



**Tioga County Industrial Development Agency
May 6, 2026 – 4:30 PM
Ronald E. Dougherty County Office Building
56 Main Street, Owego, NY 13827
Legislative Conference Room, 1st Floor
Agenda**

1. Call to Order and Introductions:

2. Attendance:

- a. Roll Call: J. Ward, B. Evaneck, T. Monell, E. Knolles, K. Gillette, B. Case, R. Ciotoli
- b. Excused:
- c. Guests: J. Meagher, C. Yelverton, B. Woodburn, L. Williams

3. Privilege of the Floor:

4. Approval of Minutes: April 1, 2026, Regular BOD Meeting

5. Financials: March/April

- a. Balance Sheet
- b. Profit & Loss
- c. Transaction Detail

6. Committee Reports:

- a. Audit Committee Report – Bonadio Overage Invoice
- b. Governance Committee: No update.
- c. Finance Committee: No update.
- d. Loan Committee: No update.
- e. Railroad Committee: No update.
- f. Public Relations Committee: No update.

7. New Business:

- a. Right of Entry permit along Owego Harford Railway – Request for an access road near Blodgett Road for a utility maintenance project.
- b. Standard Operating Procedure (SOP) – Invoice processing and check disbursement
- c. IDA Directors and Officers Liability Insurance Renewal

8. Old Business:

- a. MRB Policy Review
- b. HUD “Small Cities” Loan Funds
- c. Depot Road Property – Appraisals in process
- d. 48-50 Lake Street Redevelopment Project
- e. Tractor Supply – No update



9. PILOT Updates:

- a. Suneast Solar Pilot – Construction in process.
- b. Lockheed Martin PILOT – Closing in process.
- c. Sales Tax Exemptions Update:
 - i. Best Bev LLC - \$2,628,331.53 / \$5,200,000 (December 2024) – Meeting scheduled for May 6th at 10 AM for closeout documentation discussion.
 - ii. Arteast Café LLC - \$18,865 / \$24,000 (March 2026)

10. Project/Grant Updates:

- a. Lounsberry Pre-engineering Study
 - i. USDA RBDG – Scope of work change for the sign is being reviewed by USDA.
 - ii. ARC Grant – closed out.
- b. Northern Tioga Rail-With-Trail Preliminary Engineering Project
 - i. OPRHP EPF – Grant Agreement to be issued.
 - ii. ARC - Application for \$150,000 project match has been submitted.
- c. DRI Multisite Program
- d. USDA RBDG Equipment Lease program
- e. USDA IRP Loan Application –
 - i. The IDA was awarded \$299,000 in IRP Funds.
 - ii. IRP Loan Letter of Conditions package is ready to be issued by USDA

11. Motion to move into Executive Session

12. Motion to adjourn the meeting

Next Regular Meeting: June 3, 2026, at 4:30 PM in the Legislative Conference room.



**Tioga County Industrial Development Agency
April 1, 2026 – 4:30 pm
Ronald E Dougherty County Office Building
56 Main Street, Owego, NY 13827
Legislative Conference Room, 1st Floor
Meeting Minutes**

Call to Order and Introductions: 4:38 PM

Attendance: IDA Board Members

1. Roll Call: J. Ward, T. Monell, E. Knolles, K. Gillette-Virtual, R. Ciotoli
2. Excused: B. Evanek, B. Case
3. Guests: J. Meagher, C. Yelverton, B. Woodburn, L. Williams, Keeley Hines, Matt Freeze

Privilege of the Floor:

A. Keeley Hines- Bonadio Group

Bonadio Group performed the IDA audit for the year 2025. The auditor presented the audit findings to the board. No new accounting policies were implemented, and no significant difficulties were reported during the audit. The auditor noted that a qualified opinion was issued due to certain leases not being evaluated in accordance with GASB 87. The statement of net position was reviewed, with net position reported at approximately \$5.4 million. It was noted that not all funds are liquid, as a portion is restricted and not available for general use. The auditor reviewed the income statement, noting operating and non-operating income, resulting in a positive change in net position of approximately \$534,000 for the year 2025. The cash flow statement for the 12-month period was reviewed, including activity related to grants, PILOT revenue, railroad operating and contractual expenses. The auditor also reviewed the accompanying footnotes, including a summary of significant accounting policies and information related to certificates of deposit (CDs), noting that all investments are classified as level 1 and carry no significant risk or unpredictability. Additional footnotes included details on loan receivables, which totaled approximately \$363,000 in 2024, with roughly \$57,000 due within the next year and remaining balances scheduled through 2035. Capital assets were discussed noting a slight decrease of approximately \$32,000 in depreciation. Loan payable activity was reviewed and noted to be consistent with prior periods, with no new loans issued.

Approval of Minutes:

A. March 4, 2026, Regular Meeting

Motion to approve March 4, 2026, Regular Meeting Minutes (E. Knolles, T.



Monell)

**Aye: 4 Abstain: 0
Nay: 0 Carried**

Financials: February/March

- A. Balance Sheet
- B. Profit & Loss
- C. Transaction Detail

Motion to approve February/March Financials as written (E. Knolles, T. Monell)

**Aye: 4 Abstain: 0
Nay: 0 Carried**

New Business:

- A. RJ Corman Revenue Audit 2025
 - a. RJ Corman is required to annually provide the TCIDA with an independent accountant's report on rail freight revenue earned. The third party reviews the rail freight revenue recorded for compliance with the related Operating Agreement between RJ Corman and Tioga County Industrial Development Agency. TCIDA Board reviewed the report provided by RJ Corman for FY 2025. J. Ward noted that RJ Corman has resumed rail service with Upstate Shredding, and that monthly revenue received by the TCIDA will increase and be more in line with revenues received prior to November and December of 2025
- B. Updating Façade Loan Application
 - a. The TCIDA Board reviewed proposed changes to the Commercial Façade Loan Program application and guidelines. The proposed changes include updating the guidelines to require a non-refundable application fee of \$250. There is already a commitment fee of 1% of the loan amount, if the application is approved. Additionally, there will be a 2-year financial trend analysis instead of the original 1-year analysis.

Motion to approve the proposed changes to the Commercial Façade Loan Program application and guidelines as presented to include a non-refundable application fee of \$250 and a 2-year financial trend analysis. (T. Monell, R. Ciotoli)

**Aye: 4 Abstain: 0
Nay: 0 Carried**

- C. MRB Policy Review
 - a. MRB Group previously reviewed and provided proposed updates to the Uniform Tax Exemption Policy for TCIDA's consideration. TCIDA Board



requested that the Procurement and Solar Policies and PILOT Loan Application be sent to MRB for review and proposed updates as well. This will be completed under an existing hourly contract that TCIDA has in place with MRB Group.

D. Uniform Tax Exemption Policy

- a. MRB group reviewed and recommended updates to TCIDA's Uniform Tax Exemption (UTE) policy. J. Meagher reviewed the adjustments to the policy, and made a few changes as well. Board discussed including Solar Policy in the UTE as well.

Motion to incorporate Solar Policy and adopt proposed changes as presented to the Uniform Tax Exemption Policy. (E. Knolles, T. Monell)

**Aye: 4 Abstain: 0
Nay: 0 Carried**

E. USDA RBDG – Lounsberry proposed scope of work change

- a. A request was presented to amend the current scope of work for the Lounsberry Industrial Sites Engineering Plan project funded through the USDA RBDG grant program. The amended scope of work would allow the TCIDA to use the remaining \$26,000 unexpended funds for the design, fabrication and installation of a sign to identify the Lounsberry area along Stanton Hill and Berry Road as a Corporate Park. The TCIDA and/or the Town of Nichols have parcels where the sign(s) could potentially be placed. Permission would need to be requested from the Town to install the sign. The Board was agreeable to revising the scope of work to reallocate the funds toward the design, fabrication, and installation of a sign that says "Lounsberry Corporate Park". One quote has been received in the amount of \$8,000. Additional quotes are being requested. The Board asked that quotes also be obtained from local businesses.

Motion to approve amendment to the USDA RBDG scope of work for the Lounsberry Industrial Sites Engineering Plan project to allow unexpended funds in the amount of \$26,000 to be used for Lounsberry Corporate Park signage. (E. Knolles, T. Monell)

**Aye: 4 Abstain: 0
Nay: 0 Carried**

- F. NYSEG Easement Agreement – Lockheed Martin Project a. J. Meagher reviewed the proposed NYSEG easements associated with the Lockheed Martin project and prepared a corresponding resolution for consideration and approval by the board.



Motion to approve the resolution authorizing the execution of easements with NYSEG, as presented. (E. Knolle, T. Monell)

**Aye: 4 Abstain: 0
Nay: 0 Carried**

G. Quarterly Progress Report

- a. Going forth a quarterly report will be provided by ED&P to the Board as an overview of the administrative work completed for the quarter.

H. CIGP application – Strong Road sewer extension

- a. TCIDA owns approximately 86 acres of vacant land located on Strong Road in the Town of Owego. Current Town of Owego zoning permits only single- or two-family residential development on the site. In 2022, the TCIDA retained Larson Design Group to prepare a conceptual site plan based on the Town’s zoning requirements, including minimum lot sizes, setbacks, and subdivision regulations. The resulting plan illustrates the potential for development of up to 25 single-family homes on approximately 2-acre lots. More recently, the Economic Development and Planning Department engaged Larson Design Group to evaluate the feasibility and cost of extending municipal water and sewer infrastructure to support future residential development at the site. Due to poor soil percolation rates, on-site septic systems are not a viable option. The final report issued in March 2026 indicates that extending municipal sewer service—estimated at roughly \$2.5 million of the total project cost—is necessary to enable development. Counties can apply to the Empire State Development County Infrastructure Grant Program (CIGP) for up to \$500,000 in funding toward infrastructure. The County would serve as the applicant and act as a pass-through entity for the grant funds on behalf of TCIDA. There is a 50% program match requirement; however, the TCIDA would pursue and provide the required match through additional grant funding sources. The application was submitted prior to April 1st deadline.

I. CNYOG – PILOT terminated – J. Meagher drafted PILOT closeout documentation for CYNOG and Midwestern PILOT’s.

J. Midwestern – PILOT terminated

Old Business:

A. 2025 Audit

- a. Following the audit presentation, the Board discussed several items raised during the report. The recommendation regarding grants was reviewed by Bowers, and it was determined that a quarterly spreadsheet would be distributed to property owners outlining anticipated and actual expenditures. J. Ward recommended that the Audit Committee also convene a meeting to review the lease-related matters identified in the presentation, which contributed to the



issuance of a qualified opinion.

Motion to approve the FY 2025 Audit as presented. (E. Knolles, R. Ciotoli)
Aye: 4 Abstain: 0
Nay: 0 Carried

B. 2025 ABO PARIS Reports

Motion to approve the FY 2025 ABO PARIS Reports as presented. (R. Ciotoli, E. Knolles)

Aye: 4 Abstain: 0
Nay: 0 Carried

- C. HUD “Small Cities” Loan Funds- L. Williams is drafting guidelines for the proposed revolving loan program. Once the draft is complete it will be presented to HUD for approval. More to come.
- D. Tractor Supply – No update regarding the water supply issues. T. Monell stated that the opening is slated for August.
- E. Depot Rd. Property – Appraisal Quotes
 - a. Finger Lakes & Southern Tier Appraisal Group i.
\$1000 per appraisal/\$4,000 for 4 appraisals
 - b. Cushman & Wakefield
 - i. \$5,000 for three appraisals/\$8,950 for 4 appraisals

Appraisals were completed last year for the properties on Depot Road; however, one of the owner’s expressed dissatisfactions with the valuation results, which indicated a value of approximately \$20,000 per acre, below the owner’s expectations of approximately \$60,000 per acre. Staff noted that grant funding through the FAST NY program may be available for acquisition, though it is limited to the appraised value, with 90% covered by the grant and a 10% local match required. The Board discussed the importance of the property and whether the estimated \$4,000 cost for a third appraisal was justified. Staff advised that the site may represent one of the few available parcels outside the floodplain suitable for future industrial development by the IDA. Staff also indicated they would explore the potential use of using a portion of the approximately \$26,000 in remaining USDA funds to cover appraisal costs. Questions were raised regarding the timing of the grant award and the anticipated listing date of the property for sale. After discussion, the Board concurred that obtaining updated appraisal information would be beneficial, even if grant funding is not secured within the necessary timeframe.

Motion to authorize the engagement of Finger Lakes & Southern Tier Appraisal Group in the amount of \$4,000 for a second appraisal of the



subject properties on Depot Road. (E. Knolles, R. Ciotoli)

Aye: 4 Abstain: 0

Nay: 0 Carried

F. 48-50 Lake Street Redevelopment Project

- a. The Tioga County Property Development Corporation (Land Bank) has closed on this property. The TCIDA will be working with the Land Bank to redevelop the building. ED&P team is working on drafting development and operating agreements to be reviewed by J. Meagher.

Committee Reports:

A. Public Authority Accountability Act (PAAA)

- 1. Audit Committee Report: E. Knolles (Chair), J. Ward, B. Evanek a. Audit Committee meeting held on 3/30/2026. Audit Committee recommended approval of FY 2025 audit and approval of FY 2025 PARIS Reports.
- 2. Governance Committee: J. Ward (Chair), E. Knolles, B. Case a. Meeting on 3/23/2026 to review policies. Committee recommended that MRB group review procurement and internal controls policies and PILOT application.
- 3. Finance Committee: J. Ward (Chair), K. Gillette, B. Case a. CD (0156) & CD (0158) with Community bank matured in March. Finance committee recommended to transfer CD's ending in 0156 and 0158 to Chemung Canal with a rate of 3.25% at a 15-month term.

Motion to approve the finance committee's recommendation to transfer CD ending in 0156 and 0158 from Community Bank to Chemung Canal with an interest rate of 3.25% for 15-month term. (T. Monell, E. Knolles)

Aye: 4 Abstain: 0

Nay: 0 Carried

- 4. Loan Committee: J. Ward, K. Dougherty, D. Barton, E. Knolles, B. Evanek, J. Lavo.
 - a. Façade Loan Application received – Loan committee met and recommended the approval of loan application. Commitment letter has been issued.
- 5. Railroad Committee: R. Ciotoli, K. Gillette, T. Monell
 - a. RJ Corman updates previously discussed.
- 6. Public Relations Committee: B. Woodburn, R. Ciotoli, T. Monell

PILOT Updates:

- A. Sales Tax Exemptions Update:



1. Best Bev LLC - \$2,628,331.53 (December 2024)/Authorized \$5,200,000
 - a. Waiting on updated Sales Tax Tracking Sheet. ST-340 has been received, but corrections may need to be made by Best Bev LLC to the form.
2. Arteast Café LLC - \$18,865 (March 2026)/ Authorized \$24,000
- B. Suneast Solar Pilot – Construction in process.
- C. Lockheed Martin PILOT – Closing in process.
- D. CNYOG PILOT – expired Feb. 2026
- E. Midwestern PILOT – expired Feb. 2026

Project/Grant Updates:

- A. USDA RBDG and ARC Grant – Lounsberry Pre-engineering Study
 1. Received ARC final reimbursement
 2. Proposed Scope of Work change
- B. USDA IRP Loan Application –
 1. The IDA was awarded \$299,000 in IRP Funds.
 - a. This may be too much money due to the lack of demand for it.
 2. IRP Loan Letter of Conditions package to be issued by USDA
- C. USDA RBDG Equipment Lease program

Motion to move into Executive Session at 5:43 PM pursuant to Public Officers Law Section 105 –

Board members J. Ward, T. Monell, E. Knolles, and R. Ciotoli were in attendance along with B. Woodburn, C. Yelverton, and L. Williams. T. Monell motioned to enter executive session at 5:43 pm to discuss medical, financial, credit or employment history of a particular person or corporation, or matters leading to the appointment, employment, promotion, demotion, discipline, suspension, dismissal or removal of a particular person or corporation. R. Ciotoli 2nd the motion. C. Yelverton and L. Williams were asked to leave the meeting. J. Ward and T. Monell motioned to exit executive session at 5:55 PM.

Next Regular Meeting: Wednesday May 6, 2026, at 4:30 PM in the Legislative Conference room.

Motion to Adjourn the meeting (E. Knolles, J. Ward) at 6:09 PM.

Balance Sheet - updated report

Tioga County Industrial Development Agency

As of Mar 31, 2026

	TOTAL		
	AS OF MAR 31, 2026	AS OF MAR 31, 2025 (PY)	\$ CHANGE (PY)
Assets			
Current Assets			
Bank Accounts			
1000 CCTC- CDs			
1001 Land Acquisition (150)	613,783.38	583,460.67	30,322.71
1002 Site Dev 2487 (previously 0847)	112,642.18	107,026.96	5,615.22
Total for 1000 CCTC- CDs	\$726,425.56	\$690,487.63	\$35,937.93
1003 CD Cap Improvement TSB 1484	357,648.84	345,058.05	12,590.79
1004 CD Site Dev Com Bank 156	112,138.33	107,203.02	4,935.31
1005 CD Site Dev Com Bank 158	112,208.98	107,203.03	5,005.95
1006 Restricted Cash Accounts			
1007 USDA Funds			
1008 CCTC- Loan Loss Reserve	40,531.07	40,518.91	12.16
1009 TSB- IRP 2016 (Formerly IRP 4)	94,003.68	88,779.09	5,224.59
1010 TSB- RBEG	123,903.30	101,138.59	22,764.71
Total for 1007 USDA Funds	\$258,438.05	\$230,436.59	\$28,001.46
Community- Facade Improvement (deleted)	0.00	247,899.70	-247,899.70
Total for 1006 Restricted Cash Accounts	\$258,438.05	\$478,336.29	-\$219,898.24
1011 Temporarily Restricted Cash Acc			
1012 TSB- PILOTS (Previously OG)	412,440.06	408,243.52	4,196.54
Community- BestBuy PILOT Acct. (deleted)	0.00	369.98	-369.98
Total for 1011 Temporarily Restricted Cash Acc	\$412,440.06	\$408,613.50	\$3,826.56
1013 Unrestricted Cash Accounts			
1014 TSB ICS	1,158,778.89	0.00	1,158,778.89
1015 TSB- Checking	216,899.48	789,562.43	-572,662.95
1016 TSB- General Fund	25,890.51	25,849.45	41.06
Total for 1013 Unrestricted Cash Accounts	\$1,401,568.88	\$815,411.88	\$586,157.00
1017 TSB- Commercial Facade Loan Program	230,237.36		230,237.36
CD Cap Improvement Com Bank (deleted)	0.00	-2,419.36	2,419.36
Total for Bank Accounts	\$3,611,106.06	\$2,949,894.04	\$661,212.02

Balance Sheet - updated report
Tioga County Industrial Development Agency
As of Mar 31, 2026

	TOTAL		
	AS OF MAR 31, 2026	AS OF MAR 31, 2025 (PY)	\$ CHANGE (PY)
Other Current Assets			
1201 Accounts Receivable 1300.01	0.00	42,453.05	-42,453.05
1202 Allowance for Doubtful Accounts	0.00	-35,000.00	35,000.00
1205 Facade Loan Program	-\$277.78		-\$277.78
1206 Loan Rec 2024-01	16,944.42		16,944.42
Total for 1205 Facade Loan Program	\$16,666.64	\$0.00	\$16,666.64
1210 IRP 4	\$0.00	\$0.00	\$0.00
1211 IRP 4 2023-01-A	49,798.42	55,079.47	-5,281.05
1212 Loan Rec - 2019 - 06A	36,969.22	47,412.21	-10,442.99
1213 Loan Rec 2017-01-A	2,062.19	5,862.61	-3,800.42
1214 Loan Rec 2017-04-A	20,518.76	23,201.59	-2,682.83
1215 Loan Rec 2018-01-A	40,684.48	45,084.26	-4,399.78
1216 Loan Rec 2019-07-A	28,225.71	30,536.93	-2,311.22
1217 Loan Rec 2021-01-A	43,158.18	51,668.76	-8,510.58
1218 Loan Rec 2021-02-A	1,138.55	4,498.00	-3,359.45
Total for 1210 IRP 4	\$222,555.51	\$263,343.83	-\$40,788.32
1230 Prepaid Expenses	12,012.61	0.00	12,012.61
1250 RBEG			
1251 Loan Rec - RBEG 2019 -06	29,575.37	37,929.93	-8,354.56
1252 RBEG 2023-01-A	79,677.26	88,127.03	-8,449.77
Total for 1250 RBEG	\$109,252.63	\$126,056.96	-\$16,804.33
Total for Other Current Assets	\$360,487.39	\$396,853.84	-\$36,366.45
Total for Current Assets	\$3,971,593.45	\$3,346,747.88	\$624,845.57
Fixed Assets			
1500 Equipment	0.00	0.00	0.00
1501 Land 434	376,800.36	376,800.36	0.00
1502 Land- Cavataio	2,500.00	2,500.00	0.00
1503 Land-general	601,707.05	601,707.05	0.00
1504 Land-Louns	\$143,812.53	\$143,812.53	\$0.00
1505 Berry	3,199.80	2,452.20	747.60
1506 Hess	259,561.43	259,561.43	0.00
1507 Lopke	8,993.03	8,993.03	0.00
1508 Town of Nichols	20,000.00	20,000.00	0.00
Total for 1504 Land-Louns	\$435,566.79	\$434,819.19	\$747.60
1509 Land-Rizzuto	78,395.16	78,395.16	0.00
1510 Railroad Improvements	2,077,650.50	2,077,650.50	0.00
1600 Accumulated Depreciation	-1,340,806.96	-1,308,664.24	-32,142.72
Asset WWTP	0.00	0.00	0.00
Total for Fixed Assets	\$2,231,812.90	\$2,263,208.02	-\$31,395.12
Total for Assets	\$6,203,406.35	\$5,609,955.90	\$593,450.45

Balance Sheet - updated report
Tioga County Industrial Development Agency
As of Mar 31, 2026

	TOTAL		
	AS OF MAR 31, 2026	AS OF MAR 31, 2025 (PY)	\$ CHANGE (PY)
Liabilities and Equity			
Liabilities			
Current Liabilities			
Accounts Payable			
20000 Accounts Payable	23.00	0.00	23.00
Total for Accounts Payable	\$23.00	\$0.00	\$23.00
Other Current Liabilities			
21000 Payroll Liabilities	0.00	0.00	0.00
22000 Accrued Expenses	545.00	0.00	545.00
23000 Bond Discount	0.00	0.00	0.00
23001 Interest Payable	0.00	0.00	0.00
23020 PILOT Payments	\$100,904.00		\$100,904.00
23021 CNYOG	0.00	-0.01	0.01
23022 Crown Cork and Seal	299,989.13	300,000.00	-10.87
23023 Gateway Owego, LLC	2,200.00	2,100.00	100.00
23024 Midwestern Pet Foods, Inc.	0.01	0.00	0.01
23025 Nichols Cross Dock	0.01	-17,726.65	17,726.66
23026 Owego Gardens	42,623.87	25,474.99	17,148.88
23027 Tioga Downs Racetrack	-148.46	0.00	-148.46
23028 V&S New York Galvanizing	-33,159.85	-562.16	-32,597.69
Spencer-Tioga Solar (deleted)	0.00	98,926.00	-98,926.00
Total for 23020 PILOT Payments	\$412,408.71	\$408,212.17	\$4,196.54
Total for Other Current Liabilities	\$412,953.71	\$408,212.17	\$4,741.54
Total for Current Liabilities	\$412,976.71	\$408,212.17	\$4,764.54
Long-term Liabilities			
24000 Tioga County HUD Prog - Principal	0.00	0.00	0.00
24001 Loan Pay- IRP 1	14,519.43	22,553.42	-8,033.99
24002 Loan Pay- IRP 2	55,114.97	66,787.30	-11,672.33
24003 Loan Pay- IRP 3	117,195.99	138,881.10	-21,685.11
24004 Loan Pay- IRP 4	160,403.97	160,511.26	-107.29
Total for Long-term Liabilities	\$347,234.36	\$388,733.08	-\$41,498.72
Total for Liabilities	\$760,211.07	\$796,945.25	-\$36,734.18
Equity			
3000 Opening Bal Equity	0.00	0.00	0.00
3001 Board Designated Funds	1,406,302.63	1,406,302.63	0.00
1110 Retained Earnings	4,010,680.65	3,416,246.07	594,434.58
Net Income	26,212.00	-9,538.05	35,750.05
Total for Equity	\$5,443,195.28	\$4,813,010.65	\$630,184.63
Total for Liabilities and Equity	\$6,203,406.35	\$5,609,955.90	\$593,450.45

Profit and Loss correct

Tioga County Industrial Development Agency

January 1-March 31, 2026

	TOTAL		
	JAN 1 - MAR 31 2026	JAN 1 - MAR 31 2025 (PY)	\$ CHANGE (PY)
Income			
4110 Grants		\$45,000.00	-\$45,000.00
4111 DRI-HCR	24,275.07	68,345.56	-44,070.49
Total for 4110 Grants	\$24,275.07	\$113,345.56	-\$89,070.49
4160 RJ Corman	37,797.52	45,625.88	-7,828.36
4600 Leases/Licenses	10,915.15	9,320.09	1,595.06
4700 Interest Income- All Accounts	11,928.91	534.79	11,394.12
4920 Loan Interest Income	3,225.87	3,670.97	-445.10
Total for Income	\$88,142.52	\$172,497.29	-\$84,354.77
Cost of Goods Sold			
Gross Profit	\$88,142.52	\$172,497.29	-\$84,354.77
Expenses			
6120 Bank Service Charges	35.00	50.00	-15.00
6160 Dues and Subscriptions	330.00		330.00
6180 Insurance	2,419.32	13,069.70	-10,650.38
6210 Grant Expense		\$3,800.00	-\$3,800.00
DRI-HCR	24,275.07	68,345.56	-44,070.49
Total for 6210 Grant Expense	\$24,275.07	\$72,145.56	-\$47,870.49
6240 Miscellaneous	-391.45	-4,710.60	4,319.15
6270 Professional Fees	30,920.25	46,715.33	-15,795.08
6360 Marketing & Advertising	3,715.68	2,968.18	747.50
6430 Loan Interest	1,604.06	1,815.58	-211.52
6440 Loan Program Expense	17.20		17.20
6550 Office Supplies	559.90	964.90	-405.00
6600 Property Taxes	807.97	774.71	33.26
6670 Program Expense			
6671 Facade Improvement Loan Program		190.40	-190.40
Total for 6670 Program Expense		\$190.40	-\$190.40
6998 Bad Debts		48,051.58	-48,051.58
Total for Expenses	\$64,293.00	\$182,035.34	-\$117,742.34
Net Operating Income	\$23,849.52	-\$9,538.05	\$33,387.57
Other Income			
7010 Interest Income	2,362.48		2,362.48
Total for Other Income	\$2,362.48		\$2,362.48
Other Expenses			
Net Other Income	\$2,362.48		\$2,362.48
Net Income	\$26,212.00	-\$9,538.05	\$35,750.05

Transaction List by Date - Correct
Tioga County Industrial Development Agency
 March 1-31, 2026

DATE	TRANSACTION TYPE	NAME	MEMO	ACCOUNT FULL NAME	AMOUNT
03/03/2026	Check	Tioga County ED&P	Advertising cost and Chamber sponsorship	6360 Marketing & Advertising	-747.50
03/06/2026	Check	Dryden Mutual Insurance Company	Special Multi-Peril Policy SMP00013250-12 Term: 2/21/26-2/21/7	1230 Prepaid Expenses	-13,409.43
03/06/2026	Check	Bowers CPAs & Advisors	Accounting fees Year End Review for Audit	6270 Professional Fees	-2,000.00
03/06/2026	Deposit	Jessica Jobbman	DEPOSIT		250.00
03/06/2026	Deposit	Patrick Elston	TRANSFER TIOGA ST BANK XXXX0348 TRANSFER 26/03/06 TRANSFER TIOGA ST BANK XXXXXX0348 TRANSFER 26/03/06		321.55
03/06/2026	Deposit	Lone Oak Cattle Co	DEPOSIT	4600 Leases/Licenses	250.00
03/06/2026	Deposit	Columbia Gas	DEPOSIT	4600 Leases/Licenses	19.52
03/06/2026	Deposit	Coughlin and Gerhart LLP	DEPOSIT	1205 Facade Loan Program:1206 Loan Rec 2024-01	277.78
03/06/2026	Deposit	Tioga County Treasurer	DEPOSIT	23020 PILOT Payments:23022 Crown Cork and Seal	9.88
03/07/2026	Deposit		INTEREST	4700 Interest Income- All Accounts	1,018.38
03/10/2026	Check	Greater Valley Chamber of Commerce	2023 Membership Dues	6160 Dues and Subscriptions	-120.00
03/10/2026	Check	Town of Nichols	2026 PILOT Payment		-120,878.98
03/10/2026	Check	Town of Barton	2026 Midwestern Pilot	23020 PILOT Payments:23024 Midwestern Pet Foods, Inc.	-7,109.07
03/10/2026	Check	Town of Owego	2026 PILOT Payments		-537,033.38
03/10/2026	Check	Tioga County	2026 PILOT Payment		-2,106,796.91
03/10/2026	Check	Owego Apalachin Central School District	2026 PILOT Payment	23020 PILOT Payments:23026 Owego Gardens	-22,270.18
03/10/2026	Check	Village of Owego	2026 PILOT Payment	23020 PILOT Payments:23026 Owego Gardens	-15,959.50
03/10/2026	Deposit	Broad Street Barber Shop	TRANSFER TIOGA ST BANK XXXX0348 TRANSFER 26/03/10 TRANSFER TIOGA ST BANK XXXXXX0348 TRANSFER 26/03/10		559.08
03/11/2026	Check	Tioga Downs	2025 PILOT Overpayment Refund	23020 PILOT Payments:23027 Tioga Downs Racetrack	-148.47
03/11/2026	Check	Factual Data	Compliance fee invoice #5869997	6440 Loan Program Expense	-17.20
03/12/2026	Deposit	Belles Blue LLC	DEPOSIT		754.16

Transaction List by Date - Correct
Tioga County Industrial Development Agency
 March 1-31, 2026

DATE	TRANSACTION TYPE	NAME	MEMO	ACCOUNT FULL NAME	AMOUNT
03/12/2026	Deposit		DEPOSIT		2,057.22
03/16/2026	Check	Dryden Mutual Insurance Company	Special Multi-Peril Policy SMP00013250-12 Term: 2/21/26-2/21/17- late fee	6120 Bank Service Charges	-10.00
03/17/2026	Deposit		INTEREST ADDED BACK	4700 Interest Income- All Accounts	321.87
03/17/2026	Deposit		INTEREST ADDED BACK	4700 Interest Income- All Accounts	309.24
03/17/2026	Deposit	NYSEG	ACHPAYMENT NY STATE ELECTRI CTX- NYSEG 2026 lease pymt	4600 Leases/Licenses	245.30
03/17/2026	Deposit	NYSEG	ACHPAYMENT NY STATE ELECTRI CTX	4600 Leases/Licenses	6,396.44
03/18/2026	Check	Tioga County Treasurer	Incorrectly deposited check- V&S Fire tax bill	8010 Other Expenses	-17,168.12
03/18/2026	Check	Tioga County ED&P	Administrative Services 1st Quarter 2026	6270 Professional Fees	-12,500.00
03/18/2026	Check	Tioga County Treasurer	Voided - Incorrectly deposited check- V&S Fire tax bill	8010 Other Expenses	0.00
03/20/2026	Deposit	At Your Door Mobile Dog Grooming	DEPOSIT		286.18
03/20/2026	Deposit		MISC PAY GSA TREAS 310 CCD RMRIVARC23C21025P2PI2605.0 0 MISC PAY GSA TREAS 310 CCD RMR*IV*ARC23C21025P2*PI*2605.0 0- Lounsberry Reimbursement	1201 Accounts Receivable 1300.01	2,605.00
03/20/2026	Deposit	Spook Hill Farms LLC	DEPOSIT	4600 Leases/Licenses	383.02
03/21/2026	Deposit		INTEREST	4700 Interest Income- All Accounts	5,549.10
03/23/2026	Check	Thomas, Collison & Meagher	Voided - January 2026 Legal Fees	22000 Accrued Expenses	0.00
03/24/2026	Check	Megan Schnabl	February 2026 Professional Services	6270 Professional Fees	-1,500.00
03/25/2026	Expense		FEE - ACH ADD/CHANGE/DELETE	6120 Bank Service Charges	-5.00
03/25/2026	Expense		FEE - ACH ADD/CHANGE/DELETE	6120 Bank Service Charges	-5.00
03/26/2026	Deposit		INTEREST ADDED BACK	4700 Interest Income- All Accounts	3,146.81
03/26/2026	Deposit	HCR	HTFCPYMT CUSTODIA - 1990 CCD	4110 Grants:4111 DRI-HCR	24,275.07
03/27/2026	Check	4345 Lake LLC	HCR-DRI disbursement	6210 Grant Expense:DRI-HCR	-24,275.07
03/30/2026	Expense	USDA	PAYMENT USDA RD RUS CCD		-12,339.00
03/31/2026	Check	Tioga County Chamber of Commerce	TCIDA Membership Dues- 2026	6160 Dues and Subscriptions	-210.00
03/31/2026	Check	Brittany Woodburn	March 2026 professional services	6270 Professional Fees	-1,900.00
03/31/2026	Check	Casey Yelverton	March 2026 Professional Services	6270 Professional Fees	-1,200.00
03/31/2026	Deposit		INTEREST	7010 Interest Income	1.07

Transaction List by Date - Correct
Tioga County Industrial Development Agency
March 1-31, 2026

DATE	TRANSACTION TYPE	NAME	MEMO	ACCOUNT FULL NAME	AMOUNT
03/31/2026	Deposit		INTEREST DEPOSIT	4700 Interest Income- All Accounts	26.77
03/31/2026	Deposit		INTEREST DEPOSIT	4700 Interest Income- All Accounts	3.30
03/31/2026	Deposit		INTEREST DEPOSIT	4700 Interest Income- All Accounts	15.78
03/31/2026	Deposit		INTEREST DEPOSIT	4700 Interest Income- All Accounts	12.65
03/31/2026	Deposit	Coughlin and Gerhart LLP	DEPOSIT	1205 Facade Loan Program:1206 Loan Rec 2024-01	277.78
03/31/2026	Journal Entry				
03/31/2026	Deposit	Jessica Jobbman	DEPOSIT		250.00
03/31/2026	Deposit		DEPOSIT		536.22
03/31/2026	Deposit	RJ Corman	DEPOSIT	4160 RJ Corman	34,535.92
03/31/2026	Deposit	Coughlin and Gerhart LLP	DEPOSIT	1205 Facade Loan Program	277.78
TOTAL					-
					\$2,812,629.94

Transaction List by Date - Correct
Tioga County Industrial Development Agency
 April 1-30, 2026

DATE	TRANSACTION TYPE	NAME	MEMO	ACCOUNT FULL NAME	AMOUNT
04/01/2026	Check	BiziLife LLC	January, February & March 2026 Social Media		-1,703.22
04/01/2026	Check	Tioga County ED&P	reimbursement for deluxe check purchase	6240 Miscellaneous	-242.91
04/01/2026	Deposit	HeaHea Retreat	TRANSFER TIOGA ST BANK XXXX0348 TRANSFER 26/04/01 TRANSFER TIOGA ST BANK XXXXXX0348 TRANSFER 26/04/01		1,072.92
04/01/2026	Deposit	Pristine Vision, LLC	TRANSFER TIOGA ST BANK XXXX0348 TRANSFER 26/04/01 TRANSFER TIOGA ST BANK XXXXXX0348 TRANSFER 26/04/01		809.96
04/01/2026	Deposit	Pristine Vision, LLC	TRANSFER TIOGA ST BANK XXXX0348 TRANSFER 26/04/01 TRANSFER TIOGA ST BANK XXXXXX0348 TRANSFER 26/04/01		1,012.45
04/01/2026	Deposit	HeaHea Retreat	TRANSFER TIOGA ST BANK XXXX0348 TRANSFER 26/04/01 TRANSFER TIOGA ST BANK XXXXXX0348 TRANSFER 26/04/01		670.57
04/01/2026	Deposit	R&C Auto	TRANSFER TIOGA ST BANK XXXX0348 TRANSFER 26/04/01 TRANSFER TIOGA ST BANK XXXXXX0348 TRANSFER 26/04/01		306.00
04/06/2026	Deposit	Patrick Elston	TRANSFER TIOGA ST BANK XXXX0348 TRANSFER 26/04/06 TRANSFER TIOGA ST BANK XXXXXX0348 TRANSFER 26/04/06		321.55
04/08/2026	Check	Owego Gardens - Home Leasing	2026 Sewer subsidy	23020 PILOT Payments:23026 Owego Gardens	-16,625.00
04/10/2026	Deposit	Broad Street Barber Shop	TRANSFER TIOGA ST BANK XXXX0348 TRANSFER 26/04/10 TRANSFER TIOGA ST BANK XXXXXX0348 TRANSFER 26/04/10		559.08
04/15/2026	Check	Thomas, Collison & Meagher	January 2026 Legal Fees	6270 Professional Fees	-5,425.00
04/15/2026	Check	Factual Data	Compliance fee 2026	6440 Loan Program Expense	-64.80
04/15/2026	Deposit	Jessica Jobbman	DEPOSIT		250.00
04/15/2026	Deposit	Park Outdoor Advertising	DEPOSIT	4600 Leases/Licenses	3,700.00
04/16/2026	Transfer		TRANSFER FROM X5345 TO X1070	1013 Unrestricted Cash Accounts:1015 TSB-Checking	-101.93
04/29/2026	Bill Payment (Check)	PILOT- Town of Owego		20000 Accounts Payable	0.00
04/29/2026	Bill Payment (Check)	PILOT- Town of Owego		20000 Accounts Payable	-23.00
04/29/2026	Deposit	V&S New York Galvanizing	DEPOSIT	4170 PILOT Program Fees:4183 V&S NY Galvanizing LLC	33,159.85
04/29/2026	Deposit	At Your Door Mobile Dog Grooming	DEPOSIT April & May		572.36
04/29/2026	Deposit	Jim Mead	DEPOSIT	4940 Loan Program Fee	400.00
TOTAL					\$18,648.88



TCIDA SOP

INVOICE PROCESSING AND CHECK DISBURSEMENT

SOP NO.	APPROVED BY	EFFECTIVE DATE:	REVISED DATE:
1	TCIDA BOD	May 6, 2026	

PURPOSE:	To establish a standardized, controlled, and efficient process for receiving, validating, and paying invoices for goods and services, ensuring accuracy, compliance, and timely payment. This procedure applies to all invoices submitted to the TCIDA for payment.																						
DEFINITIONS:	<p>3-Way Match: A payment control process requiring documented board authorization, verification of goods or services received, and a matching vendor invoice before payment.</p> <p>Authorized Signatory: A Board-designated member (e.g., Chair, Treasurer, or appointed Board Member) approved by resolution to sign checks and authorize disbursements on behalf of the TCIDA.</p> <p>AP: Accounts Payable - Funds the TCIDA owes to vendors for goods or services received but not yet paid.</p>																						
ACCOUNTING SYSTEM AND FIRM:	<p>QuickBooks Online (QBO)</p> <p>Bowers Accountants & Advisors: External accounting firm</p>																						
INTERNAL CONTROL STRENGTH ASSESSMENT:	<p>This structure includes:</p> <ul style="list-style-type: none"> Physical control of blank checks separated from preparation Documented requests from Staff A → Staff B to release blank checks Dual Board signatures maintained Independent monthly reconciliation and review Segregation of preparation, authorization, and reconciliation 																						
SEGREGATION OF DUTIES SUMMARY:	<table border="1"> <thead> <tr> <th>Function</th> <th>Responsible Party</th> </tr> </thead> <tbody> <tr> <td>Invoice Logging</td> <td>Staff A</td> </tr> <tr> <td>Bill Entry in QBO</td> <td>Staff A</td> </tr> <tr> <td>Check Printing & Packet Assembly</td> <td>Staff A</td> </tr> <tr> <td>Check Stock Custody</td> <td>Staff B</td> </tr> <tr> <td>Review of Check Stock versus Bill Entry in QBO</td> <td>Staff B</td> </tr> <tr> <td>Check Signing</td> <td>Two Board Members</td> </tr> <tr> <td>Mailing</td> <td>Staff A</td> </tr> <tr> <td>Bank Reconciliation</td> <td>External Accounting Firm</td> </tr> <tr> <td>Financial Reporting</td> <td>External Accounting Firm</td> </tr> <tr> <td>Board Oversight</td> <td>Chair and Treasurer</td> </tr> </tbody> </table>	Function	Responsible Party	Invoice Logging	Staff A	Bill Entry in QBO	Staff A	Check Printing & Packet Assembly	Staff A	Check Stock Custody	Staff B	Review of Check Stock versus Bill Entry in QBO	Staff B	Check Signing	Two Board Members	Mailing	Staff A	Bank Reconciliation	External Accounting Firm	Financial Reporting	External Accounting Firm	Board Oversight	Chair and Treasurer
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TCIDA SOP

INVOICE PROCESSING AND CHECK DISBURSEMENT

SOP NO.	APPROVED BY	EFFECTIVE DATE:	REVISED DATE:
1	TCIDA BOD	May 6, 2026	

RESPONSIBILITIES:

Vendor: Submits invoices to the dedicated AP mailing or email address.

Staff A – Administrative Coordinator:

- Receives and date-stamps invoices
 - Assigns sequential Invoice Control Numbers
 - Performs 3-way matching
 - Enters bills into QBO and attaches supporting documentation
 - Prepares and prints checks using only check stock released by Staff B
 - Assembles check packets for Board review
 - Mails signed checks after Board signature and authorization
- Maintains physical invoice files

Staff B – Economic Development Specialist:

- Reviews and initials invoices for payment
- Maintains blank check stock in a locked cabinet
- Releases checks to Staff A upon request and documents:
 - Number of checks requested
 - Invoice control numbers
 - Date and initials
- Monitors check stock usage and reconciles against QBO monthly
- Performs periodic review of checks issued to Staff A
- Retains voided check documentation

Board Authorized Signers:

- Board Chair
- Board Treasurer
- Other Board Member designated by resolution

All checks require two authorized board signatures.

External Accounting Firm:

- Reviews QuickBooks transactions monthly
 - Performs independent bank reconciliations
 - Reviews check register
 - Prepares monthly financial statements
- Provides financial reports to Board

TCIDA SOP

INVOICE PROCESSING AND CHECK DISBURSEMENT

SOP NO.	APPROVED BY	EFFECTIVE DATE:	REVISED DATE:
1	TCIDA BOD	May 6, 2026	

PROCEDURE:

1. Invoice Receipt and Invoice Register

- All invoices must be delivered, mailed, or e-mailed to TCIDA
- Staff A date-stamps all invoices and ensures the invoice contains the required data: Unique invoice number, vendor name, invoice date, description or detailed itemization of goods/services, total amount due and payment terms.
- Staff A enters the bill and uploads invoice in QBO within 24 hrs of receipt.

2. Invoice Verification (3-Way Match)

Before payment, Staff A confirms:

- **Authorization:** Board approved contract, letter of engagement, resolution or budget line.
- **Proof of Receipt/Service:** Goods received, services performed or confirmation of monthly service or subscription by Staff B.
Invoice: Vendor invoice must match authorization and proof of service.
- **Verify Details:** Verify that goods received, services performed, and total amounts match the letter of engagement or contract.
- **Discrepancy Handling:** If a discrepancy exists, contact the vendor for a corrected invoice immediately.
No duplicate invoices exists.

Payment is only processed when all three elements are consistent.

3. Coding and Approval

- Staff A codes the invoice with the appropriate General Ledger (GL) account code in QBO.
- Staff A routes the invoice electronically or via paper copy for approval
- Invoices under \$1,000: Approved for payment processing by Staff B.
- Invoices over \$1,000: Approved for payment processing by Board.
Staff B or Chair confirms if the goods/service were received, charges are accurate, expense is within budget, and expense is appropriate for payment.

4. Payment Processing

- Staff A schedules the payment based on cash flow considerations, vendor terms (e.g., Net 30) or as approved by management. Payments are typically processed on a bi-monthly basis.

TCIDA SOP

INVOICE PROCESSING AND CHECK DISBURSEMENT

SOP NO.	APPROVED BY	EFFECTIVE DATE:	REVISED DATE:
1	TCIDA BOD	May 6, 2026	

PROCEDURE:

4. Payment Processing (continued)

- Staff A generates payment via check.
- Staff A assembles check packet for Board Member review: Check, invoice, authorization documentation and proof of receipt/service, and on the invoice writes the check #, date of the check and initials.
- Two authorized board members are to sign checks and must also initial and date all pages of the corresponding invoice.

5. Mailing

Once signed, checks are:

- Copied and the copy is attached to the check packet documentation.
- Checks are placed in envelopes with remittance information.
- TCIDA mailing code (999) is written on envelope.
Mailed to the vendor address listed on the invoice or vendor file.

6. Monthly Close-Out of A/R Aging Summary Report

The monthly close-out process ensures that all invoices received during the month are properly recorded, processed, and reconciled within the Accounts Payable system.

- The A/R Aging Summary Report must be run in QBO and closed at the end of each month, typically within 3-5 business days after month-end.
Staff A will review the A/R Aging Summary Report for completeness and add explanation of unpaid bills in the Notes section of the report.
- The A/R Aging Summary Report will be reviewed, initialed, and dated by Staff B

The monthly A/R Aging Summary Report and supporting documentation will be stored in the Accounting System.

7. Record Retention

- Store electronic copies of completed payment packets (paid invoices, copy of check, authorization documentation and proof of receipt/service) in the Accounting System.
- Maintain records for a minimum of 7 years

TCIDA SOP

INVOICE PROCESSING AND CHECK DISBURSEMENT

SOP NO.	APPROVED BY	EFFECTIVE DATE:	REVISED DATE:
1	TCIDA BOD	May 6, 2026	

RELATED DOCUMENTS:	Procurement Policy TCIDA By-Laws Authorized Signatories
NOTES:	

NOTICE: THESE POLICY FORMS AND THE APPLICABLE RATES ARE EXEMPT FROM THE FILING REQUIREMENTS OF THE NEW YORK INSURANCE LAW AND REGULATIONS. HOWEVER, THE FORMS AND RATES MUST MEET THE MINIMUM STANDARDS OF THE NEW YORK INSURANCE LAW AND REGULATIONS.

Class Code: 2-14061
Class 2

ADVISORY NOTICE TO POLICYHOLDERS

NOTICE OF REDUCTION IN COVERAGE

This is a summary of changes in your policy. No coverage is provided by this summary 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. If there is any conflict between the policy and this summary, **THE PROVISIONS OF THE POLICY SHALL PREVAIL.**

The major areas within the policy that broaden or reduce coverage, and other changes, are highlighted below. This notice does not reference every editorial change made in your policy.

PI-NPD-169 (10/24) – NETWORK SECURITY and PRIVACY BREACH EXCLUSION

PI-NPD-169 NY (10/24) – NETWORK SECURITY and PRIVACY BREACH EXCLUSION

PI-NPD-170 (10/24) – NETWORK SECURITY and PRIVACY BREACH EXCLUSION W/ SIDE - A

CARVEBACK

PI-NPD-170 NY (10/24) – NETWORK SECURITY and PRIVACY BREACH EXCLUSION W/ SIDE - A

CARVEBACK

If **PI-NPD-169 (10/24)** Network Security and Privacy Breach Exclusion or **PI-NPD-170 (10/24)** Network Security and Privacy Breach Exclusion w/Side A Carveback is attached to your renewal policy, this amends your coverage as follows:

This exclusion clarifies our original intent that coverage does not exist for liability arising out of, in any way related to, or would not have occurred in whole or in part for the actual or alleged exposure to Network Security and/or Privacy Breach.

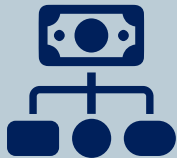
PHLY Customer Service

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- Edit User Profile and Contact Information



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- Mail – P.O. Box 70251, Philadelphia, PA 19176-0251



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- Phone - 877.438.7459
- Email - service@phly.com
- Hours: Monday - Friday 8:30 a.m. - 8:00 p.m. ET



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The PHLY Difference



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Schedule a consultation with a licensed attorney* who will provide best practices guidance on workplace risks. There is no limit to number of calls or time allotted per consultation.

*Consultation provided is best practices guidance only and is not legal advice or representation.



SAMPLE FORMS AND DOCUMENTS

These samples provide guidance in crafting employee manuals, formal policies, written procedures, checklists, and more.



ARTICLE ARCHIVE

Access to weekly articles covering various subject areas such as Employee Relations and Human Resources, Leadership and Ethics, Loss and Litigation, and much more.

IMPORTANT NOTE: Please provide an accurate Risk Management/Loss Control contact on your application or e-binding documents as this person will be set as your **PHLY**Gateway's initial Site Administrator.

QUESTIONS: 833.PHLYRMS | PHLYRMS@phly.com | **PHLYGateway.com**

Philadelphia Insurance Companies is the marketing name for the insurance company subsidiaries of the Philadelphia Consolidated Holding Corp., a Member of the Tokio Marine Group. Coverage(s) described may not be available in all states and are subject to Underwriting and certain coverage(s) may be provided by a surplus lines insurer. Surplus lines insurers do not generally participate in state guaranty funds and insureds are therefore not protected by such funds. | © 2024 Philadelphia Consolidating Holding Corp., All Rights Reserved.



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PHLY also provides various risk management tools and resources at little or no additional cost to your organization.

To access these resources, please take a moment to [register on our website](#). If you already have an account on PHLY.com, please [log in](#) to access Risk Management Services resources.

Risk Management Resources

We encourage you to explore the following risk management resources:

PHLYGATEWAY

The **PHLYGATEWAY** is an online portal that provides a suite of management and professional risk resources including an online training platform, model policies, and a Best Practices Help Line.

[PHLYGATEWAY](#)



IntelliCorp: Provides a discounted background check package as well as discounted pricing for add-on services, such as Motor Vehicle Reports (MVRs).

[IntelliCorp](#)

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CONTACT

For questions about your organization's risk management needs and information on PHLY's Risk Management Services please contact PHLY RMS:

Phone: 1.833.PHLYRMS (Mon-Fri 8:30 a.m. - 5:00 p.m. ET)

E-mail: phlyrms@phly.com



A Member of the Tokio Marine Group

One Bala Plaza, Suite 100
Bala Cynwyd, Pennsylvania 19004
610.617.7900 Fax 610.617.7940
PHLY.com

PROPOSAL FOR INSURANCE

Quotation Number: 18965895

Proposal Date: 04/01/2026

Named Insured and Mailing Address:

Tioga County Industrial Development
Agency
56 Main St
Owego, NY 13827-1525

Producer: 22630

Smith Brothers Insurance, LLC
300 Plaza Dr
Vestal, NY 13850

Contact: Nicholas Spencer

Phone: (607)754-1411

Fax: (607)754-6463

Insurer: Philadelphia Indemnity Insurance Company

Policy Period From: 04/05/2026

To: 04/05/2027

Proposal Valid Until: 04/05/2026

at 12:01 A.M. Standard Time at your mailing address shown above.

Product: Flexi Plus Five

Submission Type: Renewal Business

PHLY Representative:

Argetsinger, Kara

PHLY Representative Phone: (518) 387-3627

Email: Kara.Argetsinger@phly.com

Underwriter:

M&PL Core Renewals

Underwriter Phone:

(610) 617-7900

Email: accountmanagement@phly.com

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

THIS PROPOSAL CONSISTS OF THE FOLLOWING COVERAGE PARTS FOR WHICH A PREMIUM IS INDICATED. THIS PREMIUM MAY BE SUBJECT TO ADJUSTMENT.

	PREMIUM
Flexi Plus Five	\$ 4,065.00

The premium shown is subject to the following terms and conditions:	TOTAL	\$ 4,065.00
--	--------------	-------------

SEE ATTACHED PROPOSAL TERMS AND CONDITIONS ON THE NEXT PAGE



A Member of the Tokio Marine Group

One Bala Plaza, Suite 100
Bala Cynwyd, Pennsylvania 19004
610.617.7900 Fax 610.617.7940
PHLY.com

Proposal Date: 04/01/2026
Quotation Number: 18965895

Named Insured: Tioga County Industrial Development

The premium shown is subject to the following terms and conditions:

Any taxes, fees or surcharges included in the total premium shown on the proposal are not subject to installment billing.

A maximum per installment fee of \$5.00 may be included (some states may vary)

Binding Conditions:

*This is a non-binding indication subject to the receipt and acceptance of the following:

- *Terms are subject to change
- *Most recent audited financial statements.
- *Have there been any changes to Human Resource policies or procedures in the past 12 months?
- *Please provide additional details regarding the changes to the Board of Directors. Were the changes planned or forced?
- *Flexi Plus Five renewal application must be signed and dated.

Policy Number: 18965895Named Insured: Tioga County Industrial Development

A Member of the Tokio Marine Group

One Bala Plaza, Suite 100
 Bala Cynwyd, Pennsylvania 19004
 610.617.7900 Fax 610.617.7940
 PHLI.com

Terrorism Premium (Certified Acts) \$ <u>Included</u>

DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE REJECTION OPTION

You are hereby notified that under the Terrorism Risk Insurance Act, as amended, you have a right to purchase insurance coverage for losses resulting from acts of terrorism. *As defined in Section 102(1) of the Act:* The term “act of terrorism” means any act or acts that are certified by the Secretary of the Treasury—in consultation with the Secretary of Homeland Security, and the Attorney General of the United States—to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

YOU SHOULD KNOW THAT WHERE COVERAGE IS PROVIDED BY THIS POLICY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM, SUCH LOSSES MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. HOWEVER, YOUR POLICY MAY CONTAIN OTHER EXCLUSIONS WHICH MIGHT AFFECT YOUR COVERAGE, SUCH AS AN EXCLUSION FOR NUCLEAR EVENTS. UNDER THE FORMULA, THE UNITED STATES GOVERNMENT’S FEDERAL SHARE OF TERRORISM LOSSES IS 80% OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURANCE COMPANY PROVIDING THE COVERAGE. THE PREMIUM CHARGED FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS THAT MAY BE COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS A \$100 BILLION CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT AS WELL AS INSURERS’ LIABILITY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM WHEN THE AMOUNT OF SUCH LOSSES IN ANY ONE CALENDAR YEAR EXCEEDS \$100 BILLION. IF THE AGGREGATE INSURED LOSSES FOR ALL INSURERS EXCEED \$100 BILLION, YOUR COVERAGE MAY BE REDUCED.

Your attached proposal (or policy) includes a charge for terrorism. We will issue (or have issued) your policy with terrorism coverage unless you decline by placing an “X” in the box below.

NOTE 1: If “included” is shown on your proposal (or policy) for terrorism you WILL NOT have the option to reject the coverage.

NOTE 2: You will want to check with entities that have an interest in your organization as they may require that you maintain terrorism coverage (e.g. mortgagees).

EXCEPTION: If you have property coverage on your policy, the following Standard Fire Policy states do not permit an Insured to reject fire ensuing from terrorism: CA, CT, GA, HI, IA, IL, MA, ME, MO, NJ, NY, NC, OR, RI, VA, WA, WV, WI. Therefore, if you are domiciled in the above states and reject terrorism coverage, you will still be charged for fire ensuing from terrorism as separately designated on your proposal.

	I decline to purchase terrorism coverage. I understand that I will have no coverage for losses arising from "certified" acts of terrorism, EXCEPT as noted above.
--	---

You, as the Insured, have 30 days after receipt of this notice to consider the selection/rejection of "terrorism" coverage. After this 30 day period, any request for selection or rejection of terrorism coverage WILL NOT be honored.

REQUIRED IN GA – LIMITATION ON PAYMENT OF TERRORISM LOSSES (applies to policies which cover terrorism losses insured under the federal program, including those which only cover fire losses)

The provisions of the Terrorism Risk Insurance Act, as amended, can limit our maximum liability for payment of losses from certified acts of terrorism. That determination will be based on a formula set forth in the law involving the national total of federally insured terrorism losses in an annual period and individual insurer participation in payment of such losses. If one or more certified acts of terrorism in an annual period causes the maximum liability for payment of losses from certified acts of terrorism to be reached, and we have satisfied our required level of payments under the law, then we will not pay for the portion of such losses above that maximum. However, that is subject to possible change at that time, as Congress may, under the Act, determine that payments above the cap will be made.

INSURED'S SIGNATURE _____

DATE _____



A Member of the Tokio Marine Group

One Bala Plaza, Suite 100
Bala Cynwyd, Pennsylvania 19004
610.617.7900 Fax 610.617.7940
PHLY.com

Named Insured: Tioga County Industrial Development

Proposal Date: 04/01/2026
Quotation Number: 18965895

SPECIALTY LINES

Total: \$ 4,065.00

FLEXI PLUS FIVE

PREMIUM

Coverage Part	Limit	Retention	Retroactive Date	P&P Date	Coinsurance	
Directors and Officers Liability:	\$ 2,000,000	\$ 2,500	FULL PRIOR ACTS	04/05/2008		\$ 2,824.00
Employment Practices Liability:	\$ 2,000,000	\$ 1,000	FULL PRIOR ACTS	04/05/2008		\$ 1,241.00

Aggregate Limit: \$ 4,000,000

\$ 4,065.00

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

DIRECTORS AND OFFICERS LIABILITY

If aggregate insured losses attributable to terrorist acts certified under the federal 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.

"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 subject 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.
3. 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 Policy.



Named Insured: Tioga County Industrial Development

FORM SCHEDULE

Form	Edition	Description
NYFTZ Notice	1219	New York Free Trade Zone Class 1 And 2 Policy Notice
BJP-190-1	0221	Commercial Lines Policy Jacket
PI-FEES-NOTICE 1	1119	Notice Late/Non-Sufficient Funds/Reinstatement Fee
PP2020	0220	Privacy Notice For Commercial Lines
CPD-PIIC-NY	0221	Common Policy Declarations
PI-TER-DN1	0121	Disclosure Notice Of Terrorism Ins Coverage Rejection
PI-NPD-1 NY	0603	FlexiPlus Five Declarations Page
PI-BELL-1 NY	1109	Bell Endorsement
PI-CME-1	1009	Crisis Management Enhancement Endorsement
PI-NPD-2 NY	0603	Flexi Plus Five Coverage Form
PI-NPD-22	0102	Loan Exclusion
PI-NPD-25	0102	Professional Services Exclusion(Supervision Carve-Out)
PI-NPD-27 NY	1119	Abuse Exclusion With Workplace Harassment Carveback
PI-NPD-52	0123	Amendment Of Exclusions
PI-NPD-66	0604	Employment Practices Liability Third Party
PI-NPD-137	0120	Biometric Information Claim Exclusion
PI-NPD-170 NY	1024	Network Security/Privacy Breach Exc W/Side-A Carveback
PI-NPD-NY	1210	New York - Changes
PI-NPD NY 1	0523	New York Amendatory Endorsement
PI-PL-NY-4	1096	New York Amendatory - Retention and Coinsurance [Coinsurance - First \$1,000,000 of Coverage: 0.10] [Coinsurance - First \$1,000,000 of Loss: 0.00] [Retention - Aggregate All Directors and Officers: 1,000] [Retention - Each Claim: 100] [Retention - Each Claim, Organization: 1,000]
PI-NY-FF-Addendum	0403	New York Application and Declaration Page Addendum
PI-SLD-001	0115	Cap On Losses From Certified Acts Of Terrorism



A Member of the Tokio Marine Group

One Bala Plaza, Suite 100
Bala Cynwyd, Pennsylvania 19004
610.617.7900 Fax 610.617.7940
PHLY.com

Named Insured: Tioga County Industrial Development

Proposal Date: 04/01/2026
Quotation Number: 18965895

The producer placing this policy may receive commission and additional underwriting profit share incentives. These incentives are based on the underwriting performance of this producer's book of business. Any questions about the nature of this compensation should be directed to the producer.

In order to complete the underwriting process, we require that you send us the additional information requested in the "conditions" section of this proposal. We are not required to bind coverage prior to our receipt, review and underwriting approval, of said additional information. However, if we do bind coverage, it shall be for a temporary period of not more than 30 days. Such temporary binding of coverage shall be void ab initio ("from the beginning") if we have not received, reviewed and approved in writing such materials within 15 days from the effective date of the temporary binder. This 30 day temporary conditional binder may be extended only in writing signed by the Insurer. Payment of premium shall not operate to extend the binding period or nullify the automatic voiding as described above.

This quotation is strictly conditioned upon no material change in the risk occurring between the date of this proposal and the inception date of the proposed policy (including any claim or notice of circumstances that which may reasonably expected to give rise to a claim under any policy of which the policy being proposed by this letter is a renewal or replacement). In the event of such change in risk, the Insurer may in its sole discretion, whether or not this quotation has been already accepted by the Insured, modify and/or withdraw this quotation.

Subject to the terms and conditions outlined above and prior to the quote expiration date, this quote may be bound by signing and dating below and by initialing, on the previous page, the option to be bound. This form will then act as the binder of coverage for 30 days from the date signed and may be distinguished by the Quotation number on page 1. This binder is only valid for 30 days.

No coverage is afforded or implied unless shown in this proposal.

This proposal does not constitute a binder of insurance.

This proposal is strictly limited to the terms and conditions herein. Any other coverage extensions, deletions or changes requested in the submission are hereby rejected.

Signature of Authorized Insurance Representative

Date



PHILADELPHIA
INSURANCE COMPANIES

A Member of the Tokio Marine Group

One Bala Plaza, Suite 100
Bala Cynwyd, Pennsylvania 19004
610.617.7900 Fax 610.617.7940
PHLY.com

Taxes, Surcharges, and Fees Notice

*Note: The above proposal may not account for local taxes, Surcharges, and/or fees mandated by the State in which you/your business operate(s). The final policy will include a description of how local taxes, surcharges and fees, if applicable, have been allocated as determined by the risk location. Please contact a PHLY representative if you have any questions.

NOTICE: THESE POLICY FORMS AND THE APPLICABLE RATES ARE EXEMPT FROM THE FILING REQUIREMENTS OF THE NEW YORK INSURANCE LAW AND REGULATIONS. HOWEVER, THE FORMS AND RATES MUST MEET THE MINIMUM STANDARDS OF THE NEW YORK INSURANCE LAW AND REGULATIONS.

Specimen

Class Code: 2-14061
Class 2



PHILADELPHIA INSURANCE COMPANIES

A Member of the Tokio Marine Group

One Bala Plaza, Suite 100, Bala Cynwyd, Pennsylvania 19004
610.617.7900 • Fax 610.617.7940 • PHLY.com

04/01/2026

Tioga County Industrial Development
Agency
56 Main St
Owego, NY 13827-1525

Specimen

Tg<'18965895

Dear Valued Customer:

Thank you very much for choosing Philadelphia Insurance Companies (PHLY) for your insurance needs. Our A++ (Superior) AM Best financial strength rating is one reason why over 700,000 policyholders have put their trust in us. We invite you to experience The PHLY Difference, which includes:

- Exceptional Customer Service
- Complimentary & Tailored Risk Management
- Best in Class Claims Experience
- Industry Leading Coverage
- Team PHLY Working for You!

We realize you have a choice in insurance companies, and we truly appreciate your business. Welcome to TeamPHLY, and please visit us at PHLY.com to learn more about The PHLY Difference!

Sincerely,

John W. Glomb, Jr.
President & CEO
Philadelphia Insurance Companies

JWG/sm

The PHLY Difference



PHLY Customer Service

Exceptional Customer Service

- Net Promoter Score among the industry's best
- Voice of the Customer empowers customer feedback
- Self Service at MyPHLY.com
- Direct Bill with payment plans
- Dedicated billing representative



TEAMPHLY

TEAMPHLY - working for you!

- Marketing/Underwriting/Account Management team advocating on your behalf
- Account Stewardship
- Giving back to local communities



PHLY RISK MANAGEMENT SERVICES

Complimentary & Tailored Risk Management

- PHLYTrac GPS Program
- SmarterNow Online Learning Management System
- Abuse Prevention Systems Program
- PHLYSense Temperature/Water Monitoring Program



Industry Leading coverages

- Full Suite of coverages - package, automobile, umbrella, D&O, Cyber, A&H, Environmental, Surety
- Industry specific coverage enhancements
- Admitted & Non-admitted



Best in class Claims Experience

- 96%+ Customer Satisfaction Rating
- Industry and Type-of-Loss Claims Specialists
- In-house Recovery and Subrogation
- Claim-specific reserving practices



Hear what our agents are saying about their experience with The PHLY Difference.

Learn more: ThePHLYDifference.com

800.873.4552 | **PHLY.com**

Philadelphia Insurance Companies is the marketing name for the insurance company subsidiaries of the Philadelphia Consolidated Holding Corp., a Member of the Tokio Marine Group. Coverage(s) described may not be available in all states and are subject to underwriting and certain coverage(s) may be provided by a surplus lines insurer. Surplus lines insurers do not generally participate in state guaranty funds and insureds are therefore not protected by such funds. | © 2021 Philadelphia Consolidating Holding Corp., All Rights Reserved.

 **PHLY**GATEWAY**MANAGEMENT & PROFESSIONAL LIABILITY RISK MANAGEMENT GATEWAY****Introducing the PHLYGateway!**

Philadelphia Insurance Companies (PHLY) is excited to provide a powerful risk management tool to our Management and Professional Liability (M&PL) insureds. The **PHLY**Gateway is an online, risk management platform that can help organizations mitigate losses and manage business risk.

**THIS RESOURCE IS PROVIDED AT NO-COST TO OUR M&PL INSURED
AND INCLUDES:****AN ONLINE TRAINING LIBRARY**

Virtual trainings for employees and managers covering many topics, including:

- Preventing Sexual Harassment - New York/New York City
- Preventing Gender and Gender - Related Discrimination
- Preventing Wrongful Termination
- Workplace Civility and Respect
- And many more!

**BEST PRACTICES HELP LINE**

Schedule a consultation with a licensed attorney* who will provide best practices guidance on workplace risks. There is no limit to number of calls or time allotted per consultation.

*Consultation provided is best practices guidance only and is not legal advice or representation.

**SAMPLE FORMS AND DOCUMENTS**

These samples provide guidance in crafting employee manuals, formal policies, written procedures, checklists, and more.

**ARTICLE ARCHIVE**

Access to weekly articles covering various subject areas such as Employee Relations and Human Resources, Leadership and Ethics, Loss and Litigation, and much more.

TO REGISTER: PHLY Management and Professional Liability insureds can visit www.PHLYGateway.com and register using a current account and policy number.

QUESTIONS: 833.PHLYRMS | PHLYRMS@phly.com | **PHLYGateway.com**

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Risk Management Services

PHLYRMS RESOURCES

Welcome to Philadelphia Insurance Companies (PHLY)! As a PHLY customer, your organization now has access to tools and services that can assist in your risk management efforts. Our Risk Management Services (RMS) Consultants can provide in-person assistance, from leading employee safety meetings to providing valuable guidance regarding safety best practices.

PHLY also provides various risk management tools and resources at little or no additional cost to your organization.

To access these resources, please take a moment to [register on our website](#). If you already have an account on PHLY.com, please [log in](#) to access Risk Management Services resources.

Risk Management Resources

We encourage you to explore the following risk management resources:



The **PHLYGATEWAY** is an online portal that provides a suite of management and professional risk resources including an online training platform, model policies, and a Best Practices Help Line.

[PHLYGATEWAY](#)



IntelliCorp: Provides a discounted background check package as well as discounted pricing for add-on services, such as Motor Vehicle Reports (MVRs).

[IntelliCorp](#)



RMS WEB-BASED TRAINING

SmarterNow: PHLY's no-cost Learning Management System that provides online training, assignment, and reporting capabilities. Trainings include defensive driver, discrimination in the workplace, security awareness, and many more.

[Learn More Here](#)

CONTACT

For questions about your organization's risk management needs and information on PHLY's Risk Management Services please contact PHLY RMS:

Phone: 1.833.PHLYRMS (Mon-Fri 8:30 a.m. - 5:00 p.m. ET)

E-mail: phlyrms@phly.com



833.PHLYRMS | PHLY.com/RMS

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Philadelphia Indemnity Insurance Company
A Stock Company (Nonparticipating)

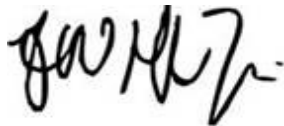
Specimen

Commercial Lines Policy

THIS POLICY CONSISTS OF:

- DECLARATIONS
- COMMON POLICY CONDITIONS
- ONE OR MORE COVERAGE PARTS. A COVERAGE PART CONSISTS OF:
 - ONE OR MORE COVERAGE FORMS
 - APPLICABLE FORMS AND ENDORSEMENTS

IN WITNESS WHEREOF, we have caused this policy to be executed and attested, and, if required by state law, this policy shall not be valid unless signed by our authorized representative.

A handwritten signature in black ink, appearing to be 'J. M. Z.', written in a cursive style.

President and CEO

A handwritten signature in black ink, appearing to be 'Ed Sar', written in a cursive style.

Secretary

**NOTICE
LATE FEE
NON-SUFFICIENT FUNDS FEE
REINSTATEMENT FEE**

Late Fee

Please be advised that if your payment is late (payment is not received within five days of the payment due date indicated on the invoice), you will be charged a late fee of \$25* (where permitted).

Non-Sufficient Funds Fee

Please be advised that if your payment is returned for non-sufficient funds, you will be charged a fee of \$25** (where permitted).

Reinstatement Fee

Please be advised that if your policy is cancelled due to non-payment of the premium and we agree to reinstate your policy, you will be charged a reinstatement fee of \$50*** (where permitted).

These fees are in addition to any premium owed on the policy and each fee can apply more than once during the policy term.

*\$10 in Florida, Maryland, South Carolina

**\$15 in Florida and \$20 in New York

***\$25 in Delaware, Georgia, New Hampshire and New Mexico; and \$15 in Kansas and Nebraska

ALL COMMERCIAL LINES

PRIVACY NOTICE FOR COMMERCIAL LINES

This notice is provided on behalf of Philadelphia Indemnity Insurance Company

PURPOSE OF THIS NOTICE

When you apply for or become an insured under, the insurance policies we issue, we gather certain non-public information or “NPI” about your business and its employees. We are committed to safeguarding the NPI you entrust to us. The purpose of this notice is, therefore, to let you know how we collect, use, share and protect the NPI you provide to us in those contexts.

That means this notice applies only to your business interactions with us involving your application for a quote or as a policy holder. NPI we may collect from you in connection with other interactions, such as when you or your employees visit one of our general interest, publicly accessible websites, is governed by the separate notices and policies we publish on those relevant sites or otherwise provide to you.

When we refer in this notice to your “NPI”, we mean non-public information as that term is generally defined and applied under the New York Department of Financial Services’ Cybersecurity Regulation, the Gramm-Leach-Bliley Act and the National Association of Insurance Commissioners’ Data Security Model Law which includes non-public information about your business, such as financial information, account numbers, loss history, personal non-public information of your employees including social security number, address or medical information and any proprietary information we obtain about your business or your customers.

Due to a variety of factors, including certain explicit exemptions they contain, this notice and the NPI we collect from you in connection with the above-described business interactions ***is not*** governed by the EU General Data Protection Regulation, its related EU and Swiss Privacy Shield or the California Consumer Privacy Act.

COLLECTING YOUR NPI

In the course of, or as part of a business interaction, we collect your NPI both directly from you, or from the agents, brokers or other intermediaries acting on your or our behalf, as well as from a variety of additional sources including:

- the applications or other forms you provide to us (these forms may contain your name, address, social security number, marital status, date of birth, gender, length of employment, prior insurance information, home ownership, residency history, vehicle type, vehicle use, or driving history)
- your transactions with us, our other affiliates of the Tokio Marine Group as well as third parties (this information would include, for example, premium payment and claims history)
- consumer or independent reporting agencies (for example your motor vehicle report, property inspection report, accident report or claim report)

USING YOUR NPI

We use your NPI in a variety of ways such as creating and issuing a quote, underwriting or otherwise processing and servicing your insurance policy, handling claims you may have and offering you additional products and services that we think may be of interest to you as well as for related research and analytics purposes.

SHARING YOUR NPI

We do not disclose or share any NPI about our customers or former customers outside of the Tokio Marine Group, except as permitted by law. We do not sell or disclose or share your NPI for third party marketing purposes. We do, however, share your NPI with third parties that we use to service your account or process your insurance policy or your claim, or administer related transactions. These third parties may include:

- your agent, broker or producer
- independent claims adjusters, investigators, data processors or attorneys
- persons or organizations that conduct scientific research, including actuarial or underwriting studies
- an insurance support organization or another insurer, to prevent or prosecute fraud or to properly underwrite the risk
- another insurer, if you are involved in an accident with their insured
- State insurance departments or other governmental or law enforcement authorities, if required by law, to protect our legal interests or in cases of suspected fraud or illegal activities
- a court of law

We also are required to disclose your NPI if we receive a subpoena, search warrant or other court order.

RETAINING YOUR NPI

The NPI we collect is kept in your policy and/or claim files for as long as needed in connection with your business interactions with you and, if longer, as required by law.

HOW WE PROTECT YOUR NPI

We have adopted and implemented a security and privacy program that includes technical, organizational, administrative, and other measures designed to protect, as required by applicable law and in accordance with industry standards, against reasonably anticipated or actual threats to the security of your NPI. Our security program was created by reference to widely recognized standards such as those published by the International Standards Organization and National Institute of Standards and Technology. It includes, among many other things, procedures for assessing the need for, and as appropriate, either employing encryption and multi-factor authentication or using equivalent compensating controls. As part of our security program, we have specific incident response and management procedures that are activated whenever we become aware that your NPI was likely to have been compromised.

CHANGES TO THIS NOTICE

We may amend this notice from time to time and will inform you of these changes as required by law.

QUESTIONS AND CONTACT INFORMATION

If you have any questions about this notice or how we collect, use, share and protect your NPI, please contact the Chief Privacy Officer of TMNA Services, LLC, who acts as the privacy and data security administrator for most of the Tokio Marine Group in North America. The Chief Privacy Officer's contact information is:

Attn: Privacy Office
TMNA Services, LLC
3 Bala Plaza East, Suite 400
Bala Cynwyd, Pennsylvania 19004
610-227-1300



A Member of the Tokio Marine Group

One Bala Plaza, Suite 100
Bala Cynwyd, Pennsylvania 19004
610.617.7900 Fax 610.617.7940
PHLY.com

Philadelphia Indemnity Insurance Company
A Stock Company (Nonparticipating)
COMMON POLICY DECLARATIONS

Policy Number: 18965895

Named Insured and Mailing Address:
Tioga County Industrial Development
Agency
56 Main St
Owego, NY 13827-1525

Producer: 22630
Smith Brothers Insurance, LLC
300 Plaza Dr
Vestal, NY 13850

Policy Period From: 04/05/2026 **To:** 04/05/2027

(607)754-1411
at 12:01 A.M. Standard Time at your mailing
address shown above.

Business Description: Non-Profit Organization

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.

THIS POLICY CONSISTS OF THE FOLLOWING COVERAGE PARTS FOR WHICH A PREMIUM IS INDICATED. THIS PREMIUM MAY BE SUBJECT TO ADJUSTMENT.

Commercial Property Coverage Part

Commercial General Liability Coverage Part

Commercial Crime Coverage Part

Commercial Inland Marine Coverage Part

Commercial Auto Coverage Part

Businessowners

Flexi Plus Five

PREMIUM

4,065.00

Total

\$ 4,065.00

FORM (S) AND ENDORSEMENT (S) MADE A PART OF THIS POLICY AT THE TIME OF ISSUE
Refer To Forms Schedule

*Omits applicable Forms and Endorsements if shown in specific Coverage Part/Coverage Form Declarations



Secretary



President and CEO

Philadelphia Indemnity Insurance Company
Form Schedule – Policy

Policy Number: 18965895

Forms and Endorsements applying to this Coverage Part and made a part of this policy at time of issue:

Form	Edition	Description
NYFTZ Notice	1219	New York Free Trade Zone Class 1 And 2 Policy Notice
BJP-190-1	0221	Commercial Lines Policy Jacket
PI-FEES-NOTICE 1	1119	Notice Late/Non-Sufficient Funds/Reinstatement Fee
PP2020	0220	Privacy Notice For Commercial Lines
CPD-PIIC-NY	0221	Common Policy Declarations
PI-TER-DN1	0121	Disclosure Notice Of Terrorism Ins Coverage Rejection

ADVISORY NOTICE TO POLICYHOLDERS

NOTICE OF REDUCTION IN COVERAGE

This is a summary of changes in your policy. No coverage is provided by this summary 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. If there is any conflict between the policy and this summary, **THE PROVISIONS OF THE POLICY SHALL PREVAIL.**

The major areas within the policy that broaden or reduce coverage, and other changes, are highlighted below. This notice does not reference every editorial change made in your policy.

PI-NPD-169 (10/24) – NETWORK SECURITY and PRIVACY BREACH EXCLUSION

PI-NPD-169 NY (10/24) – NETWORK SECURITY and PRIVACY BREACH EXCLUSION

PI-NPD-170 (10/24) – NETWORK SECURITY and PRIVACY BREACH EXCLUSION W/ SIDE - A

CARVEBACK

PI-NPD-170 NY (10/24) – NETWORK SECURITY and PRIVACY BREACH EXCLUSION W/ SIDE - A

CARVEBACK

If **PI-NPD-169 (10/24)** Network Security and Privacy Breach Exclusion or **PI-NPD-170 (10/24)** Network Security and Privacy Breach Exclusion w/Side A Carveback is attached to your renewal policy, this amends your coverage as follows:

This exclusion clarifies our original intent that coverage does not exist for liability arising out of, in any way related to, or would not have occurred in whole or in part for the actual or alleged exposure to Network Security and/or Privacy Breach.



**PHILADELPHIA
INSURANCE COMPANIES**

A Member of the Tokio Marine Group

One Bala Plaza, Suite 100
Bala Cynwyd, Pennsylvania 19004
610.617.7900 Fax 610.617.7940
PHLY.com

FLEXIPLUS FIVE

NOT-FOR-PROFIT ORGANIZATION DIRECTORS & OFFICERS LIABILITY INSURANCE
EMPLOYMENT PRACTICES LIABILITY INSURANCE
FIDUCIARY LIABILITY INSURANCE
WORKPLACE VIOLENCE INSURANCE
INTERNET LIABILITY INSURANCE

Specimen

Philadelphia Indemnity Insurance Company

Policy Number: 18965895

DECLARATIONS

NOTICE: EXCEPT TO SUCH EXTENT AS MAY OTHERWISE BE PROVIDED HEREIN, THIS POLICY IS WRITTEN ON A CLAIMS MADE BASIS AND COVERS ONLY THOSE CLAIMS FIRST MADE DURING THE POLICY PERIOD AND REPORTED IN WRITING TO THE INSURER PURSUANT TO THE TERMS HEREIN. THE AMOUNTS INCURRED FOR DEFENSE COST SHALL BE APPLIED AGAINST THE RETENTION.

Item 1. Parent Organization and Address:
Tioga County Industrial Development
Agency
56 Main St
Owego, NY 13827-1525

Internet Address: www.developitioga.com

Item 2. Policy Period: From: 04/05/2026 To: 04/05/2027
(12:01 A.M. local time at the address shown in Item 1.)

Item 3. Limits of Liability:			
(A) Part 1, D&O Liability:	\$	2,000,000	each Policy Period.
(B) Part 2, Employment Practices:	\$	2,000,000	each Policy Period.
(C) Part 3, Fiduciary Liability:	\$		each Policy Period.
(D) Part 4, Workplace Violence:	\$		each Policy Period.
(E) Part 5, Internet Liability:	\$		each Policy Period.
(F) Aggregate, All Parts:	\$	4,000,000	each Policy Period.

Item 4. Retention:

(A)	Part 1, D&O Liability:	\$	2,500	for each Claim under Insuring Agreement B & C.
(B)	Part 2, Employment Practices:	\$	1,000	for each Claim.
(C)	Part 3, Fiduciary Liability:	\$		for each Claim.
(D)	Part 4, Workplace Violence:	\$		for each Workplace Violence Act.
(E)	Part 5, Internet Liability:	\$		for each Claim.

Item 5. Prior and Pending Date: Part 1 04/05/2008 Part 2 04/05/2008 Part 3 No Date Applies
 Part 4 No Date Applies Part 5 No Date Applies

Item 6. Premium:	Part 1 \$ 2,824.00	Part 2 \$ 1,241.00	Part 3	Part 4
	Part 5			
			<i>Total Premium: \$ 4,065.00</i>	

Item 7. Additional Premium for Optional
 Extended Reporting Period: \$ see form

Item 8. Endorsements: **SEE SCHEDULE ATTACHED**

In witness whereof, the Insurer issuing this Policy has caused this Policy to be signed by its authorized officers, but it shall not be valid unless also signed by the duly authorized representative of the Insurer.

John W. Glomb, Jr.
 President & CEO

 Countersignature

 Countersignature Date

Philadelphia Indemnity Insurance Company

Form Schedule – Flexi Plus Five

Policy Number: 18965895

Forms and Endorsements applying to this Coverage Part and made a part of this policy at time of issue:

Form	Edition	Description
PI-NPD-1 NY	0603	FlexiPlus Five Declarations Page
PI-BELL-1 NY	1109	Bell Endorsement
PI-CME-1	1009	Crisis Management Enhancement Endorsement
PI-NPD-2 NY	0603	Flexi Plus Five Coverage Form
PI-NPD-22	0102	Loan Exclusion
PI-NPD-25	0102	Professional Services Exclusion(Supervision Carve-Out)
PI-NPD-27 NY	1119	Abuse Exclusion With Workplace Harassment Carveback
PI-NPD-52	0123	Amendment Of Exclusions
PI-NPD-66	0604	Employment Practices Liability Third Party
PI-NPD-137	0120	Biometric Information Claim Exclusion
PI-NPD-170 NY	1024	Network Security/Privacy Breach Exc W/Side-A Carveback
PI-NPD-NY	1210	New York - Changes
PI-NPD NY 1	0523	New York Amendatory Endorsement
PI-PL-NY-4	1096	New York Amendatory - Retention and Coinsurance
PI-NY-FF-Addendum	0403	New York Application and Declaration Page Addendum
PI-SLD-001	0115	Cap On Losses From Certified Acts Of Terrorism

Policy Number: 18965895Named Insured: Tioga County Industrial Development

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 610.617.7900 Fax 610.617.7940
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Terrorism Premium (Certified Acts) \$ <u>Included</u>

DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE REJECTION OPTION

You are hereby notified that under the Terrorism Risk Insurance Act, as amended, you have a right to purchase insurance coverage for losses resulting from acts of terrorism. *As defined in Section 102(1) of the Act:* The term “act of terrorism” means any act or acts that are certified by the Secretary of the Treasury—in consultation with the Secretary of Homeland Security, and the Attorney General of the United States—to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

YOU SHOULD KNOW THAT WHERE COVERAGE IS PROVIDED BY THIS POLICY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM, SUCH LOSSES MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. HOWEVER, YOUR POLICY MAY CONTAIN OTHER EXCLUSIONS WHICH MIGHT AFFECT YOUR COVERAGE, SUCH AS AN EXCLUSION FOR NUCLEAR EVENTS. UNDER THE FORMULA, THE UNITED STATES GOVERNMENT’S FEDERAL SHARE OF TERRORISM LOSSES IS 80% OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURANCE COMPANY PROVIDING THE COVERAGE. THE PREMIUM CHARGED FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS THAT MAY BE COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS A \$100 BILLION CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT AS WELL AS INSURERS’ LIABILITY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM WHEN THE AMOUNT OF SUCH LOSSES IN ANY ONE CALENDAR YEAR EXCEEDS \$100 BILLION. IF THE AGGREGATE INSURED LOSSES FOR ALL INSURERS EXCEED \$100 BILLION, YOUR COVERAGE MAY BE REDUCED.

Your attached proposal (or policy) includes a charge for terrorism. We will issue (or have issued) your policy with terrorism coverage unless you decline by placing an “X” in the box below.

NOTE 1: If “included” is shown on your proposal (or policy) for terrorism you WILL NOT have the option to reject the coverage.

NOTE 2: You will want to check with entities that have an interest in your organization as they may require that you maintain terrorism coverage (e.g. mortgagees).

EXCEPTION: If you have property coverage on your policy, the following Standard Fire Policy states do not permit an Insured to reject fire ensuing from terrorism: CA, CT, GA, HI, IA, IL, MA, ME, MO, NJ, NY, NC, OR, RI, VA, WA, WV, WI. Therefore, if you are domiciled in the above states and reject terrorism coverage, you will still be charged for fire ensuing from terrorism as separately designated on your proposal.

	I decline to purchase terrorism coverage. I understand that I will have no coverage for losses arising from “certified” acts of terrorism, EXCEPT as noted above.
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You, as the Insured, have 30 days after receipt of this notice to consider the selection/rejection of “terrorism” coverage. After this 30 day period, any request for selection or rejection of terrorism coverage WILL NOT be honored.

REQUIRED IN GA – LIMITATION ON PAYMENT OF TERRORISM LOSSES (applies to policies which cover terrorism losses insured under the federal program, including those which only cover fire losses)

The provisions of the Terrorism Risk Insurance Act, as amended, can limit our maximum liability for payment of losses from certified acts of terrorism. That determination will be based on a formula set forth in the law involving the national total of federally insured terrorism losses in an annual period and individual insurer participation in payment of such losses. If one or more certified acts of terrorism in an annual period causes the maximum liability for payment of losses from certified acts of terrorism to be reached, and we have satisfied our required level of payments under the law, then we will not pay for the portion of such losses above that maximum. However, that is subject to possible change at that time, as Congress may, under the Act, determine that payments above the cap will be made.

INSURED'S SIGNATURE _____

DATE _____

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BELL ENDORSEMENT



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One Bala Plaza, Suite 100
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specimen

Unless otherwise stated herein, the terms, conditions, exclusions and other limitations set forth in this endorsement are solely applicable to coverage afforded by this endorsement, and the policy is amended as follows:

I. SCHEDULE OF ADDITIONAL COVERAGES AND LIMITS

The following is a summary of Limits of Liability or Limits of Insurance and/or additional coverages provided by this endorsement. This endorsement is subject to the provisions of the policy to which it is attached.

COVERAGE	LIMITS OF INSURANCE
Conference Cancellation	\$25,000
Emergency Real Estate Consulting Fee	\$50,000
Fundraising Event Blackout	\$25,000
Identity Theft Expense	\$50,000
Image Restoration and Counseling	\$50,000
Key Individual Replacement Expenses	\$50,000
Kidnap Expense	\$50,000
Political Unrest	\$5,000 per employee: \$25,000 policy limit
Temporary Meeting Space Reimbursement	\$25,000
Terrorism Travel Reimbursement	\$50,000
Travel Delay Reimbursement	\$1,500

II. CONDITIONS

A. Applicability of Coverage

Coverage provided by your policy and any endorsements attached thereto is amended by this endorsement where applicable.

B. Limits of Liability or Limits of Insurance

When coverage is provided by this endorsement and another coverage form or endorsement attached to this policy, 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.

C. Claim Expenses

Coverages provided herein are not applicable to the generation of claim adjustment costs by you; such as fees you may incur by retaining a public adjuster or appraiser.

III. ADDITIONAL COVERAGES

A. Conference Cancellation

We will reimburse the insured for any business-related conference expenses, paid by the insured and not otherwise reimbursed, for a canceled conference that an employee was scheduled to attend. The cancellation must be due directly to a "natural catastrophe" or a "communicable disease" outbreak that forces the cancellation of the conference.

With respect to a conference cancellation claim, it is further agreed as follows:

1. The insured employee must have registered for the conference at least thirty (30) days prior to the cancellation; and
2. The cancellation must be ordered by a local, state or federal Board of Health or other governmental authority having jurisdiction over the location of the conference.

The limit of insurance for this coverage is \$25,000 per policy period for all insureds combined. No deductible applies to this coverage.

B. Emergency Real Estate Consulting Fee

We will reimburse the insured any realtor's fee or real estate consultant's fee necessitated by the insured's need to relocate due to the "unforeseeable destruction" of the insured's "principal location" listed in the Declarations during the policy period. The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

C. Fundraising Event Blackout

We will reimburse the insured for "fundraising expenses" that are incurred due to the cancellation of a fundraising event caused by the lack of electric supply resulting in a power outage, provided the fundraising event is not re-scheduled. The fundraising event must have been planned at least thirty (30) days prior to the power outage. The limit of insurance for this coverage is \$25,000 per policy period for all insureds combined. No deductible applies to this coverage.

D. Identity Theft Expense

We will reimburse any present director or officer of the named insured for "identity theft expenses" incurred as the direct result of any "identity theft" first discovered and reported during the policy period; provided that it began to occur subsequent to the effective date of the insured's first policy with us. The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

E. Image Restoration and Counseling

We will reimburse the insured for expenses incurred for image restoration and counseling arising out of "improper acts" by any natural person.

Covered expenses are limited to:

1. The costs of rehabilitation and counseling for the accused natural person insured, provided the natural person insured is not ultimately found guilty of criminal conduct; this reimbursement to occur after acquittal of the natural person insured;
2. The costs charged by a recruiter or expended on advertising, for replacing an officer as a result of "improper acts"; and
3. The costs of restoring the named insured's reputation and consumer confidence through image consulting.

The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

F. Key Individual Replacement Expenses

We will pay "key individual replacement expenses" if the Chief Executive Officer or Executive Director suffers an "injury" during the policy period which results in the loss of life during the policy period. The limit of insurance for this coverage is the lesser of \$50,000 or ten (10) times the annual premium paid for this policy. No deductible applies to this coverage.

G. Kidnap Expense

We will pay on behalf of any director or officer of the insured, reasonable fees incurred as a result of the kidnapping of them or their spouse, "domestic partner," parent or child during the policy period. Coverage will not apply to any kidnapping by or at the direction of any present or former family member of the victim.

Reasonable fees will include:

1. Fees and costs of independent negotiators;
2. Interest costs for any loan from a financial institution taken by you to pay a ransom demand or extortion threat;
3. Travel costs and accommodations incurred by the named insured;
4. Reward money paid to an informant which leads to the arrest and conviction of parties responsible for loss covered under this insurance; and

5. Salary, commissions and other financial benefits paid by you to a director or officer. Such compensation applies at the level in effect on the date of the kidnap and ends upon the earliest of:
 - a. Up to thirty (30) days after their release, if the director or officer has not yet returned to work;
 - b. Discovery of their death;
 - c. One hundred twenty (120) days after the last credible evidence following abduction that they are still alive; or
 - d. Twelve (12) months after the date of the kidnapping.

The limit of insurance for this coverage is \$50,000 each policy period for all insureds combined. No deductible applies to this coverage.

H. Political Unrest Coverage

We will reimburse any present director, officer, employee or volunteer of the named insured while traveling outside the United States of America for "emergency evacuation expenses" that are incurred as a result of an incident of "political unrest." This "political unrest" must occur during the policy period. No coverage is granted for travel to countries in a state of "political unrest" at the time of departure of the travel. The limit of insurance for this coverage is \$5,000 per covered person, subject to a maximum of \$25,000 per policy period for all insureds combined. No deductible applies to this coverage.

I. Temporary Meeting Space Reimbursement

We will reimburse the insured for rental of meeting space which is necessitated by the temporary unavailability of the insured's primary office space due to the failure of a climate control system, or leakage of a hot water heater during the policy period. Coverage will exist only for the renting of temporary meeting space required for meeting with parties who are not insured under this policy. The limit of insurance for this coverage is \$25,000 per policy period for all insureds combined. No deductible applies to this coverage.

J. Terrorism Travel Reimbursement

We will reimburse any present director or officer of the named insured in the event of a "certified act of terrorism" during the policy period which necessitates that he/she incurs "emergency travel expenses." The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

K. Travel Delay Reimbursement

We will reimburse any present director or officer of the named insured for any "non-reimbursable expenses" they incur as a result of the cancellation of any regularly scheduled business travel on a common carrier. The limit of insurance for this coverage is \$1,500 per policy period for all insureds combined. A seventy-two (72) hour waiting period deductible applies to this coverage.

IV. DEFINITIONS

For the purpose of this endorsement, the following definitions apply:

- A. "Certified act of terrorism" means any act so defined under the Terrorism Risk Insurance Act,

and its amendments or extensions.

- B.** “Communicable disease” means an illness, sickness, condition or an interruption or disorder of body functions, systems or organs that is transmissible by an infection or a contagion directly or indirectly through human contact, or contact with human fluids, waste, or similar agent, such as, but not limited to Meningitis, Measles or Legionnaire’s Disease.
- C.** “Domestic partner” means any person who qualifies as a domestic partner under the provisions of any federal, state or local statute or regulation, or under the terms and provisions of any employee benefit or other program established by the named insured.
- D.** “Emergency evacuation expenses” mean:
1. Additional lodging expenses;
 2. Additional transportation costs;
 3. The cost of obtaining replacements of lost or stolen travel documents necessary for evacuation from the area of “political unrest”; and
 4. Translation services, message transmittals and other communication expenses.
- provided that these expenses are not otherwise reimbursable.
- E.** “Emergency travel expenses” mean:
1. Hotel expenses incurred which directly result from the cancellation of a scheduled transport by a commercial transportation carrier, resulting directly from and within forty-eight (48) hours of a “certified act of terrorism”; and
 2. The increased amount incurred which may result from re-scheduling comparable transport, to replace a similarly scheduled transport canceled by a commercial transportation carrier in direct response to a “certified act of terrorism”;
- provided that these expenses are not otherwise reimbursable.
- F.** “Fundraising expenses” mean deposits forfeited and other charges paid by you for catering services, property and equipment rentals and related transport, venue rentals, accommodations (including travel), and entertainment expenses less any deposits or other fees refunded or refundable to you.
- G.** “Identity theft” means the act of knowingly transferring or using, without lawful authority, a means of identification of any director or officer (or spouse or “domestic partner” thereof) of the named insured with the intent to commit, or to aid or abet another to commit, any unlawful activity that constitutes a violation of federal law or a felony under any applicable state or local law.
- H.** “Identity theft expenses” mean:
1. Costs for notarizing affidavits or similar documents attesting to fraud required by financial institutions or similar credit grantors or credit agencies;
 2. Costs for certified mail to law enforcement agencies, credit agencies, financial institutions or similar credit grantors; and

3. Loan application fees for re-applying for a loan or loans when the original application is rejected solely because the lender received incorrect credit information.

I. "Improper acts" means any actual or alleged act of:

1. Sexual abuse;
2. Sexual intimacy;
3. Sexual molestation; or
4. Sexual assault;

committed by an insured against any natural person who is not an insured. Such "improper acts" must have been committed by the insured while in his or her capacity as an insured.

J. "Injury" means any physical damage to the body caused by violence, fracture or an accident.

K. "Key individual replacement expenses" mean the following necessary expenses:

1. Costs of advertising the employment position opening;
2. Travel, lodging, meal and entertainment expenses incurred in interviewing job applicants for the employment position opening; and
3. Miscellaneous extra expenses incurred in finding, interviewing and negotiating with the job applicants, including, but not limited to, overtime pay, costs to verify the background and references of the applicants and legal expenses incurred to draw up an employment contract.

L. "Natural catastrophe" means hurricane, tornado, earthquake or flood.

M. "Non-reimbursable expenses" means the following travel-related expenses incurred after a seventy-two (72) hour waiting period, beginning from the time documented on the proof of cancellation, and for which your director or officer produces a receipt:

1. Meals and lodging;
2. Alternative transportation;
3. Clothing and necessary toiletries; and
4. Emergency prescription and non-prescription drug expenses.

N. "Political unrest" means:

1. A short-term condition of disturbance, turmoil or agitation within a foreign country that poses imminent risks to the security of citizens of the United States;
2. A long-term condition of disturbance, turmoil or agitation that makes a foreign country dangerous or unstable for citizens of the United States; or
3. A condition of disturbance, turmoil or agitation in a foreign country that constrains the United States Government's ability to assist citizens of the United States, due to the closure or inaccessibility of an embassy or consulate or because of a reduction of its staff

for which either an alert or travel warning has been issued by the United States Department of State.

- O.** “Principal location” means the headquarters, home office or main location where most business is substantially conducted.
- P.** “Unforeseeable destruction” means damage resulting from a “certified act of terrorism,” fire, collision or collapse which renders all of the insured’s “principal locations” completely unusable.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**CRISIS MANAGEMENT ENHANCEMENT ENDORSEMENT**

Unless otherwise stated herein, the terms, conditions, exclusions and other limitations set forth in this endorsement are solely applicable to coverage afforded by this endorsement, and the policy is amended as follows:

Solely for the purpose of this endorsement: 1) 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. 2) The words "we," "us" and "our" refer to the company providing this insurance.

I. SCHEDULE OF ADDITIONAL COVERAGE AND LIMITS

The following is the Limit of Liability provided by this endorsement. This endorsement is subject to the provisions of the policy to which it is attached.

Crisis Management Expense	\$25,000
---------------------------	----------

II. CONDITIONS**A. Applicability of Coverage**

Coverage provided by your policy and any endorsements attached thereto is amended by this endorsement where applicable. All other terms and conditions of the policy or coverage part to which this endorsement is attached remain unchanged.

B. Limits of Liability or Limits of Insurance

When coverage is provided by this endorsement and any other coverage form or endorsement attached to this policy, 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 Liability or Limit of Insurance.

C. Claim Expenses

Coverages provided herein are not applicable to the generation of claim adjustment costs by you; such as fees you may incur by retaining a public adjuster or appraiser.

III. ADDITIONAL COVERAGES

A. We will reimburse you for "crisis management emergency response expenses" incurred because of an "incident" giving rise to a "crisis" to which this insurance applies. The amount of such reimbursement is limited as described in Section **II. CONDITIONS, B. Limits of Liability or Limits of Insurance**. No other obligation or liability to pay sums or perform acts or services is covered.

B. We will reimburse only those "crisis management emergency response expenses" which are incurred during the policy period as shown in the Declarations of the policy to which this coverage is attached and reported to us within six (6) months of the date the "crisis" was initiated.

IV. DEFINITIONS

- A. "Crisis" means the public announcement that an "incident" occurred on your premises or at an event sponsored by you.
- B. "Crisis management emergency response expenses" mean those expenses incurred for services provided by a "crisis management firm." However, "crisis management emergency response expenses" shall not include compensation, fees, benefits, overhead, charges or expenses of any insured or any of your employees, nor shall "crisis management emergency response expenses" include any expenses that are payable on your behalf or reimbursable to you under any other valid and collectible insurance.
- C. "Crisis management firm" means any service provider you hire that is acceptable to us. Our consent will not be unreasonably withheld.
- D. "Incident" means an accident or other event, including the accidental discharge of pollutants, resulting in death or serious bodily injury to three or more persons.
- E. "Serious bodily injury" means any injury to a person that creates a substantial risk of death, serious permanent disfigurement, or protracted loss or impairment of the function of any bodily member or organ.

Philadelphia Insurance Companies

FLEXI PLUS FIVE



Not-for-Profit Organization Directors
& Officers Liability Insurance

Employment Practices
Liability Insurance

Fiduciary Liability Insurance

Workplace Violence Insurance

Internet Liability Insurance

One Bala Plaza, Suite 100, Bala Cynwyd, Pennsylvania 19004
610.617.7900 Fax: 610.617.7940

FLEXI PLUS FIVE
NOT-FOR-PROFIT ORGANIZATION DIRECTORS & OFFICERS
LIABILITY INSURANCE
EMPLOYMENT PRACTICES LIABILITY INSURANCE
FIDUCIARY LIABILITY INSURANCE
WORKPLACE VIOLENCE INSURANCE
INTERNET LIABILITY INSURANCE

EXCEPT AS OTHERWISE PROVIDED HEREIN, THIS IS A CLAIMS-MADE POLICY FOR ALL LIABILITY COVERAGES.

CLAIMS-MADE POLICIES ONLY COVER THOSE CLAIMS FIRST MADE AGAINST THE INSURED DURING THE POLICY PERIOD AND REPORTED IN WRITING DURING THE POLICY PERIOD, ANY SUBSEQUENT RENEWAL, OR EXTENDED REPORTING PERIOD NOT LATER THAN 60 DAYS AFTER THE END OF THE POLICY PERIOD, OF ANY SUBSEQUENT POLICY PERIOD FOLLOWING POLICY RENEWAL, OR OF ANY EXTENDED REPORTING PERIOD.

In consideration of the premium paid and in reliance upon all statements made and information furnished to the **Underwriter**, including all statements made in the **Application**, the **Underwriter** agrees to provide coverage as shown in the Declarations and described as follows:

Part 1

Not-for-Profit Organization Directors & Officers Liability Insurance

(To be read in conjunction with the Common Policy
Definitions, Exclusions, and Conditions Sections, Parts 6, 7, 8 below)

I. INSURING AGREEMENTS

- A. The **Underwriter** will pay on behalf of the **Individual Insured**, **Loss** from **Claims** made against **Individual Insureds** during the **Policy Period** (or, if applicable, during the Extension Period), and reported to the **Underwriter** pursuant to the terms of this Policy, for **D&O Wrongful Acts**, except to the extent the **Organization** has indemnified the **Individual Insureds** for such **Loss**.
- B. The **Underwriter** will pay on behalf of the **Organization**, **Loss** from **Claims** made against **Individual Insureds** during the **Policy Period** (or, if applicable, during the Extension Period), and reported to the **Underwriter** pursuant to the terms of this Policy, for **D&O Wrongful Acts**, if the **Organization** has indemnified such **Individual Insureds** for such **Loss**.
- C. The **Underwriter** will pay on behalf of the **Organization**, **Loss** from **Claims** made against the **Organization** during the **Policy Period** (or, if applicable, during the Extension Period), and reported to the **Underwriter** pursuant to the terms of this Policy, for a **D&O Wrongful Act**.

II. DEFINITIONS

- A. **D&O Wrongful Act** means any actual or alleged:
 - 1. Act, error, omission, misstatement, misleading statement, neglect, breach of duty or **Personal & Advertising Injury** committed or attempted by an **Individual Insured** in his/her capacity as an **Individual Insured**, or by the **Organization**; or
 - 2. Act, error, omission, misstatement, misleading statement, neglect, breach of duty or **Personal & Advertising Injury** committed or attempted by an **Individual Insured** while

serving as a director, officer, governor or trustee of any **Outside Entity**, if such service is at the written request or direction of the **Organization**.

However, **D&O Wrongful Act** does not include an **Employment Practices Act**, **Fiduciary Liability Act**, or **Internet Liability Act**.

B. **Outside Entity** means:

1. Any not-for-profit entity described in Section 501(c) of the Internal Revenue Code of 1986 (as amended); or
2. Any other entity listed as an **Outside Entity** in an endorsement to this Policy.

C. **Personal & Advertising Injury** means any actual or alleged:

1. False arrest, detention or imprisonment, or malicious prosecution; or
2. Oral or written publication of material that slanders or libels a person or entity or disparages a person's or entity's goods, products or services; or
3. Oral or written publication of material that violates a person's right of privacy; or
4. Wrongful eviction or entry or other invasion of the right of privacy; or
5. Misappropriation of advertising ideas, unauthorized use of title or slogan, or plagiarism; or
6. Infringement of copyright or trademark.

III. EXCLUSIONS

The **Underwriter** shall not be liable under this Part 1 to make any payment for **Loss** in connection with any **Claim** made against an **Insured**:

A. Arising out of, based upon or attributable to any actual or alleged infringement of any patent or misappropriation of trade secrets;

B. Arising out of, based upon or attributable to any actual or alleged:

1. Publication or utterance of material by or at the direction of such **Insured** with knowledge of its falsity; or
2. Composing, editing, designing, publishing, distributing or printing periodicals, advertisements or other materials by the **Insured** for another party if such activity is not in connection with and not a regular part of the **Insured's** own publications; or

3. Failure of goods, products or services to conform with advertised quality or performance; or

4. Wrong description of the price of goods, products or services;

C. Arising out of, based upon or attributable to any actual or alleged breach of contract or agreement. However, this exclusion shall not apply to the following:

1. Liability of the **Insured** which would have attached even in the absence of such contract or agreement; or

2. **Defense Costs.**

IV. PRESUMPTIVE INDEMNIFICATION

If the **Organization** is permitted or required by common or statutory law, but fails to indemnify the **Insured** for **Loss** (except by reason of its financial insolvency), and payment by the **Underwriter** of such **Loss** shall be subject to the Insuring Agreement C Retention amount set forth in Item 4.(A) of the Declarations. The charter, by-laws, shareholder and board of director's resolutions of the **Organization** shall be deemed to provide indemnification for such **Loss** to the fullest extent permitted by law.

Part 2

Employment Practices Liability Insurance

(To be read in conjunction with the Common Policy Definitions, Exclusions, and Conditions Sections, Parts 6, 7, 8 below)

I. INSURING AGREEMENTS

A. The **Underwriter** will pay on behalf of the **Insured**, **Loss** from **Claims** made against the **Insured** during the **Policy Period** (or, if applicable, during the Extension Period), and reported to the **Underwriter** pursuant to the terms of this Policy, for an **Employment Practices Act**.

II. DEFINITIONS

A. **Employment Practice Act** means any actual or alleged:

1. Wrongful dismissal, discharge or termination of employment;
2. Breach of a written or oral employment contract or implied employment contract;
3. Employment related misrepresentation;
4. Wrongful failure to promote;
5. Violation of employment discrimination laws (including harassment);
6. Wrongful deprivation of a career opportunity;
7. Employment related wrongful discipline;
8. Negligent employee evaluation;
9. Employment related invasion of privacy;
10. Employment related defamation (including libel and slander);
11. Sexual or workplace harassment of any kind;
12. Constructive discharge of employment;
13. Employment related retaliation;
14. Employment related humiliation;

- 15. Wrongful demotion;
- 16. Negligent reassignment;
- 17. Violation of any federal, state or local civil rights laws;

and committed or attempted by an **Individual Insured** in his/her capacity as an **Individual Insured** or by the **Organization**.

Solely with respect to any **Claim** brought by or on behalf of any **Third Party, Employment Practices Act** means any actual or alleged wrongful failure to employ, discrimination, sexual harassment or violation of such **Third Party's** civil rights in relation to such wrongful failure to employ, discrimination or sexual harassment, whether direct, indirect, or unintentional, committed by an **Individual Insured** in his/her capacity as an **Individual Insured** or by the **Organization**.

However, **Employment Practices Act** does not include a **D&O Wrongful Act, Fiduciary Liability Act, or Internet Liability Act**.

- B. **Third Party** means any natural person who is an active or current customer, supplier, vendor, applicant, business invitee or other client of the **Organization**.

III. EXCLUSIONS

The **Underwriter** shall not be liable under this Part 2 to make any payment for **Loss** in connection with any **Claim** made against the **Insured**:

- A. Arising out of, based upon or attributable to any failure to comply with any law concerning Workers Compensation, Unemployment Insurance, Social Security, Disability Benefits or any similar laws; however, this exclusion shall not apply to any **Claim** for retaliatory treatment against any **Individual Insured** who is attempting to exercise his/her rights under the above laws;
- B. Arising out of, based upon or attributable to any violation of any of the responsibilities, obligations, or duties imposed by the National Labor Relations Act (including the Labor Management Relations Act of 1947), Fair Labor Standards Act (except the Equal Pay Act), Occupational Safety and Health Act, Consolidated Omnibus Budget Reconciliation Act of 1985, Worker Adjustment and Retraining Notification Act; or any amendments to or rules, regulations or orders promulgated pursuant to these laws, or similar provisions of any federal, state or local statutory or common law; however, this exclusion shall not apply to any **Claim** for retaliatory treatment against any **Individual Insured** who is attempting to exercise his/her rights under the above statute, law, rule, regulation or order;
- C. Arising out of, based upon or attributable to a lockout, strike, picket line, replacement or other similar action resulting from labor disputes, labor negotiations, or collective bargaining agreements;
- D. Arising out of, based upon or attributable to obligations or payments owed under (i) an express (written or verbal) contract of employment, (ii) an agreement to make payments in the event of the termination of employment, or (iii) an agreement to assume another's liability; however, this exclusion does not apply to any of the following:
 - 1. Liability of the **Organization** which would have attached even in the absence of such contract or agreement; or

2. **Defense Costs.**

- E. To the extent such **Loss** constitutes employment related benefits, stock options, perquisites, deferred compensation or any other type of compensation earned by the claimant in the course of employment or the equivalent value thereof; however, this exclusion shall not apply to front pay or back pay.

Part 3

Fiduciary Liability Insurance

(To be read in conjunction with the Common Policy Definitions, Exclusions, and Conditions Sections, Parts 6, 7, 8 below)

I. INSURING AGREEMENTS

- A. The **Underwriter** will pay on behalf of the **Insured**, **Loss** from **Claims** made against the **Insured** during the **Policy Period** (or, if applicable, during the Extension Period), and reported to the **Underwriter** pursuant to the terms of this Policy, for a **Fiduciary Liability Act**.

II. DEFINITIONS

- A. **Administration** means: (i) giving counsel to employees, beneficiaries or participants regarding any **Benefit Plan**, (ii) providing interpretations and handling records in connection with any **Benefit Plan**, or (iii) effecting enrollment, termination or cancellation of employees or participants under any **Benefit Plan**.

- B. **Benefit Plan** means:

1. Any **Welfare Benefit Plan** which was, is now or becomes sponsored by the **Organization** solely for the benefit of the employees of the **Organization**;
2. Any **Pension Benefit Plan** which was, on or prior to the effective date of this Policy, sponsored by the **Organization** solely for the benefit of the employees of the **Organization**, provided that coverage was available in respect of such **Pension Benefit Plan** under any policy of which this Policy is a renewal or replacement and such **Pension Benefit Plan** has been reported in writing to the **Underwriter** as part of the **Application**;
3. Any **Pension Benefit Plan** created or acquired (through merger, consolidation or otherwise) during the **Policy Period** by the **Insured** solely for the benefit of the employees of the **Organization**, but only upon the condition that within 90 days after such creation or acquisition, the **Insured** shall have (i) provided written notice to the **Underwriter** of such newly created **Pension Benefit Plan**, and (ii) agreed to any additional terms and paid any additional premium required by the **Underwriter** in its sole discretion;
4. Any government-mandated benefit program for Workers Compensation, Unemployment, Social Security or Disability Benefit for employees of the **Organization**.

Coverage for **Benefit Plans** which are sold, terminated or spun-off during or prior to the **Policy Period** shall apply only with respect to any **Fiduciary Liability Act** occurring prior to the date of such sale or spin-off, or in the case of termination, prior to the final date of asset distribution of such **Benefit Plan**.

However, **Benefit Plan** does not include any multi-employer plan.

- C. **Fiduciary Liability Act** means any actual or alleged:
1. Breach by an **Insured** of the responsibilities, obligations or duties imposed upon fiduciaries of any **Benefit Plan** by **ERISA**; or
 2. Negligent act, error or omission by an **Insured** solely in the **Administration** of any **Benefit Plans**.

However, **Fiduciary Liability Act** does not include a **D&O Wrongful Act** or an **Internet Liability Act**.

D. **Pension Benefit Plan** means any employee pension benefit plan, as defined in **ERISA**.

E. **Welfare Benefit Plan** means any employee welfare benefit plan, as defined in **ERISA**.

III. EXCLUSIONS

The **Underwriter** shall not be liable under this Part 3 to make any payment for **Loss** in connection with any **Claim** made against the **Insured**:

- A. Arising out of, based upon or attributable to the actual or alleged failure to collect or fund contributions owed to any **Benefit Plan**; or for the return or reversion to any employer of any contribution to or asset of a **Benefit Plan**;
- B. To the extent such **Loss** constitutes benefits due or to become due under a **Benefit Plan** or benefits which would be due under a **Benefit Plan** if its terms complied with all applicable law; however, this exclusion shall not apply to **Defense Costs**;
- C. Arising out of, based upon or attributable to any failure or omission to effect and maintain insurance or bonding for the property or assets of any **Benefit Plan**;
- D. Arising out of, based upon or attributable to any liability of others assumed by the **Insured** under any contract or agreement, other than any contract or agreement establishing a **Benefit Plan**.

Part 4

Workplace Violence Insurance

(To be read in conjunction with the Common Policy Definitions, Exclusions, and Conditions Sections, Parts 6, 7, 8 below)

I. INSURING AGREEMENTS

- A. The **Underwriter** will pay on behalf of the **Organization** any **Violence Damage**, resulting from a **Workplace Violence Act** occurring during the **Policy Period** and reported to the **Underwriter** pursuant to the terms of this Policy.

II. DEFINITIONS

- A. **Violence Damage** means:
 1. **Business Interruption Expense**
 2. **Public Image Restoration Expense**

3. **Workplace Violence Expense**

B. **Business Interruption Expense** means the amount calculated as set forth below for a period of time commencing on the day the **Workplace Violence Act** occurs until the earlier of ninety (90) days following such date, or until the **Organization** restores operations with due diligence and dispatch to the level that existed prior to the **Workplace Violence Act**:

1. The sum of:
 - a. Net profits before income taxes that would have been earned had no **Workplace Violence Act** occurred; and
 - b. The actual cost of continuing the activities which are necessary for the **Organization** to resume operations with substantially the same quality of service which existed immediately preceding the **Workplace Violence Act**; and
 - c. Reasonable expenses which would not have been incurred except for such **Workplace Violence Act** and which were incurred by the **Organization** for the sole purpose of reducing **Business Interruption Expense** described in B.1. (a. or b.) above, not to exceed the amount of actual reduction of such **Business Interruption Expense**; and
2. Less the sum of all recoveries, other insurance, suretyship and other indemnity which cover **Business Interruption Expense** described in B.1. above.

C. **Public Image Restoration Expense** means reasonable fees and expenses for, or cost of:

1. An independent public relations consultant for up to ninety (90) days following the date the **Workplace Violence Act** occurs;
2. An independent security consultant for up to ninety (90) days following the date the **Workplace Violence Act** occurs;
3. A counseling seminar for **Individual Insureds** conducted by an independent consultant following the **Workplace Violence Act**;
4. Independent security guard service for up to thirty (30) days following the date the **Workplace Violence Act** occurs;
5. An independent forensic analyst for up to ninety (90) days following the date the **Workplace Violence Act** occurs.

D. **Workplace Violence Expense** means the reasonable fees and expenses for, or cost of:

1. The **Salary** or **Wages**, for up to ninety (90) days following the date the **Workplace Violence Act** occurs, that the **Organization** pays **Individual Insureds** victimized by **Workplace Violence Acts** and unable to continue to work because of such **Workplace Violence Acts**. The **Salary** or **Wages** in effect at the time of the **Workplace Violence Act** shall apply;
2. The **Salary** or **Wages**, for up to ninety (90) days following the date the **Workplace Violence Act** occurs, that the **Organization** pays a newly hired person(s) to conduct the duties of **Individual Insureds** victimized by **Workplace Violence Acts** and who is/are unable to continue to work because of such **Workplace Violence Acts**; however such

Salary or Wages shall not exceed the **Salary or Wages** of the victimized **Individual Insured** in effect at the time of the **Workplace Violence Act**.

- E. **Workplace Violence Act** means any actual or alleged intentional and unlawful use of, or threat to use, deadly force with an intent to cause harm at the **Premises**.
- F. **Premises** means any building, facility or property occupied by the **Organization** in conducting its operations.
- G. **Salary or Wages** means compensation the **Organization** pays an **Individual Insured**, including but not limited to bonus, commission, incentive payments, and the cost of health, welfare and pension benefits.

III. EXCLUSIONS

The **Underwriter** shall not be liable under this Part 4 to make any payment for **Violence Damage**:

- A. Arising out of, based upon or attributable to war, invasion, insurrection, riot, rebellion, revolution, civil war, or military action;
- B. Arising out of, based upon or attributable to a **Workplace Violence Act** which occurs at any location other than the **Premises**;
- C. Arising out of, based upon or attributable to the use or threat of force or violence occurring on the **Premises** for the purpose of demanding money, securities or property;
- D. Arising out of, based upon or attributable to a **Workplace Violence Act** occurring prior to the Prior and Pending Date shown in Item 5. of the Declarations.

Part 5

Internet Liability Insurance

(To be read in conjunction with the Common Policy Definitions, Exclusions, and Conditions Sections, Parts 6, 7, 8 below)

I. INSURING AGREEMENTS

- A. The **Underwriter** will pay on behalf of the **Organization**, **Loss** from **Claims** made against the **Organization** during the **Policy Period** (or, if applicable, during the Extension Period), and reported to the **Underwriter** pursuant to the terms of this Policy, for an **Internet Liability Act**.

II. DEFINITIONS

- A. **Internet Activity** means any display, transmission, dissemination, or other use of **Matter** on an **Internet Site**.
- B. **Internet Site** means the internet address(es) shown in Item 1. of the Declarations.
- C. **Matter** means printed, verbal, numerical, audio or visual expression, or any other expression, regardless of the medium upon which such expression is fixed.
- D. **Product** means any tangible property offered for sale or otherwise disseminated by or through any **Insured**.

E. **Internet Liability Act** means any actual or alleged act, error, or omission committed or attempted by an **Insured** in their capacity as an **Insured** solely in connection with **Internet Activity** by or on behalf of the **Organization**, including:

1. Libel, slander, or oral or written publication of defamatory or disparaging material; or
2. Invasion of or interference with the right of privacy; or
3. Infringement of copyright, service mark, trademark, trade dress or trade name or title or slogan or improper use of literary or artistic titles, formats or performances.

III. EXCLUSIONS

The **Underwriter** shall not be liable under this Part 5 to make any payment for **Loss** in connection with any **Claim** made against the **Insured**:

- A. Arising out of, based upon or attributable to any actual or alleged price fixing, restraint of trade, monopolization, unfair trade practices or any violation of the Federal Trade Commission Act, the Sherman Anti-Trust Act, the Clayton Act, or any other federal statutory provision involving anti-trust, monopoly, price fixing, price discrimination, predatory pricing or restraint of trade activities, and any amendments thereto; or any rules and regulations promulgated thereunder or in connection with such statutes; or any similar provision of any federal, state, or local statutory law or common law anywhere in the world;
- B. Arising out of, based upon or attributable to any actual or alleged breach of contract or agreement, or for liability assumed by the **Organization** under a contract or agreement; however, this exclusion shall not apply to any of the following:
 1. Liability of the **Organization** which would have attached even in the absence of such contract or agreement;
 2. **Defense Costs**;
- C. Arising out of, based upon or attributable to any actual or alleged:
 1. Wrong description of the price or authenticity of a **Product**; or
 2. Failure of any **Product** to conform with advertised quality or performance; or
 3. Sale or offer for sale of any **Product** that infringes upon the name, design or logo of another entity's **Product**;
- D. Arising out of, based upon or attributable to any actual or alleged infringement of any patent or misappropriation of trade secrets;
- E. To the extent such **Loss** constitutes amounts charged to or due from clients or customers of the **Organization**, or the value of any electronic fund transfer or transaction by or on behalf of the **Organization** which is lost or damaged during transfer into, from or between **Organization** accounts;
- F. Brought or maintained by or on behalf of any federal, state, or local regulatory agency or other administrative body alleging the violation of any federal, state or local laws or regulations;
- G. Arising out of, based upon or attributable to the development, distribution, dissemination, installation, implementation, operation, maintenance and/or filtering software, or of policies,

equipment or procedures for establishing or managing a secure method for exchanging electronic information;

- H. Arising out of, based upon or attributable to any costs, expenses or other payment incurred by the **Insured** or others in connection with the withdrawal or recall from the marketplace of the **Insured's Products**, including other products which incorporated the **Insured's Products**;
- I. Arising out of, based upon or attributable to coupons, price discounts, prizes, awards, or any other valuable consideration given in excess of the total contracted or expected amount;
- J. Arising out of, based upon or attributable to (i) a computer virus, (ii) the unauthorized access to or use of a computer, computer system or computer network, or (iii) the inability of an authorized **Third Party** to access services provided by the **Organization** through the **Internet Site**.

Part 6

Common Policy Definitions

A. **Application** means:

- 1. The **Application** for this Policy, including any material submitted therewith; and
- 2. The **Application(s)**, including any material submitted therewith, for all previous policies issued by the **Underwriter** of which this Policy is a direct or indirect renewal or replacement,

all of which shall be deemed a part of this Policy as if physically attached hereto.

B. **Claim** means for the purpose of Parts 1, 2, 3, and 5:

- 1. Any written demand for monetary or non-monetary relief; or
- 2. Any judicial, civil, administrative, regulatory, or arbitration proceeding (including any appeal therefrom), which subjects an **Insured** to a binding adjudication of liability for monetary or non-monetary relief for a **Wrongful Act**; or
- 3. Any written request to toll or waive any statute of limitations applicable to any actual or potential suit or cause of action against an **Insured**.

However, **Claim** shall not include a labor or grievance proceeding pursuant to a collective bargaining agreement.

C. **Damages** means a monetary judgment, award or settlement including punitive, exemplary or multiple portion thereof, or, with respect to Part 4 (Workplace Violence Insurance), **Violence Damages**.

D. **Defense Costs** means:

- 1. Any reasonable and necessary legal fees and expenses incurred in the defense of a **Claim**, whether by the **Insured** with the **Underwriter's** consent or directly by the **Underwriter**, in the investigation, adjustment, defense and appeal of a **Claim**, except that **Defense Costs** shall not include:

- a. Any amounts incurred in defense of any **Claim** for which any other insurer has a duty to defend, regardless of whether or not such other insurer undertakes such duty; or
 - b. Salaries, wages, overhead or benefit expenses associated with any **Insured** except as specified in subparagraph 2. below; or
 - c. Salaries, wages, overhead or benefit expenses associated with employees of the **Underwriter**.
2. A \$250 per day per **Individual Insured** supplemental payment for the attendance at the request or with the consent of the **Underwriter** by such **Individual Insured** at hearings, trials or depositions. Such payment shall not exceed \$5000 in the aggregate for all **Individual Insureds** in each **Claim**.
- E. **ERISA** means the Employee Retirement Income Security Act of 1974, as amended, any similar federal, state, local or common law, and any rules and regulations promulgated thereunder.
- F. **Individual Insured** means:
- 1. Any individual who has been, now is or shall become a director, officer, governor, trustee, equivalent executive, employee (whether salaried or not), volunteer, leased or temporary employee, or committee member of the **Organization** or, solely with respect to Part 3 (Fiduciary Liability Insurance), of any **Benefit Plan**;
 - 2. The lawful spouse of a director, officer, governor, trustee, or equivalent executive of the **Organization**, but only for actual or alleged **Wrongful Acts** of such executive for which such spouse may be liable as the spouse of such executive;
 - 3. The estate, heirs, legal representatives or assigns of a deceased director or officer, or the legal representatives or assigns of such a person who is incompetent, but only for **Wrongful Acts** of the person described in 1. above which, in the absence of such death or incompetence, would have been covered by this Policy;
 - 4. With respect to an **Organization** chartered outside the United States of America, any individual who has been, now is or shall become a person serving in a position with such **Organization** that is equivalent to any position described in 1. above.
- G. **Insured** means the **Organization** and **Individual Insured**.
- H. **Interrelated Wrongful Act** means any causally connected **Wrongful Act** or any series of the same, similar or related **Wrongful Acts**.
- I. **Loss** means:
- 1. **Damages**;
 - 2. **Defense Costs**;
- but **Loss** does not include:
- 1. Criminal or civil fines or penalties imposed by law except that solely with respect to Part 3 (Fiduciary Liability Insurance) **Loss** includes fines or penalties imposed under Section 502 (i) and (l) of **ERISA**; or
 - 2. Taxes; or

3. Matters deemed uninsurable under the law to which this Policy shall be construed; or
4. Any amounts other than **Defense Costs**, which an **Insured** is obligated to pay as a result of a **Claim** seeking relief or redress in any form other than monetary damages; or
5. Any costs other than **Defense Costs** associated with any accommodation required pursuant to the Americans With Disabilities Act, the Civil Rights Act of 1964, rules or regulations promulgated thereunder, amendments thereto, or similar provisions of any federal, state or local law or common law.

J. **Organization** means:

1. The **Parent Organization**,
2. Any **Subsidiary**, and
3. Solely with respect to Part 3 (Fiduciary Liability Insurance), any **Benefit Plan**.

K. **Parent Organization** means the first entity named in Item 1. of the Declarations.

L. **Policy Period** means the period of time specified in Item 2. of the Declarations.

M. **Subsidiary** means:

1. Any not-for-profit entity for which, on or before the inception of the **Policy Period**, the **Parent Organization** has the right to elect or select a majority of the directors or trustees, provided such entity is identified as a **Subsidiary** in the **Application**;
2. Any not-for-profit entity for which, after the inception of the **Policy Period**, the **Parent Organization** has the right to elect or select a majority of the directors or trustees, and whose assets total less than 35% of the total consolidated assets of the **Parent Organization** as of the inception date of this **Policy Period**. The **Parent Organization** shall provide the **Underwriter** with full particulars of the new **Subsidiary** before the end of the **Policy Period**;
3. Any not-for-profit entity for which, after the inception of the **Policy Period**, the **Parent Organization** has the right to elect or select a majority of the directors or trustees, and whose assets total 35% or more of the total consolidated assets of the **Parent Organization** as of the inception date of this **Policy Period**; but only upon the condition that before the end of the **Policy Period** or within 90 days from having the right to elect or select a majority of the directors or trustees, whichever is lesser, the **Parent Organization** shall have provided the **Underwriter** with full particulars and agreed to any additional premium and/or amendment of the provisions of this Policy;
4. Any for profit entity or the directors, officers, or trustees of a for profit entity for which, the **Underwriter**, at its sole discretion, agrees by written endorsement to provide coverage upon such terms or additional premium charged.

Further, coverage as shall be afforded by paragraphs 3. and 4. above, is conditioned upon the **Parent Organization** paying when due any applicable additional premium required by the **Underwriter** relating to such new **Subsidiary**.

N. **Termination of Coverage** means, whether made by the **Underwriter** or the **Insured** at any time:

1. Cancellation or non-renewal of a policy; or
 2. Decrease in limits, reduction of coverage, increased deductible or self-insured retention, new exclusion, or any other change in coverage less favorable to the **Insured**.
- O. **Underwriter** means the insurance company indicated on the Declarations of this Policy.
- P. **Wrongful Act** means:
1. With respect to Part 1, any **D&O Wrongful Act**,
 2. With respect to Part 2, any **Employment Practices Act**,
 3. With respect to Part 3, any **Fiduciary Liability Act**,
 4. With respect to Part 5, any **Internet Liability Act**.

Part 7

Common Policy Exclusions

The **Underwriter** shall not be liable to make any payment for **Loss** in connection with any **Claim** made against the **Insured**:

- A. Arising out of, based upon or attributable to such **Insured** gaining any profit, remuneration or advantage to which they were not legally entitled; however, this exclusion shall only apply if a final and non-appealable judgment or adjudication establishes the **Insured** committed such act or omission;
- B. Arising out of, based upon or attributable to any dishonest or fraudulent act or omission or any criminal act or omission by such **Insured**; however, this exclusion shall only apply if a final and non-appealable judgment or adjudication establishes the **Insured** committed such act or omission. This exclusion shall not apply to a **Workplace Violence Act** under Part 4 (Workplace Violence Insurance);

No **Wrongful Act** of any **Insured** shall be imputed to any **Individual Insured** for the purpose of determining the applicability of Exclusions A. and B. above.

- C. Arising out of, based upon or attributable to the discharge, dispersal, release or escape of smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids or gases, waste materials, or other irritants, contaminants or pollutants into or upon land, the atmosphere or any watercourse or body of water, or any cost or expense arising out of any governmental direction or request to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize any pollutants;
- D. Arising out of, based upon or attributable to any bodily injury or property damage regarding asbestos including, without limitation, the use, exposure, presence, existence, detection, removal, elimination or avoidance of asbestos by or to any persons and in any environment, building or structure; as well as the deleterious health effects associated with the use of tobacco;
- E. Arising out of, based upon or attributable to the radioactive, toxic, or explosive properties of nuclear material which includes, but is not limited to, Source Material, Special Nuclear Material and Byproduct Material as those terms are defined in the Atomic Energy Act of 1954 and any amendments thereto, and any similar provisions of any federal, state or local statutory or common law;

- F. Arising out of, based upon or attributable to:
1. Any litigation or demand against an **Insured** pending on or before the respective Prior and Pending Date set forth in Item 5. of the Declarations, or the same or essentially the same facts as alleged in such prior litigation; or
 2. Any **Wrongful Act**, fact, circumstance or situation which has been the subject of any written notice given under any other policy of insurance prior to inception of this Policy; or
 3. Any **Wrongful Act**, fact, circumstance or situation of which, as of the respective Prior and Pending Date set forth in Item 5. of the Declarations, the **Insured** had knowledge and from which the **Insured** could reasonably expect a **Claim** to arise.
- G. Arising out of, based upon or attributable to the insolvency, conservatorship, receivership, bankruptcy or liquidation of any bank, banking firm, broker, dealer, investment company, investment banker, insurance company, or other entity of a similar nature; or the failure to pay or suspension of payment by any such entity;
- H. To the extent such **Loss** constitutes **Defense Costs** in a **Claim** directly or indirectly by, on behalf of, or for the benefit of any insurance carrier or bond carrier of the **Insured** or any affiliate of the **Insured**, regardless of in whose name such **Claim** is actually made;
- I. For any actual or alleged bodily injury, mental anguish, emotional distress, sickness, disease or death of any person, or damage to or destruction of any tangible property including loss of use thereof; however, this exclusion shall not apply to Part 4 (Workplace Violence Insurance) or to mental anguish or emotional distress under Part 2 (Employment Practices Liability Insurance);
- J. Brought or maintained by, at the behest, or on behalf of the **Organization**;
- K. For any actual or alleged violation of the responsibilities, obligations or duties imposed by **ERISA**; however, this exclusion shall not apply to Part 3 (Fiduciary Liability Insurance);
- L. For a **Wrongful Act** committed or attempted by a **Subsidiary**, **Benefit Plan** or an **Individual Insured** of a **Subsidiary** or **Benefit Plan** before such entity or plan became an **Insured** or after the entity or plan ceased to be an **Insured**;
- M. For service by the **Individual Insured** in any position or capacity in any entity other than the **Organization**, a **Benefit Plan** or an **Outside Entity**, even if the **Organization** directed or requested the **Individual Insured** to serve in such other position or capacity.

Part 8

Common Policy Conditions

I. LIMITS OF LIABILITY

Regardless of the number of **Insureds** involved, **Claims** made or **Workplace Violence Acts** committed, the **Underwriter's** liability under the Policy is limited as follows:

- A. With respect to coverage under Part 1 of this Policy, the **Underwriter's** maximum aggregate liability under Part 1 for all **Damages** on account of all **Claims** made during the **Policy Period**, whether covered under Insuring Agreement A, B or C, shall be the Limit of Liability for each **Policy Period** as set forth in Item 3.(A) of the Declarations.

- B. With respect to coverage under Part 2, Part 3, Part 4, or Part 5 of this Policy, the **Underwriter's** maximum aggregate liability for all **Damages** on account of all **Claims** made, and all **Workplace Violence Acts** taking place, during the **Policy Period** shall be the Limit of Liability for each **Policy Period** as set forth in Item 3.(B), 3.(C), 3.(D) or 3.(E), respectively, of the Declarations.
- C. The **Underwriter's** maximum aggregate liability for all **Damages** on account of all **Claims** first made, and all **Workplace Violence Acts** taking place, during the **Policy Period** under all purchased Parts, combined, shall be the Aggregate Limit of Liability set forth in Item 3.(F) of the Declarations. The Limits of Liability set forth in Item 3.(A), 3.(B), 3.(C), 3.(D) and 3.(E) are sub-limits which do not increase the **Underwriter's** maximum liability as set forth in Item 3.(F).
- D. **Defense Costs** is in addition to and is not part of the Limit of Liability specified in Item 3. of the Declarations. Payment by the **Underwriter** of **Defense Costs** incurred on account of any **Claim** shall not serve to reduce the Limit of Liability stated in Item 3. of the Declarations, but the **Underwriter** is not obligated to pay any **Defense Costs** after the applicable Limit of Liability has been exhausted by payment of **Damages**.
- E. The Limit of Liability for any Extension Period, if applicable, shall be a part of and not in addition to the respective Limit of Liability applicable to the **Policy Period**.

II. RETENTION CLAUSE

- A. The **Underwriter** shall only be liable for that portion of **Loss** arising from each **Claim** or **Workplace Violence Act** which is in excess of the respective Retention stated in Item 4. of the Declarations. Such Retention shall be borne by the **Insured**, uninsured and at their own risk, provided no Retention shall apply to **Loss** incurred by **Individual Insureds** for which the **Organization** is not permitted or required to indemnify the **Individual Insured** or is financially unable to do so. A single Retention shall apply to **Loss** arising from all **Claims** alleging **Interrelated Wrongful Acts** and all related **Workplace Violence Acts**.

III. DEFENSE AND SETTLEMENT

- A. The **Insured** and not the **Underwriter** shall have the responsibility to defend any **Claim**. However, the **Insured** shall have the right, as soon as practicable after a **Claim** is first made, to tender the defense of such **Claim** to the **Underwriter**. Upon written notice to the **Underwriter** of such election by the **Insured** and subject to all of the provisions of this Section III. DEFENSE AND SETTLEMENT, the **Underwriter** shall undertake and manage the defense of such **Claim**, even if such **Claim** is groundless, false or fraudulent.
- B. If the **Insured** has assumed the defense of a **Claim** pursuant to A. above, the **Underwriter** shall advance **Defense Costs** prior to the final disposition of a **Claim**. The **Insured** shall elect counsel of its choice subject to approval by the **Underwriter**, such approval shall not be unreasonably withheld. The **Underwriter** shall not be liable for **Defense Costs** incurred, settlements made or judgments admitted by the **Insured** without the **Underwriter's** prior written consent, which shall not be unreasonably withheld.
- C. The **Underwriter** may investigate and, with the consent of the **Insured**, settle any **Claim** or **Workplace Violence Act** as the **Underwriter** deems expedient, but the **Underwriter** is not obligated to pay any **Loss** after the Limit of Liability has been exhausted.
- D. In the event that a **Claim** is made against the **Insured** or a **Workplace Violence Act** occurs, the **Insured** shall take reasonable measures to protect their interests.

- E. If more than one **Insured** is involved in a **Claim**, the **Underwriter** may, in its sole discretion, appoint separate counsel for one or more of such **Insureds** if there is a material (actual or potential) conflict of interest among any such **Insureds**.
- F. The **Insured** agrees to provide the **Underwriter** with all information, assistance and cooperation which the **Underwriter** reasonably requests and agrees that in the event of a **Claim** or a **Workplace Violence Act**, the **Insured** will do nothing that may prejudice the **Underwriter's** position or its potential rights of recovery.
- G. If with respect to any **Claim** the **Insured** refuses to consent to the first settlement acceptable to the claimant which the **Underwriter** recommends to the **Insured** in writing, and elects to further contest the **Claim**, then the **Underwriter's** liability for such **Claim** shall not exceed the amount for which the **Claim** could have been settled, including **Defense Costs** incurred, up to the date of such refusal, plus 50% of covered **Loss** in excess of such first settlement amount, it being a condition of this insurance that the remaining 50% of such **Loss** excess of the first settlement amount shall be borne by the **Insured** at their own risk and be uninsured. Notwithstanding the foregoing, this paragraph shall not apply until the settlement amount exceeds the Retention amount stated in Item 4. of the Declarations.

In addition, if the **Underwriter** recommends a first settlement of a **Claim** within the Policy's applicable Limit of Liability which is acceptable to the claimant, and the **Insured** consents to such settlement, then the **Insured's** applicable Retention for such **Claim** shall be retroactively reduced by ten percent (10%). It shall be a condition to such reduction that the **Insured** must consent to the first settlement amount within thirty (30) days after the date the **Underwriter** recommends to the **Insured** such first settlement amount, or in the case of a first settlement amount which arises from a first settlement offer by the claimant, then within the time permitted by the claimant to accept such first settlement offer, but in all events no later than thirty (30) days after the **Underwriter** recommends to the **Insured** such first settlement offer. If the **Insured** does not consent to the first settlement within the time prescribed above, the applicable Retention amount shall remain the respective amount set forth in Item 4. of the Declarations, even if consent is given to a subsequent settlement.

IV. NOTICE/CLAIM REPORTING PROVISIONS

Notice hereunder shall be given in writing to the **Underwriter** at the following address:

Philadelphia Insurance Companies
 One Bala Plaza, Suite 100
 Bala Cynwyd, Pennsylvania 19004
 Attention: Claims Department

The date of mailing shall constitute the date that such notice was given and proof of mailing shall be sufficient proof of notice. Any notice to the **Underwriter** shall specify the Part(s) of this Policy under which the notice is being given and shall be treated as notice only under such specified Part(s).

- A. In the event that a **Claim** is made against the **Insured** or a **Workplace Violence Act** occurs, the **Insured** shall, as a condition precedent to the obligations of the **Underwriter** under this Policy, give written notice of such **Claim** or **Workplace Violence Act** as soon as practicable to the **Underwriter** during this **Policy Period**, or, if applicable, during any Extension Period, but, not later than 60 days after the expiration date of this Policy or any Extension Period, if applicable.
- B. If during this **Policy Period** an **Insured** first becomes aware of any circumstances which may subsequently give rise to a **Claim** being made against any **Insured** for a specific alleged **Wrongful Act**, and as soon as practicable thereafter, but before the expiration or cancellation of

this Policy, gives written notice to the **Underwriter** of the circumstances and the reasons for anticipating such a **Claim**, with full particulars as to the **Wrongful Act**, dates and persons involved, then any **Claim** which is subsequently made against the **Insured** arising out of such **Wrongful Act** will be considered made during this **Policy Period**.

- C. All **Loss** arising out of the same **Wrongful Act** and all **Interrelated Wrongful Acts**, or the same or related **Workplace Violence Acts**, shall be deemed one **Loss** on account of one **Claim** or one **Workplace Violence Act**. Such **Claim** or **Workplace Violence Act** shall be deemed to be first made or to have first occurred when the earliest of such **Claims** or **Workplace Violence Acts** were first made or first occurred.

V. CANCELLATION AND NON-RENEWAL

- A. The **Underwriter** may not cancel this Policy except for failure to pay premium when due, in which case 10 days written notice shall be given to the **Parent Organization** for such cancellation to be effective.
- B. The **Parent Organization** may cancel this Policy for itself and all other **Insureds** by surrender of this Policy to the **Underwriter** or any of its authorized agents or by mailing to the **Underwriter** written notice stating when thereafter the cancellation shall be effective. If the **Parent Organization** cancels, earned premium shall be computed in accordance with the customary short rate table procedure.
- C. The **Underwriter** shall not be required to renew this Policy; however, written notice of the **Underwriter's** intent to non-renew this Policy shall be sent to the **Parent Organization** at least 30 days prior to expiration of the **Policy Period**.

VI. REPRESENTATIONS AND SEVERABILITY

- A. The **Insured** represents that the particulars and statements contained in the **Application** are true and agrees that (1) those particulars and statements are the basis of this Policy and are to be considered as incorporated into and constituting a part of this Policy; (2) those particulars and statements are material to the acceptance of the risk assumed by the **Underwriter** under this Policy; and (3) this Policy is issued in reliance upon the truth of such representations.
- B. Except for material facts or circumstances known to the **Individual Insured** signing the **Application**, no statement in the **Application** or knowledge or information possessed by any **Insured** shall be imputed to any other **Individual Insured** for the purpose of determining the availability of coverage.

VII. SUBROGATION

In the event of any payment under this Policy, the **Underwriter** shall be subrogated to the extent of such payment to all of the **Insured's** rights of recovery. The **Insured** shall execute and deliver such instruments and papers and do whatever else is necessary to secure such rights and shall do nothing to prejudice or compromise such rights without the **Underwriter's** express written consent.

VIII. EXTENSION PERIOD

- A. If the **Underwriter** refuses to renew this Policy the following shall apply:

For no additional premium, the **Underwriter** will provide a 60 day extension of the coverage granted under Parts 1, 2, 3, and 5 of this Policy for any **Claim** first made against the **Insured** during the 60 days after the non-renewal date, but only with respect to any **Wrongful Act** committed before such non-renewal date and otherwise covered by this Policy (the "Automatic

Extension”). This Automatic Extension shall not apply if the **Insured** has purchased similar insurance from the **Underwriter** or any other insurer covering such **Claim**.

Upon expiration of the Automatic Extension, the **Parent Organization** shall have the right, upon payment of an additional 50%, 75%, or 100% of this Policy’s annual premium to an extension of the coverage granted by this Policy for any **Claim** first made against the **Insured** during the twelve (12) months, twenty-four (24) months, or thirty-six (36) months, respectively, after the expiration of the Automatic Extension, but only with respect to **Wrongful Acts** committed before the non-renewal date and otherwise covered by this Policy (the “Extension Period”); provided, however, that the request for this Extension Period must be made to the **Underwriter** in writing and payment of the additional premium must be made prior to the expiration of the Automatic Extension. In the event similar insurance is in force covering any **Claims** first made during this Extension Period, coverage provided by this Policy shall be excess over any such other insurance.

- B. If the **Parent Organization** cancels or does not renew this Policy or the **Underwriter** cancels for non-payment of premium, the following will apply:

The **Parent Organization** shall have the right, upon payment of an additional 50%, 75%, or 100% of this Policy’s annual premium, to an extension of the coverage granted under Parts 1, 2, 3 and 5 of this Policy for any **Claim** first made against the **Insured** during the twelve (12) months, twenty-four (24) months, or thirty-six (36) months, respectively, after the date of such cancellation or non-renewal, but only with respect to any **Wrongful Acts** committed before the date of such cancellation or non-renewal and otherwise covered by this Policy (the “Extension Period”); provided however, that the request for this Extension Period must be made to the **Underwriter** in writing and payment of the additional premium must be made within 60 days following the date of such cancellation or non-renewal. In the event similar insurance is in force covering any **Claims** first made during this Extension Period, coverage provided by this Policy shall be excess over any such other insurance.

If the **Underwriter** cancels for the non-payment of premium, the **Parent Organization** may purchase the Extension Period only after any earned premium due to the **Underwriter** is paid within 10 days after the date of cancellation or Policy expiration, whichever comes first.

- C. All premium paid with respect to an Extension Period shall be deemed fully earned as of the first day of the Extension Period. For the purpose of this Section VIII., any change in premium or terms on renewal shall not constitute a refusal to renew.

IX. CHANGES

Except by written endorsement issued to the **Insured** forming a part of this Policy, nothing shall effect a change in or addition to the provisions of this Policy. Furthermore, under no circumstances shall the **Underwriter** be deemed to have waived or be estopped from asserting any right under this Policy, at law, or in equity respecting any **Claim** or **Workplace Violence Act**, except as stated in writing by the **Underwriter’s** authorized Claims Department representative.

X. ASSIGNMENT

Assignment of interest in this Policy shall not bind the **Underwriter** until the **Underwriter’s** consent is endorsed hereon.

XI. AUTHORIZATION CLAUSE AND NOTICES

By acceptance of this Policy, the **Insured** agrees that the **Parent Organization** shall act on behalf of any **Insured** with respect to the giving and receiving of any return premiums and notices that may

become due under this Policy. Notice to the **Parent Organization** shall be directed to the individual named in the **Application**, or such other person as shall be designated by the **Parent Organization** in writing. Such notice shall be deemed to be notice to any **Insured**. The **Parent Organization** shall be the agent of any **Insured** to effect changes in this Policy.

XII. OTHER INSURANCE

If the **Insured** has any other insurance for **Claims** or **Workplace Violence Acts** covered hereunder, the insurance provided by this Policy shall be excess over such other insurance, regardless of whether such other insurance is collectible or designated as primary or excess.

XIII. TERMS OF POLICY CONFORMED TO STATUTE

Terms of this Policy which are in conflict with the statutes of any state in which this Policy is issued are hereby amended to conform to such statutes.

XIV. ACCEPTANCE

This Policy embodies all agreements existing between the parties hereunder or any of their agents relating to this insurance.

XV. ACTION AGAINST THE UNDERWRITER; ARBITRATION

- A. No person or entity shall have any right under this Policy to join the **Underwriter** as a party to any action against the **Insured** to determine the **Insured's** liability, nor shall the **Underwriter** be impleaded by the **Insured** or their legal representatives. Bankruptcy or insolvency of the **Insured** or their successors in interest shall not relieve the **Underwriter** of its obligations hereunder.
- B. Any dispute relating to this Policy or the alleged breach, termination or invalidity thereof, which cannot be resolved through negotiations between any **Insured** and the **Underwriter**, shall be submitted to binding arbitration. The rules of the American Arbitration Association shall apply except with the respect to the selection of the arbitration panel. The panel shall consist of one arbitrator selected by such **Insured**, one arbitrator selected by the **Underwriter** and a third independent arbitrator selected by the first two arbitrators.

XVI. CHANGE IN OWNERSHIP OR CONTROL

- A. If after the inception of the **Policy Period**:
 1. The **Organization** merges into or consolidates with another entity such that the other entity is the surviving entity; or
 2. Another entity or person or group of entities and/or persons acting in concert acquires more than fifty percent (50%) of the assets of the **Organization**; or
 3. Another entity or person or group of entities and/or persons acting in concert acquires the right to elect or select a majority of the **Organization's** directors or trustees;

(1.,2., and 3. above, hereinafter referred to as the "Merger"), then coverage under Parts 1, 2, 3, and 5 of this Policy shall remain in force, but only for **Claims** made during the **Policy Period** (or the Extension Period, if purchased) for **Wrongful Acts** committed prior to the effective date of the Merger and only if the following conditions are met:

1. The **Insured** provides written notice of the Merger to the **Underwriter** within 45 days of the effective date of such Merger; and
2. The **Insured** provides the **Underwriter** with such information as the **Underwriter** deems necessary.

If **Insured** fails to meet conditions 1. and 2. above, this Policy shall be deemed cancelled by the **Underwriter** as of the effective date of the Merger and the **Underwriter** shall return any unearned premium on a pro rata basis. The **Insured** shall have the right to purchase the Extension Period.

Coverage under Part 4 of this Policy shall cease with respect to any **Workplace Violence Act** occurring after the effective date of the Merger.

B. If after the inception of the **Policy Period**:

1. The **Organization** acquires or assumes more than fifty percent (50%) of the assets, liabilities, or equity of, or merges with any for profit entity or creates a for profit subsidiary, no coverage shall be afforded under this Policy for **Claims** arising out of, based upon or attributable to such transaction unless all of the following conditions are met:
 - a. The **Underwriter** receives from the **Parent Organization** full details of such transaction; and
 - b. The **Underwriter**, at its sole discretion, agrees by written endorsement to this Policy to provide coverage to the for profit entity upon such terms, conditions and limitations as it may require.

XVII. TERRITORY AND VALUATION

This Policy shall extend to any **Wrongful Act** committed or any **Workplace Violence Act** occurring anywhere in the world.

All premiums, limits, retentions, **Loss** and other amounts under this Policy are expressed and payable in the currency of the United States of America. If judgment is rendered, settlement is denominated or another element of **Loss** under this Policy is stated in a currency other than United States of America dollars, payment under this Policy shall be made in United States dollars at the rate of exchange published in The Wall Street Journal on the date the final judgment is reached, the amount of the settlement is agreed upon or the other element of **Loss** is due, respectively.

XVIII. TWO OR MORE COVERAGE PARTS OR POLICIES ISSUED BY THE UNDERWRITER

It is the **Underwriter's** stated intention that the various coverage parts or policies issued to the **Parent Organization** by the **Underwriter**, or any affiliated company, do not provide any duplication or overlap of coverage for the same **Claim** or **Workplace Violence Act**. Notwithstanding the other insurance provision, if this Policy and any other policy issued to the **Parent Organization** by the **Underwriter**, or any affiliated company, apply to the same **Wrongful Act, Workplace Violence Act**, professional incident, occurrence, offense, accident or **Loss**, then the maximum Limit of Liability under all such policies combined shall not exceed the highest applicable Limit of Liability under any one policy.

XIX. ALLOCATION

If both **Loss** covered by this Policy and **Loss** not covered by this Policy are incurred either because a **Claim** includes both covered and uncovered matters, or because a **Claim** is made against both the **Individual Insured** and/or the **Organization**, and others, the **Insured** and the **Underwriter** shall use their best efforts to agree upon a fair and proper allocation of such amount between covered **Loss** and uncovered **Loss**. Any such allocation shall be based upon the relative legal exposures of the parties to covered and uncovered matters.

IN WITNESS WHEREOF, the **Underwriter** has caused this Policy to be signed by its President and Secretary, but the same shall not be binding upon the **Underwriter** unless signed by an authorized representative of the **Underwriter**.



John W. Glomb, Jr.
President & CEO



Secretary

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT
CAREFULLY.**

LOAN EXCLUSION

This endorsement modifies and is subject to the insurance provided under the following:

FLEXIPLUS FIVE

The Policy is amended as follows:

With respect to coverage under Part I, the **Underwriter** shall not be liable to make any payment for **Loss** in connection with any **Claim** made against an **Insured** based upon, arising out of, directly or indirectly resulting from or in consequence of, the activities, operations, or administration of any and all loan funds or granting of loans.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT
CAREFULLY.**

**PROFESSIONAL SERVICES EXCLUSION (SUPERVISION
CARVE-OUT)**

This endorsement modifies and is subject to the insurance provided under the following:

FLEXIPLUS FIVE

The Policy is amended as follows:

With respect to coverage under Part 1, the **Underwriter** shall not be liable to make any payment for **Loss** in connection with any **Claim** made against the **Insured** based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving the **Insured's** performance of or failure to perform professional services for others.

Provided, however, that the foregoing shall not be applicable to any derivative action **Claim** alleging failure to supervise those who performed or failed to perform such professional services.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ABUSE EXCLUSION WITH WORKPLACE HARASSMENT CARVEBACK

This endorsement modifies insurance provided under the following:

FLEXI PLUS FIVE

The Policy is amended as follows:

1. The **Underwriter** shall not be liable to make any payment for **Loss** in connection with any **Claim** based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving the actual or alleged **Abusive Acts** of any person(s).
2. The **Underwriter** shall not be liable to make any payment for **Loss** in connection with any **Claim** based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving the actual and/or alleged negligent hiring, retention, employment, assignment, placement, training, supervision, oversight, evaluation, assessment, discipline and/or investigation of any person(s) who actually or allegedly committed **Abusive Acts**.

For purposes of this Exclusion, **Abusive Acts** means any actual or alleged:

- a) Sexual abuse;
- b) Sexual harassment;
- c) Sexual assault;
- d) Sexual molestation;
- e) Sexual exploitation;
- f) Physical abuse, harm, assault or battery; or
- g) Psychological or mental abuse or neglect

However, paragraphs 1. and 2. above of this Exclusion shall not apply to the following:

1. **Claims** based upon vicarious liability involving actual and/or alleged acts of harassment committed against an **Individual Insured** occurring in the workplace or in the course of employment or service with the **Organization**.
2. **Claims** based upon vicarious liability involving an **Insured's** actual and/or alleged acts of harassment against a non-**Insured** person(s) in the course, scope or process of their application or interview for employment or service with the **Organization**.

However, the **Underwriter** shall not be liable to make any payment for **Loss** in connection with any **Claim** brought against any person who participates in, directs or knowingly allows **Abusive Acts**.

All other terms and conditions remain the same.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**AMENDMENT OF EXCLUSIONS**

This endorsement modifies insurance provided under the following:

FLEXI PLUS FIVE

With regard to Part 1 (**DIRECTORS & OFFICERS LIABILITY INSURANCE**), the **Underwriter** shall not be liable to make any payment for **Loss** in connection with any **Claim** for any actual or alleged violation(s) of any of the responsibilities, obligations or duties imposed by the Employee Retirement Income Security Act of 1974, the Fair Labor Standards Act (except the Equal Pay Act), the National Labor Relations Act, the Worker Adjustment and Retraining Notification Act, the Consolidated Omnibus Budget Reconciliation Act, the Occupational Safety and Health Act, any rules or regulations of the foregoing promulgated thereunder, and amendments thereto or any similar federal, state, local or foreign statutory law or common law; provided, however, this exclusion shall not apply to a **Claim** for retaliation; provided, further, however, there is no coverage provided under this policy for any **Claim** related to, arising out of, based upon, or attributable to the refusal, failure or inability of any **Insured(s)** to reimburse **Employee(s)** for any business or personal expenses, or to pay **Earned Wages** (as opposed to tort-based back pay or front pay damages) or for improper payroll deductions taken by any **Insured(s)** from any **Employee(s)** or purported **Employee(s)**, including, but not limited to, (i) any unfair business practice claim alleged because of the failure to pay **Earned Wages**, or (ii) any **Claim** seeking **Earned Wages** because any **Employee(s)** or purported **Employee(s)** were improperly classified or mislabeled as "exempt."

Part 2 (**EMPLOYMENT PRACTICES LIABILITY INSURANCE**), section III (EXCLUSIONS), item B. is replaced by:

- B. for any actual or alleged violation(s) of any of the responsibilities, obligations or duties imposed by the Employee Retirement Income Security Act of 1974, the Fair Labor Standards Act (except the Equal Pay Act), the National Labor Relations Act, the Worker Adjustment and Retraining Notification Act, the Consolidated Omnibus Budget Reconciliation Act, the Occupational Safety and Health Act, any rules or regulations of the foregoing promulgated thereunder, and amendments thereto or any similar federal, state, local or foreign statutory law or common law; provided, however, this exclusion shall not apply to a **Claim** for **Retaliation**; provided, further, however, there is no coverage provided under this policy for any **Claim** related to, arising out of, based upon, or attributable to the refusal, failure or inability of any **Insured(s)** to reimburse **Employee(s)** for any business or personal expenses, or to pay **Earned Wages** (as opposed to tort-based back pay or front pay damages) or for improper payroll deductions taken by any **Insured(s)** from any **Employee(s)** or purported **Employee(s)**, including, but not limited to, (i) any unfair business practice claim alleged because of the failure to pay **Earned Wages**, or (ii) any **Claim** seeking **Earned Wages** because any **Employee(s)** or purported **Employee(s)** were improperly classified or mislabeled as "exempt."

Part 6 (**COMMON POLICY DEFINITIONS**), is supplemented by:

Earned Wages means wages or overtime pay for services rendered.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**EMPLOYMENT PRACTICES LIABILITY
THIRD PARTY SUB-RETENTION ENDORSEMENT**

This endorsement modifies insurance provided under the following:

FLEXI PLUS FIVE

In consideration of the premium paid for this Policy, it is agreed as follows:

With respect to coverage under Part 2 Employment Practices Liability, any **Claim** made against any **Insured** which is brought by or on behalf of any **Third Party**, Item 4. of the Declarations, is amended to read as follows:

Item 4. Retention:

(B) Part 2: Employment Practices: \$25,000 for each **Claim**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BIOMETRIC INFORMATION CLAIM EXCLUSION

This endorsement modifies insurance provided under the following:

FLEXI PLUS FIVE

This endorsement modifies Part 1 and Part 2 of your Policy.

- I. The following DEFINITIONS are added to **Part 1, II. DEFINITIONS** and **Part 2, II. DEFINITIONS** as follows:

Biometric Information means any information used to identify a natural person based on an anatomical scan or any record of biological pattern or characteristic, including but not limited to such natural person's retina or iris scan, fingerprint, voiceprint or any record of hand or face geometry.

Biometric Information does not include any information that is protected or regulated pursuant to the Health Insurance Portability and Accountability Act of 1996.

Biometric Information Claim means a **Claim** brought or maintained against an **Insured** for a violation of any federal, state or local law that regulates or restricts the collection, storage, use and/or disposal of **Biometric Information**, including violations of any required notifications, disclosures or authorizations related to such **Biometric Information**.

- II. **Part 1, III. EXCLUSIONS** and **Part 2, III. EXCLUSIONS** are amended to include the following:

Based upon, arising from, or in any way related to **Biometric Information** and/or any **Biometric Information Claim**.

All other terms of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**NETWORK SECURITY and PRIVACY BREACH EXCLUSION W/ SIDE-A
CARVEBACK**

This endorsement modifies insurance provided under the following:

FLEXI PLUS FIVE

- I. **Part 7, COMMON POLICY EXCLUSIONS**, is amended to include the following exclusion:
arising out of, based upon or attributable to any **Network Security and Privacy Breach**. However, solely regarding any **Claim** submitted under Part 1 Not-for-Profit Organization Directors and Officers Liability Insurance, this exclusion shall not apply to any **Claim** brought under **INSURING AGREEMENT A. INDIVIDUAL LIABILITY COVERAGE**.
- II. **Part 6, COMMON POLICY DEFINITIONS**, is amended to add the following paragraphs:
- Network Security and Privacy Breach** means:
1. any unauthorized access or unauthorized use of any **Computer System**, including unauthorized access or unauthorized use resulting from the theft of a password from any **Computer System**;
 2. any denial of service attack or any delay, disruption, impairment or failure of any computer network, technology, information or telecommunication network, service, software or hardware, whether any of the foregoing is a specifically targeted attack or a generally distributed attack;
 3. any infection of any **Computer System** by malicious code or transmission of malicious code from any **Computer System**;
 4. any common law or statutory breach of confidence or violation any data security or privacy law anywhere in the world.

Computer System means any electronic, wireless, web or similar systems (including all computer hardware, computer programs and electronic data) used to process data or information in an analog, digital, electronic or wireless format, including associated input and output devices, data storage devices, networking equipment, wired or wireless peripherals, electronic backup facilities, and media libraries, that is owned or leased, operated and controlled by an **Insured** or operated by an independent contractor authorized to provide business process outsourcing services or outsourced information technology services on behalf of any **Insured**.

All other terms of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**NEW YORK - CHANGES**

Wherever used in this endorsement: 1) we, us, our, and insurer mean the insurance company which issued this policy; and 2) you, your, named insured, first named insured, and **Insured** mean the Named Corporation, the Named Organization, Named Sponsor, Named Insured, or **Insured** stated in the Declarations Page; and 3) other insured(s) means all other persons or entities afforded coverage under this Policy.

I. The following conditions are added to the Policy and supersede anything to the contrary in the Policy:

A. AUTOMATIC EXTENDED REPORTING PERIOD

1. Upon termination of coverage the insurer will provide to the **Insured** a 60 day Automatic Extended Reporting Period, or 90 days for a public entity, beginning with the effective date of such termination provided the **Insured** has not purchased similar insurance from this or any other insurer covering **Claims** first made during the Automatic Extended Reporting Period. In the event similar insurance is in force, coverage as provided by this endorsement shall be excess over any other valid and collectible insurance, except insurance written specifically in excess of the liability limits of the Policy. The aggregate Limit of Liability shall be equal to the amount of coverage remaining in the terminated Policy's annual aggregate Limit of Liability.

B. OPTIONAL EXTENDED REPORTING PERIOD

1. The **Insured** shall have the option, upon payment of the required additional premium, plus any premium for the **Policy Period** which is owed and not yet paid, or less any return premium owed because of termination of coverage, to purchase a one, two or three year Extended Reporting Period following the effective date of termination of coverage in which to give written notice to the insurer of **Claims** first made against the **Insured** during said one, two or three year period for any **Wrongful Act** that occurs on or after the retroactive date, if any, and prior to the effective date of termination, and is otherwise covered by this Policy.
2. The right to an optional Extended Reporting Period shall terminate, however, unless written notice of such election together with payment of the required additional premium due, plus any premium for the **Policy Period** which is owed and not yet paid, or less any return premium owed because of termination of this Policy, is received by the insurer not later than the later of:
 - a. 60 days after the effective date of termination of coverage; or
 - b. 30 days after the insurer has mailed or delivered to the **Insured** a written advice of the amount of the required additional premium, if the insurer is obligated to give such written advice.
3. The additional premium for each optional Extended Reporting Period shall be a percentage of the rates for such coverage in effect on the date the Policy was issued or last renewed as set forth below:

One year:	Expiring annual premium x .50
Two years:	Expiring annual premium x .85

Three years: Expiring annual premium x 1.10

4. If coverage afforded by this Policy has been continuous and uninterrupted for three years or more, the aggregate Limit of Liability for the Extended Reporting Period shall be equal to 100% of such Policy's annual aggregate Limit of Liability.
5. If coverage afforded by this Policy has been continuous and uninterrupted for less than three years, the aggregate Limit of Liability for the Extended Reporting Period shall be the greater of:
 - a. The amount of coverage remaining in the terminated Policy's annual aggregate Limit of Liability; or
 - b. Fifty percent (50%) of the Policy's annual aggregate Limit of Liability. In no event shall the Limit of Liability afforded by any or all Extended Reporting Periods exceed the annual aggregate Limit of Liability afforded by the Policy to which this extension applies.
6. If termination of coverage is due only to a decrease in the Policy's annual aggregate Limit of Liability, then the aggregate Limit of Liability for the Extended Reporting Period shall not exceed the amount of such decrease.
7. Not later than 30 days after the effective date of termination of coverage, the insurer shall mail or deliver to the **Insured** a written advice of the Automatic Extended Reporting Period coverage and the availability thereof, and the amount of the required additional premium for and the importance of purchasing the optional Extended Reporting Period. However, if this Policy is cancelled by the insurer due to nonpayment of premium or fraud on the part of the **Insured**, the insurer shall not be required to provide such a premium quotation unless requested by the **Insured**.
8. If coverage is terminated by the insurer because of non-payment of premium or fraud, and at the effective date of such termination of coverage the insurer has provided this insurance to the **Insured** on a claims-made basis without interruption for less than one year, there shall be no right to elect or purchase an optional Extended Reporting Period. For the purpose of this paragraph, Extended Reporting Period coverage shall not be considered as time when the insurer was providing this coverage.
9. Any person employed or otherwise affiliated with the **Insured**, and named as an **Insured** under this Policy during such affiliation, shall continue to be covered under such Policy and any Extended Reporting Period after such affiliation has ceased for such person's **Wrongful Acts** during such affiliation.
10. If this Policy is issued to a corporation, partnership or other entity, any person covered as an **Insured** under this Policy shall have the right to purchase the optional Extended Reporting Period upon termination of coverage as respects only himself, if:
 - a. Such entity has been placed in liquidation or bankruptcy or permanently ceases operations;
 - b. The entity or its designated trustee does not purchase the optional Extended Reporting Period; and
 - c. Within 120 days of the termination of coverage the insurer has received from such **Insured** a written request for optional Extended Reporting Period coverage.

11. If the **Insured** has not paid the required additional premium for the optional Extended Reporting Period, which said premium shall be commensurate with such coverage, when due, then such optional Extended Reporting Period shall be void *ab initio*.
 12. The Extended Reporting Period shall not be cancellable, and the required additional premium for the optional Extended Reporting Period shall be fully earned by the insurer at the inception of the optional Extended Reporting Period.
- C. CANCELLATION OR NON-RENEWAL: This Policy may be cancelled by the **Insured** by surrender thereof to the insurer at its address stated in the Declarations or by mailing to the insurer written notice stating when thereafter such cancellation shall be effective. If cancelled by the **Insured**, the insurer shall retain the customary short rate proportion of the premium.
1. Cancellation of policies in effect:
 - a. 60 days or less:

The insurer may cancel this Policy by mailing or delivering to the **Insured**, and his authorized insurance agent or broker, written notice of cancellation at least:

 - (1) 30 days before the effective date of cancellation if the insurer cancels for any reason not included in Paragraph 1.a.(2) below.
 - (2) 15 days before the effective date of cancellation if the insurer cancels for any of the following reasons:
 - (a) Non-payment of premium;
 - (b) Conviction of a crime arising out of acts increasing the hazard insured against;
 - (c) Discovery of fraud or material misrepresentation in the obtaining of the Policy or in the presentation of a **Claim**;
 - (d) After issuance of the Policy or after the last renewal date, discovery of an act of omission, or a violation of any Policy condition, that substantially and materially increases the hazard insured against, and that occurred subsequent to inception of the current **Policy Period**;
 - (e) Required pursuant to a determination by the Superintendent that continuation of the insurer's present premium volume would jeopardize the insurer's solvency or be hazardous to the interest of the insurer's policyholders, the insurer's creditors or the public;
 - (f) A determination by the Superintendent that the continuation of the Policy would violate, or would place the insurer in violation of, any provision of the Insurance Code;
 - (g) Where the insurer has reason to believe, in good faith and with sufficient cause, that there is a probable risk of danger that the **Insured** will destroy, or permit to be destroyed, the insured property for the purpose of collecting the insurance proceeds; or
 - (h) If the **Insured's** license to practice his profession is revoked or suspended.

b. More than 60 days:

If this Policy has been in effect for more than 60 days, or if this Policy is a renewal or continuation of a Policy the insurer issued, the insurer may cancel this Policy only for any reason listed in Paragraph 1.a.(2) above, provided the insurer mails the **Insured** written notice at least 15 days before the effective date of cancellation.

2. The insurer will mail or deliver notice, including the reason for cancellation, to the **Insured** at the address shown in the Declarations and to his authorized insurance agent or broker. Such notice will state the effective date of cancellation. The **Policy Period** will end on that date.
3. If this Policy is cancelled, the insurer will send the **Insured** any premium refund due. If the insurer cancels, the refund will be pro rata. If the **Insured** cancels, the refund may be less than pro rata.
4. If notice is mailed, proof of mailing will be sufficient proof of notice.
5. Non-Renewal and Conditional Renewal:
 - a. The insurer may refuse to renew this Policy for any specific underwriting reason. If the insurer decides not to renew this Policy the insurer will send notice as provided below, along with the reason for non-renewal.
 - b. The insurer may condition its renewal upon changes of limits, changes in type of coverage, reduction of coverage, increased self insured retention, addition of exclusion or upon increased premiums in excess of ten percent. If the insurer decides to condition renewal of this Policy upon one or more of said conditions, the insurer will send notice to the **Insured** as provided below, along with the reason for conditional renewal.
 - c. Mailing of Notice:
 - (1) In the event the insurer refuses to renew this Policy, or bases renewal on a change in conditions, the insurer shall mail to the **Insured**, not less than 60 days but not more than 120 days prior to the expiration of this Policy, written notice of non-renewal or conditional renewal. Such notice shall be conclusive on all **Insureds**.
 - (2) Notice will be mailed or delivered to the **Insured** at the address shown in the Declarations and to his authorized insurance agent or broker. If notice is mailed, proof of mailing will be sufficient proof of notice.
 - (3) The insurer will not send notice of non-renewal or conditional renewal if the **Insured**, the **Insured's** authorized agent or broker or another insurer of **Insured** mails or delivers notice that the Policy has been replaced or is no longer desired.

D. TRANSFER OF DUTIES WHEN THE LIMIT OF INSURANCE IS USED UP:

1. If the insurer concludes that based on **Claims** which have been reported to us and to which this insurance may apply, that the Limit of Liability is likely to be used up in payment of **Damages** or **Losses**, the insurer will notify the **Insured** to that effect.
2. When the Limit of Liability has actually been used up in the payment of **Damages** or **Losses**:

- a. The insurer will notify the **Insured** in writing as soon as practical that:
 - (1) Such limit has actually been used up; and
 - (2) The insurer's obligation to defend or pay **Defense Costs** has ended.
- b. The insurer will initiate, and cooperate in, the transfer in control, to any appropriate **Insured**, of all **Claims** seeking **Damages** or **Losses** which are subject to the Limit of Liability and were reported to the insurer before that limit was used up. The **Insured** must cooperate in the transfer of control of said **Claims**. The **Insured**, and any other **Insured** involved in a **Claim** seeking **Damages** or **Losses** must arrange for the defense of such **Claim** within such time period as agreed between the appropriate **Insured** and the insurer. Absent any such agreement, arrangements for defense must be made as soon as practicable. The insurer will take such steps as deemed appropriate to avoid a default in, or continue the defense of, such suits until such transfer is completed, provided the **Insured** is cooperating in completing such transfer.

The **Insured** will reimburse the insurer for **Defense Costs** it incurs in taking these steps. The insurer will take no action whatsoever with respect to any **Claim** or suit seeking **Damages** or **Losses** that would have been subject to that limit, had it not been used up, if the **Claim** is reported to the insurer after that Limit of Liability has been used up.
3. The exhaustion of the Limit of Liability and the resulting end of the insurer's obligation to defend or pay **Defense Costs** will not be affected by any failure of the insurer to comply with any of the provisions of this Condition.

E. NOTIFICATION TO THE INSURER

1. Failure to give notice to the insurer within the time prescribed in the Policy shall not invalidate any **Claim** made by the **Insured**, an injured party, or **Third Party** claimant if it shall be shown not to have been reasonably possible to give such notice with the prescribed time and that notice was given as soon as reasonably possible thereafter. Notice given to any licensed agent of the insurer, with particulars sufficient to identify the **Insured**, shall be deemed notice to the insurer.
2. Failure to give any notice to the insurer within the time prescribed in the Policy shall not invalidate any **Claim** made by the **Insured**, injured person or any other claimant, unless the failure to provide timely notice has prejudiced the insurer, except as provided in Paragraph 1. above. With respect to a claims-made policy, however, the Policy may provide that the **Claim** shall be made during the **Policy Period**, any renewal thereof, or any Extended Reporting Period, except as provided in Paragraph 1. above. As used in this paragraph, the terms claims-made policy and Extended Reporting Period shall have their respective meanings as provided in a regulation promulgated by the superintendent.
3. With respect to a **Claim** arising out of death or personal injury of any person, if the insurer disclaims liability or denies coverage based upon the failure to provide timely notice, then the injured person or other claimant may maintain an action directly against such insurer, in which the sole question is the insurer's disclaimer or denial based on the failure to provide timely notice, unless within 60 days following such disclaimer or denial, the **Insured** or the insurer:
 - a. Initiates an action to declare the rights of the parties under the insurance Policy; and
 - b. Names the injured person or other claimant as a party to the action.

F. OTHER INSURANCE

If the **Insured** has any other insurance for **Claims** covered under this Policy, the insurance provided by this Policy shall be excess over any other valid and collectible insurance; however, if such other insurance is specifically designated as excess over this Policy, then this insurance shall be primary.

II. This endorsement modifies insurance provided under this Policy as follows:

A. The definition for **Application** is deleted from this Policy and replaced with the following:

Application means the **Application** attached to and forming part of this Policy, including any materials submitted in connection therewith, and on file with the insurer.

B. The definition of **Claim** is amended to include:

Any written demand or binding adjudication of liability for non-pecuniary relief under Item 1. or 2. of the definition of **Claim**.

A **Claim** will be deemed to have been made when such written notice is first received by the **Insured**.

It is a condition precedent to coverage under this Policy that all **Claims** be reported in compliance with the Notice/Claim Reporting Provisions of this Policy.

C. The following is added to this Policy:

1. The insurer shall not be obligated to provide nor pay for the defense of any **Claim** made against any **Insured** if it is determined when the **Claim** is first made that no coverage for such **Claim** exists under this policy.
2. If a **Claim** with multiple allegations is made against an **Insured**, the insurer shall provide coverage for the **Claim** as stated in this Policy, provided, however, that at least one of the allegations is covered under this Policy, regardless of the fact that one or more of the allegations are specifically excluded from coverage under this Policy.

D. The first paragraph of Form PI-NPD-1 NY (6/03) is deleted and replaced with the following:

NOTICE: EXCEPT TO SUCH EXTENT AS MAY OTHERWISE BE PROVIDED HEREIN, THIS POLICY IS WRITTEN ON A CLAIMS-MADE BASIS FOR ALL LIABILITY COVERAGES AND COVERS ONLY THOSE CLAIMS FIRST MADE DURING THE POLICY PERIOD AND REPORTED IN WRITING DURING THE POLICY PERIOD, ANY SUBSEQUENT RENEWAL, OR EXTENDED REPORTING PERIOD, IN ACCORDANCE WITH SECTION IV. OF THE POLICY, BUT NOT LATER THAN 60 DAYS AFTER THE END OF THE POLICY PERIOD, OF ANY SUBSEQUENT POLICY PERIOD FOLLOWING POLICY RENEWAL, OR OF ANY EXTENDED REPORTING PERIOD.

E. The headings on the first pages of FLEXI PLUS FIVE APPLICATION PI-NPD-NEW APP and FLEXI PLUS FIVE RENEWAL APPLICATION PI-NPD-RENEWAL APP are deleted and replaced with the following:

THIS IS AN APPLICATION FOR A POLICY THAT IS CLAIMS-MADE FOR ALL LIABILITY COVERAGES. PLEASE READ YOUR POLICY CAREFULLY.

F. Definition A., **Administration**, found on Page 5 of Policy Form PI-NPD-2 NY (06/03), is deleted and replaced with the following:

Administration means: (i) giving counsel, other than legal advice, to employees, beneficiaries or participants regarding any **Benefit Plan**, (ii) providing interpretations and handling records in connection with any **Benefit Plan**, or (iii) effecting enrollment, termination or cancellation of employees or participants under any **Benefit Plan**.

G. The following Item E. is added to Section III. EXCLUSIONS, found on page 8 of Policy Form PI-NPD-2 NY (06/03):

E. Arising out of any criminal act in which the **Insured** is involved as a (the) perpetrator(s).

H. Section XVIII., TWO OR MORE COVERAGE PARTS OR POLICIES ISSUED BY THE UNDERWRITER, found in **Part 8**, Common Policy Conditions of Policy Form PI-NPD-2 NY (06/03) is deleted.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NEW YORK AMENDATORY ENDORSEMENT

This endorsement modifies and is subject to the insurance provided under the following:

FLEXI PLUS FIVE

The Policy is amended as follows:

Part 2 Employment Practices Liability Insurance III. EXCLUSIONS, is amended to include the following:

INTENTIONAL ACTS, HARASSMENT OR DISCRIMINATION

The **Underwriter** shall not be liable to make any payment for **Loss** in connection with any **Claim**:

- a. in which harassment or discrimination has been established in fact to have been intentional or disparate treatment; or
- b. for any **Employment Practices Act** arising directly or indirectly from the **Insured** intentionally violating any statute, rule, regulation, agreement, or judicial or regulatory order.

This exclusion shall not apply to disparate impact discrimination or to vicarious liability of the **Organization**.

All other terms and conditions remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**NEW YORK AMENDATORY - RETENTION AND COINSURANCE**

- I. It is agreed that ITEM 4. of the Declarations Page is amended to include the following:

ITEM 4. RETENTIONS
NON INDEMNIFIABLE LOSS

- A. \$ 100 Each Claim, per Director or Officer
B. \$ 1,000 Each Claim, aggregate all Director or Officer

ORGANIZATION REIMBURSEMENT AND INDEMNIFIABLE LOSS

- C. \$ 1,000 Each Claim, Organization

The Company shall only be liable for the amount of "loss", and "defense cost" if applicable, arising from a "claim" which is excess of the retention amount stated in ITEM 4 of the Declarations, such retention amount to be borne by each Director or Officer and shall remain uninsured. A single retention amount shall apply to "loss", and "defense cost" if applicable, arising from all "claims" alleging the same "wrongful act" or related "wrongful acts". The amount stated as the retention "per Director and Officer" in ITEM 4.A. of the Declarations applies separately to each Director and Officer, subject to the aggregate retention for any single "loss". In cases where such maximum retention applies, the retention shall then be prorated among each Director and Officer in proportion to each Director's and Officer's respective "loss". The amount stated in ITEM 4.C. of the Declarations applies to all "loss" which the "Organization" has indemnified or is permitted or required to indemnify the Director or Officer.

- II. In consideration of the premium charged, it is hereby understood and agreed that each Director and Officer shall be liable to pay 0.10 % of net (less retention amount) loss for the first of \$1,000,000 of coverage. Each Director and Officer shall be liable to pay 0.00 % of net loss in excess of the first \$1,000,000 of loss.

NEW YORK APPLICATION AND DECLARATION PAGE ADDENDUM

THIS IS A CLAIMS MADE POLICY FOR LIABILITY COVERAGES. This policy provides no coverage for litigation or circumstances arising out of incidents, occurrences, acts or omissions which were pending or reported to another carrier prior to the Prior and Pending Date stated in the policy. For all liability coverages, this policy covers only claims actually made against the insured while the policy remains in effect and all coverages under this policy cease upon the termination of the policy, except for the automatic extended reporting period coverage, unless you purchase additional extended reporting period coverage.

If coverage is terminated, the insured shall have the right to a 60 day, 90 day if a public entity, automatic extended reporting period in which to report claim(s) made against the insured for incidents that occurred after the retroactive date, if any, and prior to the date of termination of coverage. The insured also have the right to purchase an optional extended reporting period for up to three years in which to report claims made against the insured. When the automatic, or optional (if purchased), extended reporting period ends there exists the potential for gaps in coverage where the insured will not be covered for claims made after the expiration date of such extended reporting period.

Rates for claims made policies are normally lower in early years of a claims made relationship, as compared to occurrence policies, and increase with each renewal until the claims made relationship reaches maturity. Any rate revision, and its respective effective date, which the insurer has implemented in New York during the five-year period immediately preceding the effective date of the policy shall be provided upon the written request of the insured. Such revisions may or may not be indicative of future rate revisions.

NOTICE TO NEW YORK APPLICANTS: ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR OTHER PERSON FILES AN APPLICATION FOR INSURANCE OR STATEMENT OF CLAIM CONTAINING ANY MATERIALLY FALSE INFORMATION, OR CONCEALS FOR THE PURPOSE OF MISLEADING, INFORMATION CONCERNING ANY FACT MATERIAL THERETO, COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME, AND SHALL ALSO BE SUBJECT TO A CIVIL PENALTY NOT TO EXCEED FIVE THOUSAND DOLLARS AND THE STATED VALUE OF THE CLAIM FOR EACH SUCH VIOLATION.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

DIRECTORS AND OFFICERS LIABILITY

If aggregate insured losses attributable to terrorist acts certified under the federal 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.

"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 subject 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.
3. 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 Policy.

Layout Design



Design A



Design B

4 x 8 Double sided sign installed. \$10,800 - \$11,500 Depending on ground and location

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 Colors and placement may vary due to the printing or painting process and adjustments made during installation. \$10K To Print _____
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