



SCOTTSDALE INSURANCE COMPANY®

Home Office:

One Nationwide Plaza • Columbus, Ohio 43215 Administrative Office:

8877 North Gainey Center Drive • Scottsdale, Arizona 85258

A STOCK COMPANY

SAMPLE

In Witness Whereof, the Company has caused this policy to be executed and attested.

Secretary

President

The information contained herein replaces any similar information contained elsewhere in the policy.

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SCHEDULE OF FORMS AND ENDORSEMENTS

Policy No. FGS0000032 Effective Date 6-1-2018
12:01 A.M. Standard Time

Named Insured Public Employees Purchasing Group, Inc. Agent No. 19507

UTS-COVPG (12-09)	Cover Page
UTS-SP-2 (12-95)	Schedule of Forms and Endorsements Forming a Part of This Policy
FGS-D-3 (5-16)	Federal Flight Deck Officer and Transportation Security Administration Armed Security Officer Professional Liability Master Policy Declarations
FGS-P-3 (5-16)	Federal Flight Deck Officer and Transportation Security Administration Armed Security Officer Professional Liability Master Insurance Policy
UTS-9g (5-96)	Service of Suit Clause
FGS-1 (5-13)	Nuclear Energy Liability Exclusion Endorsements (Broad Form)

SAMPLE

DECLARATIONS
**FEDERAL FLIGHT DECK OFFICER AND
TRANSPORTATION SECURITY ADMINISTRATION ARMED SECURITY OFFICER
PROFESSIONAL LIABILITY MASTER INSURANCE POLICY**

Renewal of Number
FGS0000026



SCOTTSDALE INSURANCE COMPANY®

**Policy Number
FGS0000032**

Home Office:
One Nationwide Plaza • Columbus, Ohio 43215

Administrative Office:
8877 North Gainey Center Drive • Scottsdale, Arizona 85258
A STOCK COMPANY

NAMED INSURED AND MAILING ADDRESS:

Public Employees Purchasing Group, Inc.
1401 Eye Street, NW, Suite 600
Washington, DC 20005

PROGRAM MANAGER NAME AND ADDRESS:

Anthony F. Vergnetti
Federal Employee Defense Services, Inc.
P.O. Box 65282 Washington, DC 20035
Agent No: 19507

MASTER POLICY PERIOD From: 6/1/2018 To: 6/1/2019

12:01 A.M. Standard Time at the NAMED INSURED'S mailing address.

THIS POLICY COVERS ONLY CLAIMS FIRST MADE AGAINST THE INSURED MEMBER DURING THE POLICY PERIOD OR, IF APPLICABLE, THE EXTENDED REPORTING PERIOD AND REPORTED TO THE COMPANY PURSUANT TO THE TERMS AND CONDITIONS OF THE POLICY. PLEASE READ THIS POLICY CAREFULLY.

LIMITS OF LIABILITY:

CIVIL SUIT COVERAGE

Each **INCIDENT**:\$ 1,000,000

MASTER POLICY AGGREGATE.....\$ 1,000,000

PREMIUM:

- Annual Policy Premium per individual **INSURED MEMBER'S** Certificate of Insurance
- Minimum Earned Premium per individual **INSURED MEMBER'S** Certificate of Insurance
- Surplus Lines Tax per individual **INSURED MEMBER'S** Certificate of Insurance
- Stamping Fee per individual **INSURED MEMBER'S** Certificate of Insurance

POLICIES AND ENDORSEMENTS ATTACHED AT INCEPTION:

See Schedule of Forms and Endorsements

**For questions regarding this policy, please contact:
Federal Employee Defense Services, Inc. at 1-866-955-FEDS (3337)**

**To report claims, please contact:
The Claim Division of Federal Employee Defense Services, Inc. at 1-866-955-FEDS (3337)**

**FEDERAL FLIGHT DECK OFFICER AND
TRANSPORTATION SECURITY ADMINISTRATION ARMED SECURITY OFFICER
PROFESSIONAL LIABILITY MASTER INSURANCE POLICY**

THIS IS A CLAIMS MADE AND REPORTED POLICY

THE COVERAGE PROVIDED BY THIS POLICY IS LIMITED TO LIABILITY FOR ONLY THOSE CLAIMS WHICH ARE FIRST MADE AGAINST THE INSURED MEMBER AND FIRST REPORTED TO THE COMPANY IN WRITING DURING THE INSURED MEMBER'S POLICY PERIOD.

SCOTTSDALE INSURANCE COMPANY, hereinafter called the Company, agrees with the **NAMED INSURED** as shown in the Declarations which are made a part of this policy, in consideration of the payment of the premium, and in reliance upon the statements on the individual **INSURED MEMBER'S** application on file with the Company and the Declarations page, and subject to the limit of liability, exclusions, conditions and other terms of this policy, as follows:

SECTION I—COVERAGE

A. Insuring Agreement and Claims Made Clause

Subject to the Limits of Liability listed on the Declarations, and as stated in **SECTION VI—LIMITS OF LIABILITY**, the Company will pay on behalf of the **INSURED MEMBER** those sums which the **INSURED MEMBER** shall become legally obligated to pay as **DAMAGES** as a result of **CLAIMS** first made against the **INSURED MEMBER** and reported to the Company in writing during the **INSURED MEMBER'S POLICY PERIOD** by reason of any act, error or omission of the **INSURED MEMBER** which constitutes either a common law, statutory or Constitutional tort in the United States of America, and which results from or arises out of **PROFESSIONAL DUTIES** provided always:

1. That such underlying act, error or omission which gave rise to the **CLAIM** occurred after the **EFFECTIVE DATE OF CONTINUOUS COVERAGE** for the **INSURED MEMBER** under this program;
2. That the **INSURED MEMBER** had no knowledge of the **CLAIM** or suit, or any act, error or omission which might reasonably be expected to result in a **CLAIM** or suit, prior to the **POLICY PERIOD** for the **INSURED MEMBER** under this program; and
3. The **INSURED MEMBER** did not give notice of the **CLAIM** to any prior insurer.

It is a condition precedent to any payment of **DAMAGES** under this clause that:

1. The **INSURED MEMBER** must first request that the United States Federal Government exercise its legal authority to indemnify Federal Flight Deck Officers (FFDO) and Transportation Security Administration (TSA) Armed Security Officers (ASO) found personally liable for acts, errors, or omissions occurring within the scope of their employment, and it is only upon the United States Federal Government's denial of such indemnity request that the civil liability provision(s) shall be invoked under the policy to pay a judgment or settle a **CLAIM** or suit; and
2. All **CLAIMS** be reported in compliance with the **SECTION VII—CONDITIONS, A. INSURED MEMBER'S DUTIES IN THE EVENT OF OCCURRENCE, CLAIM OR SUIT.**

B. Automatic Extended Reporting Period

An automatic thirty-six (36) month extended reporting period, effective at the termination of the **INSURED MEMBER'S POLICY PERIOD**, will be provided by the Company at no additional cost under the following circumstances:

1. The policy is canceled by the Company for a reason other than non-payment of premium; or
2. The **INSURED MEMBER** no longer purchases this coverage because he or she is no longer a pilot and either a Federal Flight Deck Officer (FFDO) or a Transportation Security Administration (TSA) Armed Security Officer (ASO) and is otherwise eligible to purchase the insurance.

The Automatic Extended Reporting Period shall extend the time in which an **INSURED MEMBER** can give written notice to the Company of **CLAIMS** first made against the **INSURED MEMBER** during this Automatic Extended Reporting Period for any act, error, or omission in the rendering of or failure to render **PROFESSIONAL DUTIES** which happen prior to the termination of the **INSURED MEMBER'S POLICY PERIOD**, subject to its terms, limitations, exclusions and conditions.

The Automatic Extended Reporting Period does not extend the **INSURED MEMBER'S POLICY PERIOD** or change the scope of coverage provided. The Automatic Extended Reporting Period does not reinstate or increase the Limits of Liability. The Automatic Extended Reporting Period does not apply to **CLAIMS** covered by any subsequent insurance the **INSURED MEMBER** purchases, or that would be covered but for exhaustion of the amount of insurance applicable to such lawsuits.

C. Legal Defense, Settlements and Supplementary Payments

With respect to the insurance afforded by this policy, the **INSURED MEMBER** may be defended either by the United States Department of Justice or its designee, or the Company because of acts, errors or omissions of the **INSURED MEMBER** which constitute either common law, statutory or Constitutional torts in the United States of America, committed or arising out of the **PROFESSIONAL DUTIES** of the **INSURED MEMBER**.

In the event the United States Department of Justice declines to defend any suit, the Company shall defend the suit against the **INSURED MEMBER** seeking **DAMAGES** to which this insurance applies, even if any of the allegations of the suit are groundless, false, or fraudulent. It is further agreed that the Company may make such investigation and settlement of any **CLAIM** as it deems appropriate; however, the Company shall not be obligated to pay any **CLAIM** or judgment or defend or continue to defend any **CLAIM** after the applicable limit of the Company's liability has been exhausted by payment of judgments, settlements, defense and costs associated therewith.

Should the United States Department of Justice refuse to provide the **INSURED MEMBER** with a defense, even if the refusal is based on a conflict of interest between the United States Department of Justice and the **INSURED MEMBER**, the Company shall select counsel to defend the **INSURED MEMBER** in any action.

The Company retains the right to make settlement of any **CLAIMS** it deems appropriate to settle.

In the event a defense of the **INSURED MEMBER** in any **CLAIM** or suit is granted by the United States Department of Justice, the Company may nevertheless provide an attorney selected by the Company to monitor and oversee the defense being provided by the United States Federal Government.

The Company will pay within the applicable limits of liability:

1. All expenses incurred by the Company, all costs taxed against the **INSURED MEMBER** in any suit defended by the Company and all interest on the entire amount of and judgment therein which accrues after entry of the judgment and before the Company has paid or tendered or deposited in court that part of the judgment which does not exceed the limit of the Company's liability thereon;
2. Premiums on appeal bonds including supersedeas bonds required in any such suit, premiums on bonds to release attachments in any such suit for any amount not in excess of the applicable limit of liability of this policy, but the Company shall have no obligation to apply for or furnish any such bonds; and
3. Reasonable expenses incurred by the **INSURED MEMBER** at the Company's request, including actual loss of wages (but not loss of other income) not to exceed fifty dollars (\$50) per day because of the **INSURED MEMBER'S** attendance at hearings or trials at such request.

SECTION II—EXCLUSIONS

This policy does not apply to:

A. Affirmative Complaints

This policy is a defensive policy, and as such, the Company has no duty to pay for legal services in furtherance of the **INSURED MEMBER'S** affirmative complaints with any government agency, tribunal of the United States Federal Government or any other legally established entity.

B. Asbestos, Silica, Lead, Fungus(i), Mold(s), Mildew or Yeast

1. The detecting, reporting, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing or failure to detect, report, test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, assess the effects of or advise of the existence of asbestos, silica, lead, fungus(i), mold(s), mildew or yeast.
2. Any request, demand, order, statutory or regulatory requirement that any **INSURED MEMBER** abate, test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, remediate or dispose of or in any way respond to or assess the effects of asbestos, silica, lead, fungus(i), mold(s), mildew or yeast.

Asbestos means naturally occurring hydrated fibrous mineral silicates that possess a unique crystalline structure and are incombustible in air, including chrysotile, amosite, crocidolite, tremolite, anthophyllite, actinolite, and any material which contains asbestos.

Fungus(i) includes but is not limited to any plants or organisms, lacking chlorophyll, and including molds, mildews, mushrooms, rusts, smuts, and yeasts or any spores or toxins created or produced by or emanating from such fungus(i) or any substance, vapor, gas, or other omission or organic body or substance produced or arising out of any fungus(i).

Lead means the heavy, ductile, soft, solid, naturally occurring metallic element used in paints, pipes, solder, pottery, and batteries, and any substances containing lead.

Mold(s) means any superficial growth produced on damp or decaying organic matter or on living organisms, and fungi that produce mold.

Spores means any dormant or reproductive body produced by or arising or emanating out of any fungus(i), mold(s), mildew, plants or organisms or microorganisms.

C. Contractual Liability

Liability personally assumed by the **INSURED MEMBER** under any written or verbal contract or agreement, including warranty.

D. Damage to Property

PROPERTY DAMAGE to:

1. Property owned or occupied by or rented to the United States Federal Government or the **INSURED MEMBER**;
2. Property used by the **INSURED MEMBER**; or
3. Property in the care, custody or control of the **INSURED MEMBER** or as to which the **INSURED MEMBER** is, for any purpose, exercising physical control.

E. Pollution

1. **BODILY INJURY** or **PROPERTY DAMAGE** which would not have occurred in whole or in part but for the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of pollutants at any time.

2. Any loss, cost or expense arising out of any:
 - a. Request, demand, order or statutory or regulatory requirement that any **INSURED MEMBER** or others test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of pollutants; or
 - b. **CLAIM** or suit by or on behalf of a governmental authority for **DAMAGES** because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, pollutants.

Pollutant means any solid, liquid, gaseous or thermal irritant or contaminants, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

F. Prior Act, Error, Omission or Circumstance

1. Any alleged act, error, omission or circumstance likely to give rise to a **CLAIM** that an **INSURED MEMBER** either had or should have had knowledge of prior to the **EFFECTIVE DATE OF CONTINUOUS COVERAGE**;
2. Any like or interrelated **CLAIMS** that may occur after the **EFFECTIVE DATE OF CONTINUOUS COVERAGE**; or
3. Any prior **CLAIM** or possible **CLAIM** referenced in the **INSURED MEMBER'S** application on file with the Company.

G. Procedures Provided by Collective Bargaining Agreements

Any procedures, including grievance procedures and arbitration hearings, which are provided by any collective bargaining agreements.

H. Violation of Security Laws

Arising out of or in any way involving a violation of any securities laws, including provisions of the Securities Act of 1933, the Securities Exchange Act of 1934, and any amendments thereto, or any state blue sky or securities laws or similar state or federal securities related statute and any order or regulation issued pursuant to the foregoing statutes.

I. Willful Violation of Penal Statute or Penal Ordinance; Fraud or Intentional Misconduct

1. **DAMAGES** or **CLAIMS** arising out of the willful violation of a penal statute or penal ordinance committed by or with the knowledge or consent of the **INSURED MEMBER**;
2. **DAMAGES** arising out of acts of fraud committed by or at the direction of the **INSURED MEMBER** with affirmative dishonesty or actual intent to deceive or defraud; or
3. **DAMAGES** arising out of intentional misconduct willfully committed by or with the knowledge or consent of the **INSURED MEMBER**.

J. Workers' Compensation and Similar Laws

Any obligation for which the **INSURED MEMBER** or any carrier as the insurer may be held liable under any workers' compensation, unemployment compensation, disability or pension benefits law, or any other similar law; including but not limited to, the Employee Retirement Income Security Act of 1974, Public Law 93-406 (ERISA), or any of its amendments, or any other similar state or local law.

SECTION III—DEFINITIONS

- A. **BODILY INJURY** means bodily injury, sickness, disease or death resulting from or sustained by any person or persons.

- B. CLAIMS** means a written demand received by the **INSURED MEMBER** holding the **INSURED MEMBER** personally liable for **DAMAGES** or injunctive relief, including the service of suit against the **INSURED MEMBER**, as a result of an act brought by any claimant other than the United States Federal Government.
- C. DAMAGES** means compensatory and punitive damages and does not include:
1. Fines, statutory or other penalties imposed pursuant to statute or regulation;
 2. Judgments or awards for any damages deemed uninsurable by law; or
 3. Loss of salary, wages, or other employment benefits.
- D. EFFECTIVE DATE OF CONTINUOUS COVERAGE** means the verifiable start date of uninterrupted coverage reported on the **INSURED MEMBER'S** application on file with the Company.
- E. INCIDENT** means the initial act or acts, errors or omissions by the **INSURED MEMBER** in the performance of the **INSURED MEMBER'S PROFESSIONAL DUTIES** which are alleged to be in violation of a specific common law, statutory law or the Constitutional law of the United States or any state, and any subsequent acts, errors or omissions which directly relate to or arise out of the original violation.
- F. INSURED MEMBER** means:
1. Any Federal Flight Deck Officer or Transportation Security Administration Armed Security Officer who is acting within the course and scope of **PROFESSIONAL DUTIES**; and
 2. Who has been issued a valid **INSURED MEMBER** Certificate of Insurance, under the terms and conditions of this policy and the Public Employees Purchasing Group, Inc.
- G. MASTER POLICY PERIOD** means the period shown on the Master Policy Declarations and is the period in which **INSURED MEMBER** coverage under this policy incepts.
- H. NAMED INSURED** means the entity named in the Declarations as the **NAMED INSURED** while acting as Program Administrator and Trustee for the Public Employees Purchasing Group, Inc.
- I. POLICY PERIOD** means the period shown on the **INSURED MEMBER'S** Certificate of Insurance.
- J. PROFESSIONAL DUTIES** means the **INSURED MEMBER'S** actions as a pilot or that of a commuting or deadheading Federal Flight Deck Officer (FFDO) as authorized by Arming Pilots Against Terrorism Act (APATA) Title XIV, to defend the flight deck against acts of criminal violence or air piracy, pursuant to APATA or any other air transportation security statutes or the **INSURED MEMBER'S** actions as a Transportation Security Administration Armed Security Officer under the Ronald Reagan Washington National Airport DCA Access Standard Security Program (DASSP).
- PROFESSIONAL DUTIES** does not include acts, errors or omissions that occur:
1. Outside of the scope and provisions of APATA, DASSP or any other air transportation security statutes;
 2. Out of gross negligence or willful misconduct; or
 3. While under the influence of alcohol or any intoxicating or hallucinatory drug or substance.
- K. PROPERTY DAMAGE** means damage to or destruction of property including loss of use thereof sustained by any person or persons caused by an act, error or omission of the **INSURED MEMBER** arising out of **PROFESSIONAL DUTIES**.

SECTION IV—TERRITORY

The insurance afforded by this policy applies to acts, errors, omissions, or circumstances that occur anywhere in the world, provided the **CLAIM** or suit, if any, is first made against the **INSURED MEMBER** in the United States of America, its territories, or possessions.

SECTION V—CLAIMS MADE AND REPORTED

This policy applies to **CLAIMS** first made against the **INSURED MEMBER** and reported in writing to the Company during the **INSURED MEMBER'S POLICY PERIOD** unless, and to the extent, the Automatic Extended Reporting Period applies.

SECTION VI—LIMITS OF LIABILITY

Regardless of the number of: (1) **INSURED MEMBERS** under this policy; (2) persons or organizations who sustain **DAMAGES** payable under this policy; or (3) **CLAIMS** made or suits brought on account of insurance afforded by this policy, the Company's liability is limited as follows:

1. The Each **INCIDENT** Limit of Liability under this policy is equivalent to the Each **INCIDENT** Limit of Liability as stated on the Declarations.
2. If multiple **INSURED MEMBERS** are involved in any one **INCIDENT**, the Each **INCIDENT** Limit of Liability will be aggregated at the lesser of the following:
 - a. The summation of the Each **INCIDENT** Limit of Liability stated on each **INSURED MEMBER'S** Certificate of Insurance who was involved in the one **INCIDENT** involving multiple **INSURED MEMBERS**; or
 - b. The Each **INCIDENT** Aggregate Limit of Liability stated on the Declarations of this policy for any one **INCIDENT** involving multiple **INSURED MEMBERS**.
3. In addition to 1. and 2. above, the Master Policy Aggregate as stated in the Declarations of this policy is the limit of the Company's liability for all **CLAIMS** made and reported under this policy.

SECTION VII—CONDITIONS

A. INSURED MEMBER'S DUTIES IN THE EVENT OF OCCURRENCE, CLAIM OR SUIT

It is a condition precedent to coverage under this policy that all **CLAIMS** be reported in compliance with the following:

1. The **INSURED MEMBER** shall give to the Company written notice of any **CLAIM** made against the **INSURED MEMBER** as soon as practicable, but in no event later than the expiration of the **POLICY PERIOD**, or the end of the Extended Reporting Period if applicable.

However, if the **INSURED MEMBER'S** renewal policy is written by the Company, the **INSURED MEMBER** will have sixty (60) days after the expiration date of their **POLICY PERIOD** to report any **CLAIM** first made during this **POLICY PERIOD**.

2. If during the **POLICY PERIOD**, or the Extended Reporting Period if applicable:
 - a. The **INSURED MEMBER** receives written or oral notice from any party that it is the intention of such party to hold the **INSURED MEMBER** responsible for any act, error or omission; or
 - b. The **INSURED MEMBER** becomes aware of circumstances which could reasonably be expected to give rise to a **CLAIM**, for which coverage may apply under this policy;

then:

The **INSURED MEMBER** will notify the Company in writing as soon as practicable, but no later than the end of the **POLICY PERIOD**, or Extended Reporting Period if applicable. Any subsequent **CLAIM** made against the **INSURED MEMBER** arising out of such any act, error or omission shall be deemed to have been made during the **POLICY PERIOD**, or Extended Reporting Period if applicable. No coverage for such **CLAIM** shall exist under any subsequent policy written by the Company.

3. Upon receipt of legal process or other written notice of an action likely to give rise to a **CLAIM** hereunder, written notice containing particulars sufficient to identify the **INSURED MEMBER** and

also reasonably obtainable information with respect to the time, place and circumstances thereof, and the names and address of the injured and of available witness shall be given by or for the **INSURED MEMBER** to the Claims Division of Federal Employee Defense Services, Inc. as noted on the Declarations.

4. Upon receipt of legal process or other written notice of an action likely to give rise to a **CLAIM** hereunder, the **INSURED MEMBER** shall cooperate with the Claims Division of Federal Employee Defense Services, Inc. to the full extent of United States Federal law and regulation, and upon the Company's request assist in making settlements, and the conduct of suits and in enforcing any right of contribution or indemnity against any person or organization except against the United States of America or any of its agencies who may be liable to the **INSURED MEMBER** because of **CLAIMS** with respect to which insurance is afforded under this policy; and the **INSURED MEMBER** shall attend hearings and trials and assist in securing and giving evidence and obtaining the attendance of the witnesses. The **INSURED MEMBER** shall not, except at his or her own cost, voluntarily make a payment, assume any obligation or incur any expense other than for first aid to others at the time of accident.

B. ACTION AGAINST THE COMPANY

No action shall lie against the Company unless, as a condition precedent thereto, there shall have been full compliance with all of the terms of the policy, nor until the amount of the **INSURED MEMBER'S** obligation to pay shall have been finally determined either by judgment against the **INSURED MEMBER** after actual trial or by written agreement of the **INSURED MEMBER**, the claimant and the Company. Nothing in this provision shall bar the **INSURED MEMBER** from seeking to enforce his or her rights under the policy in the absence of a judgment.

Any person or organization or the legal representative thereof who has secured such judgment or written agreement shall thereafter be entitled to recover under this policy to the extent of the insurance afforded by this policy. No person or organization shall have any right under this policy to join the Company as a party to any action against the **INSURED MEMBER** to determine the **INSURED MEMBER'S** liability, nor shall the Company be impleaded by the **INSURED MEMBER** or his or her legal representative. Bankruptcy or insolvency of the **INSURED MEMBER** or of the **INSURED MEMBER'S** estate shall not relieve or increase the Company of any of its obligations hereunder.

C. OTHER INSURANCE or LEGAL RIGHTS

The coverage under this policy shall be excess insurance over any other valid and collectible insurance or other legal rights of recovery available to the **INSURED MEMBER**, either as an **INSURED MEMBER** or Insured under another policy.

D. SUBROGATION

In the event of any payment under this policy, the Company shall be subrogated to all the **INSURED MEMBER'S** rights of recovery thereof against any third party or organization and the **INSURED MEMBER** shall execute and deliver instruments and papers and do whatever else is necessary to the full extent of Federal law and regulations to secure such rights. In the event this policy responds for defense and/or money **DAMAGES** on behalf of any **INSURED MEMBER** and thereafter, the **INSURED MEMBER** collects **DAMAGES**, costs and/or attorney's fees from any third party, the Company shall be entitled to all such **DAMAGES**, costs and/or attorney's fees so collected, up to the limit of its actual payment under this policy.

E. CHANGES

Notices to any agent, or knowledge possessed by any agent or by any other person shall not effect a waiver, or change in part this policy or stop the Company from asserting its right under the terms of this policy; nor shall the terms of this policy be waived or changed, except by endorsement issued to form a part of this policy signed by a duly authorized agent of the Company and accepted by the **NAMED INSURED**.

F. CANCELLATION

This coverage may be cancelled by the **NAMED INSURED** by surrender of this policy to the Company or any of its authorized agents or by mailing to the Company written notice stating when thereafter the cancellation shall be effective. This coverage may be cancelled by the Company by mailing to the **NAMED INSURED** at the address shown in the Declarations written notice stating when not less than sixty (60) days thereafter such cancellation shall take effect. For non-payment of premium, cancellation may be issued upon ten (10) days notice. The time of surrender or the effective date of cancellation stated in the notice shall become the end of the **MASTER POLICY PERIOD**. Delivery of such written notice either by the **NAMED INSURED** or by the Company shall be equivalent to mailing. Notice to the **NAMED INSURED** shall be considered as notice to the **INSURED MEMBERS** of this policy.

G. ASSIGNMENT

The interest of the **NAMED INSURED** or **INSURED MEMBER** under this policy shall not be assignable.

H. TERMS OF POLICY STATUTE

Terms of this policy which are in conflict with the United States Federal law and regulations and/or the laws and regulations of the state wherein this policy is issued are hereby amended to conform to such statutes.

I. PREMIUM

All premiums shall be computed in accordance with the Company's rules, rates, rating plans, premiums and minimum premiums applicable to the insurance afforded herein.

J. REPRESENTATIONS

Certificates of Insurance are issued in reliance upon the truth of representations made in the **INSURED MEMBER'S** application on file with the Company and this policy embodies all agreements existing between the **NAMED INSURED, INSURED MEMBERS** and the Company or any of its agents relating to this insurance.

K. ANTI-STACKING

Notwithstanding the Other Insurance section of this policy, there shall be no stacking of policy limits. In the event of any payment of loss in whole or in part under the terms of both this policy and any other policy or policies issued at any time by the Company to the **INSURED MEMBERS**, such loss payable for a **CLAIM** shall not exceed the highest single Per Claim Limit of Liability as stated in the Declarations of the policies and not the sum of the Per Claim Limit of Liability of the policies combined.



ATTACHED TO AND FORMING A PART OF POLICY NUMBER	ENDORSEMENT EFFECTIVE DATE (12:01 A.M. STANDARD TIME)	NAMED INSURED	AGENT NO.
FGS0000032	6-1-18	Public Employees Purchasing Group, Inc.	19507

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SERVICE OF SUIT CLAUSE

It is agreed that in the event of the failure of the Company to pay any amount claimed to be due under this policy, the Company at the request of the Insured (or reinsured), will submit to the jurisdiction of any court of competent jurisdiction within the United States of America and will comply with all requirements necessary to give the Court jurisdiction. All matters which arise will be determined in accordance with the law and practice of the Court. In a suit instituted against any one of them under this contract, the Company agrees to abide by the final decision of the Court or of any Appellate Court in the event of an appeal.

Pursuant to any statute of any state, territory or district of the United States of America which makes a provision, the Company will designate the Superintendent, Commissioner or Director of Insurance or other officer specified for that purpose in the statute, or his successor or successors in office, as their true and lawful attorney upon whom may be served any lawful process in any action, suit, or proceeding instituted by or on behalf of the Insured (or reinsured) or any beneficiary arising out of this contract of insurance (or reinsurance).

The officer named below is authorized and directed to accept service of process on behalf of the Company:

Corporation Service Company
1090 Vermont Avenue, N.W.
Washington, DC 20005

Having accepted service of process on behalf of the Company, the officer is authorized to mail the process or a true copy to:

Recipient Not Required

AUTHORIZED REPRESENTATIVE

DATE

ATTACHED TO AND FORMING A PART OF POLICY NUMBER	ENDORSEMENT EFFECTIVE DATE (12:01 A.M. STANDARD TIME)	NAMED INSURED	AGENT NO.
FGS0000032	6/1/2018	Public Employees Purchasing Group, Inc.	19507

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT
(Broad Form)**

1. The insurance does not apply:
 - a. under any Liability Coverage to **BODILY INJURY** or **PROPERTY DAMAGE**:
 - (1) with respect to which any **INSURED MEMBER** is also insured under a nuclear energy liability policy issued by the Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
 - (2) resulting from the **HAZARDOUS PROPERTIES** of **NUCLEAR MATERIAL** and with respect to which:
 - (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof; or
 - (b) any **INSURED MEMBER** is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization;
 - b. under any Medical Payments coverage, to expenses incurred with respect to **BODILY INJURY** resulting from the **HAZARDOUS PROPERTIES** of **NUCLEAR MATERIAL** and arising out of the operation of a **NUCLEAR FACILITY** by any person or organization;
 - c. under any Liability Coverage, to **BODILY INJURY** or **PROPERTY DAMAGE** resulting from the **HAZARDOUS PROPERTIES** of **NUCLEAR MATERIAL**, if:
 - (1) the **NUCLEAR MATERIAL**:
 - (a) is at any **NUCLEAR FACILITY** owned by, or operated by or on behalf of any **INSURED MEMBER**; or
 - (b) has been discharged or dispersed therefrom;
 - (2) the **NUCLEAR MATERIAL** is contained in **SPENT FUEL** or **WASTE** at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of any **INSURED MEMBER**; or
 - (3) the **BODILY INJURY** or **PROPERTY DAMAGE** arises out of the furnishing by any **INSURED MEMBER** of services, materials, parts or equipment in connection with the planning,

construction, maintenance, operation or use of any **NUCLEAR FACILITY**, but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion (3) applies only to **PROPERTY DAMAGE** to such **NUCLEAR FACILITY** and any property thereat.

2. As used in this endorsement:

HAZARDOUS PROPERTIES include radioactive, toxic or explosive properties.

NUCLEAR MATERIAL means **SOURCE MATERIAL**, **SPECIAL NUCLEAR MATERIAL** or **BY-PRODUCT MATERIAL**.

SOURCE MATERIAL, **SPECIAL NUCLEAR MATERIAL** and **BY-PRODUCT MATERIAL** have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.

SPENT FUEL means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a **NUCLEAR REACTOR**.

WASTE means any waste material:

- a. containing **BY-PRODUCT MATERIAL** other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its **SOURCE MATERIAL** content; and
- b. resulting from the operation by any person or organization of any **NUCLEAR FACILITY** included under the first two paragraphs of the definition of **NUCLEAR FACILITY**.

NUCLEAR FACILITY means:

- a. any **NUCLEAR REACTOR**;
- b. any equipment or device designed or used for:
 - (1) separating the isotopes of uranium or plutonium;
 - (2) processing or utilizing **SPENT FUEL**; or
 - (3) handling, processing or packaging **WASTE**;
- c. any equipment or device used for the processing, fabricating or alloying of **SPECIAL NUCLEAR MATERIAL** if at any time the total amount of such material in the custody of any **INSURED MEMBER** at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;
- d. any structure, basin, excavation, premises or place prepared or used for the storage or disposal of **WASTE**;

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

NUCLEAR REACTOR means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.

PROPERTY DAMAGE includes all forms of radioactive contamination of property.

AUTHORIZED REPRESENTATIVE

DATE

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