY INSURANCE

EACH OCCURRENCE, OFFENSE, ACCIDENT OR WRONGFUL ACT LIMIT	<u>\$5,000,000</u>
ANNUAL AGGREGATE LIMIT (APPLICABLE PER EACH UNDERLYING COVERAGE)	<u>\$5,000,000</u>

4. COVERAGE – FOLLOWING FORM EXCESS LIABILITY INSURANCE

FOR APPLICABLE UNDERLYING COVERAGE SEE SCHEDULE OF UNDERLYING COVERAGE

5. FORMS AND ENDORSEMENTS CONTAINED IN THIS POLICY AT ITS INCEPTION:

SEE POLICY FORMS LIST

6. TOTAL PREMIUM: \$2,985

THESE DECLARATIONS, TOGETHER WITH THE COMMERCIAL EXCESS LIABILITY COVERAGE PART AND ENDORSEMENTS, IF ANY, ISSUED TO FORM A PART THEREOF, COMPLETE THE ABOVE NUMBERED POLICY.

COUNTERSIGNED _____ BY _____
DATE AUTHORIZED SIGNATURE

EXCESS FOLLOWING FORM - SCHEDULE OF UNDERLYING COVERAGE

Effective date of this schedule: 07/01/2014
 Attached to and forming part of Policy Number: UMB-4632678-00
 Issued to: Peninsula Township, Michigan

CARRIER, POLICY NUMBER AND POLICY PERIOD	TYPE OF COVERAGE, RETROACTIVE DATE (If Applicable)	APPLICABLE LIMITS OF UNDERLYING COVERAGE
Company: Argonaut Insurance Company Policy No: PE-4632678-00 Effective Date: 07/01/2014 Expiration Date: 07/01/2015	Commercial General Liability Retroactive Date: (Where Applicable)	Bodily Injury and Property Damage \$1,000,000 Each Occurrence \$2,000,000 Each Annual Aggregate Excluding Medical Payments
Company: Argonaut Insurance Company Policy No: BA-4632678-00 Effective Date: 07/01/2014 Expiration Date: 07/01/2015	Business Automobile Liability	Bodily Injury and Property Damage \$1,000,000 - Combined Single Limit \$ - Each Person \$ - Each Accident Excluding U.M./U.I.M., P.I.P., Medical Payments or any other No-fault coverages
Company: Argonaut Insurance Company Policy No: PO-4632678-00 Effective Date: 07/01/2014 Expiration Date: 07/01/2015	Public Officials Liability Retroactive Date: (Where Applicable)	\$1,000,000 Each Wrongful Act \$2,000,000 Annual Aggregate
Company: N/A Policy No: Effective Date: Expiration Date:	Educators Legal Liability Retroactive Date: (Where Applicable)	\$ Each Wrongful Act \$ Annual Aggregate

**EXCESS FOLLOWING FORM
SCHEDULE OF UNDERLYING COVERAGE**

<p>Company: Argonaut Insurance Company</p> <p>Policy No: EP-4632678-00 Effective Date: 07/01/2014 Expiration Date: 07/01/2015</p>	<p style="text-align: center;">Employment Practices Liability</p> <p style="text-align: center;">Retroactive Date: (Where Applicable)</p>	<p>\$1,000,000 Each Wrongful Employment Act \$2,000,000 Annual Aggregate</p>
<p>Company: N/A</p> <p>Policy No: Effective Date: Expiration Date:</p>	<p style="text-align: center;">Law Enforcement Liability</p> <p style="text-align: center;">Retroactive Date: (Where Applicable)</p>	<p>\$ Each Wrongful Act \$ Annual Aggregate</p>
<p>Company: N/A</p> <p>Policy No: Effective Date: Expiration Date:</p>	<p style="text-align: center;">Employers Liability</p>	<p>Minimum Applicable Limits:</p> <p>\$ Each Accident \$ Each Employee \$ Each Policy</p>

COMMERCIAL EXCESS LIABILITY POLICY

This liability insurance policy provides excess coverage over scheduled underlying limits of insurance as stated in the Schedule of Underlying Insurance.

Various provisions in this policy restrict coverage. Read the entire policy and any "underlying insurance" 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, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the Company providing this insurance.

The word "insured" refers to any person or organization which qualifies as such in the "Underlying Insurance."

Other words and phrases which appear in quotation marks have special meaning. Refer to DEFINITIONS (SECTION V).

SECTION I – COVERAGE

1. Insuring Agreement

Subject to the applicable limits of insurance, we will pay those sums that the insured becomes legally obligated to pay as "damages" in excess of all "underlying insurance", but only after all "underlying insurance" has been exhausted by payment of the limits of such insurance.

This insurance is subject to the same terms, conditions, agreements, exclusions and definitions as the "underlying insurance" except with respect to any provisions to the contrary contained in this insurance. No other obligation or liability to pay sums or perform acts or services is covered.

SECTION II - DEFENSE

We will not be obligated to investigate, settle or defend any claim made, or suit brought, or proceedings instituted against you. We will, however, have the right to participate in the investigation, settlement or defense of any suit or proceeding which relates to any occurrence or claim that we feel may create liability on our part under the terms of this policy.

SECTION III - LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations and the rules below establish the most we will pay under the terms of this insurance regardless of the number of:

- a. Insureds;
- b. Claims made or suits brought; or
- c. Coverages provided under this policy; or
- d. Persons or organizations making claims or bringing suits.

2. The Limits of Insurance of this policy will apply as follows:

- a. The limit for Each Occurrence, Offense, Accident or Wrongful Act specified in the Declarations is the most we will pay for all "damages" arising out of any one occurrence, offense, accident or wrongful act.

Any amount paid for "damages" arising out of an occurrence, offense, accident or wrongful act will reduce the amount of the applicable aggregate limit of insurance available for payment of "damages" arising out of any other occurrence, offense, accident or wrongful act.

If the applicable aggregate limit of insurance has been reduced by payment of "damages" to an amount that is less than the limit for Each Occurrence, Offense, Accident or Wrongful Act stated in the Declarations, the remaining aggregate limit of insurance is the most that will be available for payment of "damages" arising out of any other occurrence, offense, accident or wrongful act.

b. Subject to paragraph 2.a. above:

- i. If the limits of "underlying insurance" have been reduced by payment of "damages", then this policy will drop down to become immediately excess of the reduced underlying limits.

However when b.i. applies, we will not pay that portion of the "damages" that is within the underlying limits of insurance, which the insured has

agreed to fund by self-insurance or means other than insurance.

3. The Limits of Insurance of this policy apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the Policy Period shown in the Declarations, unless the Policy Period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of last preceding period for purposes of determining the Limits of Insurance.

SECTION IV – CONDITIONS

1. Appeals

In the event the insured or any other insurer elects not to appeal a judgment in excess of the amount of "underlying insurance," we may elect to do so at our own expense. If we elect to make such an appeal, we will pay, in addition to the applicable limit of liability of this policy, all costs and interest incidental to the appeal.

2. Bankruptcy

In the event of bankruptcy or insolvency of any "underlying insurer", this policy shall apply as if the "underlying insurance" is valid and collectible.

3. Cancellation

- a. The "first named insured" may cancel this policy by mailing or delivering to us advance written notice of cancellation.
- b. We may cancel this policy by delivering to the "first named insured" written notice of cancellation at least:
 - i. 10 days before the effective date of cancellation if we cancel for non-payment of premium; or
 - ii. 30 days before the effective date of cancellation if we cancel for any other reason.

- c. We will mail or deliver our notice to the "first named insured" last mailing address known to us.
- d. Notice of cancellation will state the cancellation. The policy period will end on that date.
- e. If this policy is canceled, we will send the "first named insured" any premium fund 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.
- f. If notice is mailed, proof of mailing will be sufficient proof of notice.

4. Duties In The Event Of Incident, Claim Or Suit

- a. You must see to it that we are notified as soon as practicable of an incident which may result in a claim to which this policy applies. Notice of an incident is not notice of a claim. Also, to the extent possible, notice should include:
 - 1) How, when and where the incident took place;
 - 2) The names and addresses of any injured persons and witnesses; and
 - 3) The nature and location of any injury or damage arising out of the incident.
- b. If the claim is made or suit is brought against any insured, you must:
 - 1) Promptly record the specifics of the claim or suit and the date received; and
 - 2) Notify us as soon as practicable.
- c. You and any other involved insured must:
 - 1) Promptly send us copies of any demands, notices, summonses or legal papers received in connection with the claim or suit;
 - 2) Authorize us to obtain records and other information;

- 3) Cooperate with us in the investigation or settlement of the claim, or in the defense against the suit;
 - 4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this policy may also apply; and
 - 5) Notify us promptly of any judgment or settlement of any claim or suit brought against any insured.
- d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

5. Legal Action Against Us

As a condition precedent, no legal action may be brought against us unless there has been full compliance with all terms of this policy. In addition, no legal action may be brought against us until we agree in writing that the insured has an obligation to pay or until the amount of that obligation has been finally determined by judgment after trial. No person or organization has any right under this policy to bring us into any action to determine the liability of the insured.

6. Maintenance Of Underlying Insurance

- a. You agree to maintain the "underlying insurance" in full force and effect during the policy period of this policy, and to inform us within 60 days of any replacement of that "underlying insurance" by the same or another insurer. You may not replace the "underlying insurance" without our written consent.
- b. You must notify us promptly:
 - 1) Of any changes to the "underlying insurance". We may adjust our premium accordingly from the effective date of the change to the "underlying insurance."
 - 2) If any "underlying insurance" is canceled or not renewed and you do not replace it.

- c. If you fail to maintain the "underlying insurance," this policy will respond as if the "underlying insurance" is valid and collectible.

7. Premium Audit

- a. The premium for this policy is a flat Premium and is not subject to adjustment unless otherwise indicated in the Declarations.
- b. If the premium for this policy is subject to adjustment, the advance premium shown in the Declarations is a deposit premium only. The advance premium is based on the estimated exposure for the policy period shown in the Declarations. At the end of the policy period we will compute the earned premium based on the actual exposures for the policy period. Audit premiums are due and payable upon notice to the "first named insured". If the earned premium exceeds the sum of the advanced premium and any other premium payments made during the policy period, the "first named insured" we will pay us the additional premium. If the earned premium is less than the sum of the advanced premium and any other premium payments made during the policy period, we will return the unearned portion to the "first named insured", subject to retention of the minimum premium shown in the declarations.
- c. If the aggregate limits of insurance of this policy are used up prior to the end of the policy period, the premium is fully earned.
- d. The "first named insured" must keep records of the information we need for premium computation, and send us copies at such times as we may request.

8. Representations

By accepting this policy, you agree:

- a. The statements in the Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us; and
- c. We have issued this policy in reliance upon your representations.

9. Other Insurance

This insurance is excess over any other valid and collectible insurance whether primary, excess, contingent or on any other basis, except other insurance written specifically to be excess over this insurance

The other insurance will be deemed valid and collectible regardless of any defense asserted by any other insurer because of the insured's failure to comply with the terms of that other insurance.

10. Transfer Of Rights Of Recovery Against Others To Us

If the insured has rights to recover all or part of any payment we have made under this policy, those rights are transferred to us. The insured must do nothing after "loss" to impair those rights. At our request, the insured will bring suit or transfer those rights to us and help us enforce those rights.

12. When We Do Not Renew

If we decide not to renew this policy, we will mail or deliver to the "first named insured" shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

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

ing of notice of cancellation and the receiving of any return premiums that become payable.

2. "Underlying insurance" means the liability insurance provided under the policy or policies shown in the Schedule of Underlying Insurance.
3. "Damages" means money damages.

SECTION V – DEFINITIONS

1. "First named insured" means the person or organization first named in the Declarations. The "first named insured" is primarily responsible for the payments of all premiums, and will act on behalf of all other insureds for the giving and receiv-

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMENDMENT – INSURING AGREEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS LIABILITY POLICY

The following is added to **SECTION 1 – COVERAGE**, paragraph 1. **Insuring Agreement**:

This insurance does not apply whenever the underlying policy has been endorsed to provide coverage with any reduced limits different from the limits stated in the Schedule of Underlying Insurance, whether it be referred to as a sublimit, or on any other basis.