

**PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS**

AGENDA ITEM SUMMARY

Meeting Date: March 22, 2022 Consent Regular
 Ordinance Public Hearing

Department: Risk Management
Submitted By: Risk Management
Submitted For: Property and Casualty Division

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to approve:

- A) Renewal of the excess property, excess liability, excess workers' compensation insurance programs, and ancillary policies for the period April 1, 2022 through March 31, 2023 purchased under Contract No. 21-040DP through the County's contracted broker, Risk Management Associates, Inc. (aka Brown & Brown), at a total cost not-to-exceed \$12,170,410.
- B) The update of the County Self-Insured Retention Plan (SIRP) to reflect changes associated with the self-insured retentions (SIR) for both excess property and workers' compensation .

Summary: The projected 2022-2023 excess insurance program renewal premiums reflect a total not-to-exceed cost of \$12,170,410 which is approximately a 2% overall decrease over the expiring total premium of \$12,409,703. Within that number are significant savings (5% in our property premium) as well as significant coverage enhancements throughout our entire excess insurance program. Enhancements include dropping our non-wind property SIR from \$1,000,000 to \$500,000 and better defining sublimits within our policies resulting in approximately \$500,000,000 in additional coverage protections for miscellaneous coverages. Through aggressive marketing, our Broker was also able to limit increases in problem placement areas including technology (cyber), and boiler and machinery. The County's total insurable property value currently stands at just over \$2.6 billion. The program also includes \$5 million of excess liability insurance, subject to a \$500,000 SIR. Excess workers' compensation insurance is included covering all costs in excess of \$2.25 million per occurrence. All state-mandated surcharges and assessments are included within the estimated cost. Sufficient funds are budgeted for this coverage. Countywide (HH)


Background and Justification: With this renewal, the County's excess insurance program for property coverage provides excess layers of insurance totaling \$200 million inclusive of the County's \$500,000 SIR. Excess layers of liability insurance totaling \$5 million in excess of the County's \$500,000 SIR, and excess coverage for workers' compensation inclusive of a \$2.25 million per claim SIR with statutory limits (no cap). The program also includes various ancillary insurance policies covering damage to County-owned property resulting from flood, terrorism, boiler & machinery, employee dishonesty, and cyber liability. **(Continued on page 3)**

Attachments:

- 1. Budget Statements – Airports, Water Utilities, Tourist Development
- 2. Updated SIRP Plan

Recommended by: 
Department Director

2/25/2022
Date

Approved By: 
Assistant County Administrator

3/7/2022
Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2022	2023	2024	2025
Capital Expenditures				
Operating Costs	\$6,085,205	\$6,085,205		
External Revenues				
Program Income (County)				
In-Kind Match (County)				
Net Fiscal Impact	\$6,085,205	\$6,085,205		


# ADDITIONAL FTE POSITIONS (Cumulative)	0	0	0	0
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Is Item Included In Current Budget? Yes X No
 Does this item include the use of federal funds? Yes No X

Budget Account Exp No: Fund VAR Department VAR Unit VAR Object 4501
 Rev No: Fund Department Unit Object

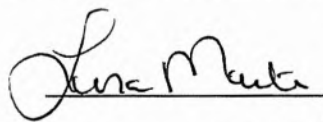
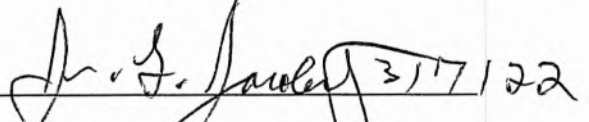
B. Recommended Sources of Funds/Summary of Fiscal Impact:

Fund 5010-700-7130 (Risk Management Property & Casualty)	\$7,858,382
Fund 5011-700-7242 (Risk Management Workers' Comp)	\$549,425
Fund 4100-120-Various (Airports)	\$1,649,492
Fund 1450-710-7420 (Tourist Development)	\$1,016,719
Fund 4001-720-1110 (Water Utilities)	\$1,096,392
Total	\$12,170,410

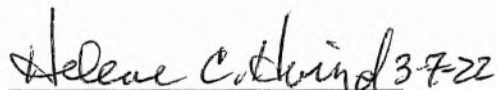
C. Departmental Fiscal Review: 

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Dev. and Control Comments:

<p><u></u> 3/1/22 QA 2/28/22 OFMB MG 2/28/22 (W) 2/28/22</p>	<p><u></u> 3/17/22 Contract Administration 3-7-22 TW</p>
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B. Legal Sufficiency:

 3-7-22
 Assistant County Attorney

C. Other Department Review:

 Department Director

This summary is not to be used as a basis for payment.

Page 3 - Background and Justification (continued)

It is recommended that we continue to purchase the same limits as the expiring policy (\$200 million limits with a sublimit of \$130 million for “named windstorm”). These coverage amounts safeguard large facilities with replacement values in excess of \$150 million, such as the Courthouse, PBI’s Main Terminal and the Criminal Justice Center.

The liability package policy provides a broad range of liability insurance coverage with limits of \$5 million, excess of the County’s \$500,000 SIR. The program includes coverage (\$250,000) for employee dishonesty and theft of money and securities which is an increase from the expiring \$50,000 limit. The overall package is designed to protect the County against the possibility of a Claims Bill approved by the Florida Legislature where an award could be made in excess of sovereign immunity limits. Cyber liability in the amount of \$5 million continues to be purchased as a stand alone policy as opposed to self-insurance due to our potential risk for a cyber attack despite significant safeguards.

In the excess workers’ compensation renewal there was an increase in the SIR from \$2 million to \$2.25 million in order to maintain competitive rates and lock in a 2 year rate guarantee.

The following chart provides comparisons and summaries of our program

	2021-2022	2022-2023	Comments
Property Limits			
Municipal Property			While the limits remain unchanged, the non-storm wind deductible has dropped from \$1,000,000 to \$500,000 and 27 different coverage enhancements and wording clarifications have been made resulting in approximately \$500,000,000 of additional coverage protection for miscellaneous exposures.
All Other Perils Named Wind	\$200 Million \$130 Million	\$200 Million \$130 Million	
Utilities Property			The limits and coverages remain unchanged for our Utilities program for the upcoming policy year.
All Other Perils Named Wind	\$200 Million \$50 Million	\$200 Million \$50 Million	
Property named Storm Deductibles			
Municipal Property	4% with a \$25M CAP	4% with a \$25M CAP	No changes to the expiring storm deductibles for the Municipal Program
Utilities Property	4%	4%	No changes to the expiring storm deductibles for the Utilities Program
Premiums (including taxes, fees and assessments)			
Municipality Property Program	\$9,523,788	\$9,050,854	In addition to the policy improvements listed above, the Municipal Property premium has been reduced by 5% for the new policy year
Water Utilities District Property Program	\$968,680	\$1,096,392	While our program is strong, the overall market for Utilities property is difficult and increases are the norm industry wide.
Terrorism	\$52,850.00	\$83,101	The premium increase is the result of the County doubling their coverage from \$50M to \$100M and an increase of the active shooter sublimit from \$2M to \$5M
Boiler & Machinery	\$148,987	\$143,721	We have had significant losses in this program and will be increasing our deductible and decreasing our limits to \$150,000,000 to obtain reasonable pricing.
Package Policy	\$930,000.00	\$949,000	Overall, this program remains flat. There were minor changes based on exposures the County has throughout its operation.
Cyber Liability	\$235,000.00	\$297,917	While the increase noted is significant, public sector cyber coverage is difficult to obtain and many agencies are resorting to self-insurance. We are fortunate to have the coverage still available to us. Our limits are \$5M.
Excess Workers’ Compensation	\$550,398	\$549,425	The market showed an increase due to fluctuations in payroll and a few larger loses within our SIR. We were able to slightly increase our deductible from \$2M to \$2.25M and locking in a 2 year rate guarantee.
TOTAL COST	\$12,409,703	\$12,170,410	
PROJECTED COST VARIANCE TO EXPIRING		-1.93%	

**BUDGET AVAILABILITY STATEMENT
RISK MANAGEMENT**

REQUEST DATE: 2/18/22 REQUESTED BY: Risk Management

REQUESTED FOR: Property Renewal - Airports

REQUESTED AMOUNT: \$1,649,916 AGENDA DATE: 3/22/2022

BUDGET ACCOUNT NUMBER:

Fund: 4100 Dept: 170 Unit: VARIOUS ⁽¹⁾Obj: 4501 Prog. _____ Prog Per. _____

BAS APPROVED BY:  DATE: 2/18/22

(1)
1230, 1240, 1250, 1280, 1320, 1410, 1430, 1451, 1452, 1550

DEPARTMENT OF AIRPORTS
 Airport Property Insurance Premium

4/01/22 to 4/01/23

LANTANA	0.99%	\$ 8,183.83	4100	120	1230	4501
GLADES	0.47%	\$ 3,876.45	4100	120	1240	4501
ADMINISTRATION	4.05%	\$ 33,393.97	4100	120	1250	4501
INDIRECT OPERATIONS	4.59%	\$ 37,838.56	4100	120	1280	4501
AIRSIDE	0.82%	\$ 6,732.36	4100	120	1320	4501
GROUND TRANS.	23.00%	\$ 189,726.02	4100	120	1340	4501
FIS TERMINAL	1.07%	\$ 8,842.60	4100	120	1410	4501
TERMINAL	52.52%	\$ 433,287.46	4100	120	1430	4501
AVIATION	3.09%	\$ 25,525.17	4100	120	1451	4501
NON-AVIATION	4.57%	\$ 37,697.25	4100	120	1452	4501
NCA	4.83%	\$ 39,854.33	4100	120	1550	4501
				BSA	SBSA	
PREPAID INSURANCE	100%	\$ 824,958.00	4100	120	1550	7500
TOTAL PREMIUM		\$ 1,649,916.00				
		\$ 1,649,916.01				

**BUDGET AVAILABILITY STATEMENT
RISK MANAGEMENT**

REQUEST DATE: 2/22/22 REQUESTED BY: Risk Management

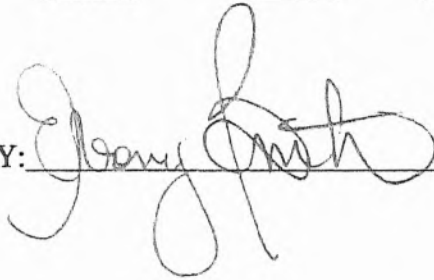
REQUESTED FOR: Property Renewal – Water Utilities

REQUESTED AMOUNT: \$1,135,617 AGENDA DATE: 3/22/2022

BUDGET ACCOUNT NUMBER:

Fund: 4001 Dept: 720 Unit: 1110 Obj: 4501 Prog. Prog
Per.

BAS APPROVED BY:



DATE: 08 Feb 22

BUDGET AVAILABILITY STATEMENT
RISK MANAGEMENT

REQUEST DATE: 2/24/2022 REQUESTED BY: Risk Management
REQUESTED FOR: Property Renewal - TDC
REQUESTED AMOUNT: \$ 1,016,981 AGENDA DATE: 3/22/2022

BUDGET ACCOUNT NUMBER

	FUND:	DEPT:	UNIT:	OBJ:	Amount
RODGER DEAN:	<u>1453</u>	<u>710</u>	<u>7310</u>	<u>4501</u>	<u>\$ 135,590.64</u>
CONVENTION CENTER:	<u>1450</u>	<u>710</u>	<u>7420</u>	<u>4501</u>	<u>\$ 536,300.53</u>
BALL PARK OF PB:	<u>1458</u>	<u>710</u>	<u>7310</u>	<u>4501</u>	<u>\$ 345,089.83</u>

BAS APPROVED BY



DATE

2/24/2022

PALM BEACH COUNTY SELF INSURED RETENTION PLAN
PLAN DOCUMENT

DECLARATIONS PAGE

Name of Insured Palm Beach County, a Political Subdivision of the State of Florida,
The Board of County Commissioners of Palm Beach County, Its
Commissioners, Employees, Agents, Trustees Appointees

Address 100 Australian Avenue, Suite 200
West Palm Beach, FL 33406

Effective 12:01 A.M., November 1, 1990 Until Canceled or Revoked - *(Effective 4/1/2022)*

Self-Insured Retentions	Type of Coverage
\$500,000 Per Occurrence	All Risk property coverage on a replacement cost basis except actual cash value on auto physical damage
\$500,000 Per Occurrence **	General Liability, Auto Liability, Employee Benefit Liability, and Liquor Liability
\$2,250,000 Per Occurrence	Workers' Compensation and Employer's Liability
\$25,000 Per Loss	Money and Securities (Within and Outside Premises)
\$25,000 Per Loss	Public Employees Blanket Bond including Faithful Performance and Forgery or Alteration
\$500,000 Per Occurrence**	Errors and Omissions Liability
\$25,000 Per Occurrence	Petroleum Liability in accordance with F.S. 376.3071 and 376.3072

**Palm Beach County relies on the Sovereign Immunity Protection provided in F.S. 768.28. In addition, coverage provided to Palm Tran begins at the Sovereign Immunity Cap.

PALM BEACH COUNTY SELF INSURED RETENTION PLAN
PLAN DOCUMENT

COMBINED PROPERTY, LIABILITY AND CRIME INSURANCE

INDEX

General Insurance Agreements

<u>Section I</u>	<u>Property Insurance</u>	<u>Pages</u>
Agreement A	Real and Personal Property	6- 20
Agreement B	Automobile	6 -20
Agreement C	Loss of Rents	6-20
<u>Section II</u>	<u>Liability Insurance</u>	
Agreement D	General Liability	21-27
Agreement E	Errors and Omissions	21-27
Agreement F	Liquor Liability	21-27
Agreement G	Automobile	21-27
Agreement H	Employee Benefit Liability	21-27
Agreement I	Contingent Liability	21-27
<u>Section III</u>	<u>Crime Insurance</u>	
Agreement J	Money and Securities (Within Premises)	27-32
Agreement K	Money and Securities (Outside Premises)	27-32
Agreement L	Commercial Blanket Bond	27-32
Agreement M	Faithful Performance	27-32
Agreement N	Forgery or Alteration	27-32

PALM BEACH COUNTY SELF INSURED RETENTION PLAN
PLAN DOCUMENT

Type of Coverage: All risk of physical loss or damage, owned builder's risk, transit, valuable papers and records, loss of rents, products liability and completed operations, extra expense, electronic data processing equipment/media/extra expense, auto physical damage, money and securities, comprehensive general liability including host/liquor law liability, incidental malpractice, employee benefit liability, blanket contractual liability, auto liability, watercraft liability, employee fidelity including faithful performance, errors and omissions, EMT and paramedic liability; excluding inverse condemnation, hospital malpractice and gradual pollution/environmental impairment liability.

GENERAL INSURANCE AGREEMENTS

I. Name of Insured

It is agreed that the unqualified work "Insured" whenever used in this Plan Document includes not only the Named Insured but also

- A. any official, trustee, employee, agent or appointee of the Named Insured while acting within the scope of his duties as such, and any person, organization, trustee or estate to whom the Named Insured is obligated by virtue of written contract or agreement to provide insurance such as is offered by this Plan, but only in respect to operations by or on behalf of the Named Insured;
- B. under Section II Agreement G, any person while using an owned automobile or a hired automobile and any person or organization legally responsible for the use thereof, provided the actual use of the automobile is by the Named Insured or with his permission, and any official of the Named Insured with respect to any person or organization other than the Named Insured does not apply;
 - 1. to any person or organization, or to any agent or employee thereof, operating an automobile sales agency, repair shop, service station, storage garage or public parking place, with respect to any accident arising out of the operation thereof;
 - 2. to any employee with respect to injury to or sickness, disease or death of another employee of the same employer injured in the course of such employment in an accident arising out of the maintenance or use of the automobile in the business of such employer;
 - 3. with respect to any hired automobile, to the owner or a lessee thereof, other than the Named Insured, nor to any agent or employee of such owner or lessee;

PALM BEACH COUNTY SELF INSURED RETENTION PLAN
PLAN DOCUMENT

The inclusion hereunder of more than one insured shall not operate to increase the Plan's Limits of Liability.

- C. Constitutional Officers are afforded the following coverage under the Plan:
1. The Palm Beach County Sheriff, his/her employees and agents; They are funded by the BOCC, however they purchase their own policies and are considered a separate entity for purposes of this plan.
 2. The Palm Beach County Clerk of the Circuit Court, his/her employees and agents; Per State Statute 274.03, All of their assets are County owned so they do not purchase property Insurance. In addition, they do not purchase any Liability Insurance as they are located in County facilities. They do purchase Employee Dishonesty (crime) Insurance from a separate vendor.
 3. The Palm Beach County Property Appraiser, his/her employees and agents Per State Statute 274.03, they do not own any assets. All are County owned. The SIRP provides specific coverage as in Agreement A but only for leased Data Processing Equipment and Media and Section III - Crime Insurance Agreements K and L, Money and Securities (Coverage within and outside premises). All other coverages are provided to them by other means.
 4. The Palm Beach County Supervisor of Elections, his/her employees and agents are covered by the plan in its entirety.
 5. The Palm Beach County Tax Collector, his/her employees and agent are covered by the plan in its entirety.

II Limits of Liability

The Plan's limits of liability shall be as stated in the Declarations. The Loss Fund shall not be charged for any loss arising under Sections I and III which is less than

- \$500 each Property loss
- \$500 each Auto Comprehensive / Collision loss
- \$2,500 each Building (location) damaged by the peril of wind and flood

PALM BEACH COUNTY SELF INSURED RETENTION PLAN
PLAN DOCUMENT

III Loss Fund Adjustment

The amount of the Loss Fund is subject to review and adjustment each fiscal year based actuarial projections.

IV Plan Administrator

The Palm Beach County Director of Risk Management is designated as the Plan Administrator and is responsible for executing the terms and conditions of the Plan.

V Service Organization

This Plan is maintained with the express provision that a contracted independent service company shall be utilized to perform the following duties:

1. Strictly discharge the Insured's obligations under the Plan and review all claim and loss reports submitted by Plan to service company and process each submitted claim or loss report in accordance with administrative notification requirements.
2. Maintain a file for each qualified claim or loss which shall be available for review by the County at any reasonable time.
3. Adjust, settle or resist all claims or losses within the stated discretionary settlement authority limit and, with specific prior approval of the County, adjust, settle or resist all other qualifying claims and losses resulting therefrom in excess of the discretionary settlement authority limit.
4. Perform reasonable and necessary administrative and clerical work in connection with claims or losses, including the preparation of checks, compromises, releases, agreements, subrogation actions and any other documents to finalize a claim.
5. Recommend claim reserves and provide a continuous review and updating of these to reflect changes.
6. Furnish inspection and safety engineering service.
7. Furnish monthly claims records on an approved form.

VI Territory

This insurance applies worldwide, however, Sovereign Immunity protection provided under Florida Statute 768.28 applies only to incidents taking place within the State of Florida.

PALM BEACH COUNTY SELF INSURED RETENTION PLAN
PLAN DOCUMENT

SECTION I - PROPERTY INSURANCE

INSURING AGREEMENTS

Agreement A - Buildings and Contents: This Plan will, subject to the limitations, terms and conditions of this Insurance, pay on behalf of the Insured for all risks of physical loss or damage to all Real or Person Property wherever located, for losses occurring during the period of this Insurance.

Agreement B - Automobile: This Plan will, subject to the limitations, terms and conditions of this Insurance, pay on behalf of the Insured for loss or damage to Automobiles owned by the Insured or which the Insured has an obligation to provide adequate insurance, wherever located, against all risks of direct physical loss, including collision of the automobile with another object.

Agreement C - Loss of Rents: Subject to all the terms, conditions and exclusions otherwise applicable to Section I, this plan is extended to cover loss of rents directly resulting from the necessary untenability of an insured building caused by damage to such building or its contents by a peril insured against;

1. If the described building or any part thereof, whether rented at the time or not, shall be rendered untenable by the perils insured against, the Plan shall be liable to the insured for not exceeding the actual loss sustained based upon loss of rents of such untenable parts but not to exceed one twelfth of the total rents reported to the Plan Manager on an annual basis and proportionate part thereof for any period less than one month. Such loss is to be computed from the date of damage and is to be determined by the time it would require, with the exercise of due diligence and dispatch, to put the premises in tenantable condition, but not limited by the date of expiration of this Plan. In case any portion of the described building shall be occupied by the insured for their own use, this Plan shall extend to and cover the rental value of such portion so occupied in the same manner as if under lease to a tenant.
2. Liability under this Plan is extended to include actual loss as covered hereunder, sustained during the period of time, not exceeding two weeks, when as a direct result of peril insured against, access to the described location(s) is prohibited by order of civil authority.
3. The Plan shall not be liable for any increase of loss which may be occasioned by the suspension, lapse or cancellation of any lease, license or contract, nor for any increase of loss due to interference at the described location(s) by strikers or other persons with restoration of the premises to a tenantable condition.
4. For the purpose of this Plan, the term rents shall mean the determined rents and rental value, less such charges and expenses as do not necessarily continue after

PALM BEACH COUNTY SELF INSURED RETENTION PLAN
PLAN DOCUMENT

occurrence of the peril insured against.

SECTION I - DEFINITIONS

1. Property of the Insured: The term Insured's Property shall mean ALL Real and Personal Property including buildings in the course of construction or alteration and also including leasehold improvements or betterments which the Insured owns. Property which the Insured holds on consignment or agrees to insure by any contractual agreement normal to its operations.
2. Automobile: The term Automobile shall mean any motor vehicle, trailer or semi-trailer, including its equipment and any other equipment permanently attached thereto.
3. Earthquake: If more than one earthquake shock shall occur within any period of seventy-two (72) hours during the term of this Insurance, such earthquake shock shall be deemed to be a single earthquake within the meaning hereof.

SECTION I - EXCLUSIONS

WITH REGARD TO ALL PROPERTY, THIS PLAN DOES NOT INSURE AGAINST

1. Loss by moth, vermin, termites or other insects; wear, tear or gradual deterioration; rust, wet or dry rot or mold.
2. Loss or damage caused by
 - a. Radioactive or fissionable material.
 - b. Contamination, other than by (1) above, unless directly resulting from Fire or Extended Coverage perils.
3. Loss resulting from loss of use (except such loss of use coverage as is afforded under a Standard Automobile Policy in respect of Agreement B above), delay or loss of markets.
4. Breakdown of machinery and/or boiler explosion, but not excluding loss resulting therefrom.
5. Loss resulting from dampness of atmosphere or variation in temperature unless caused by the perils of Fire and Extended Coverage. This exclusion shall not be deemed to exclude loss resulting from freezing.
6. Loss of electrical appliances or devices of any kind, including wiring, arising

PALM BEACH COUNTY SELF INSURED RETENTION PLAN
PLAN DOCUMENT

from electrical injury or disturbance to the said electrical appliances or devices or wiring from artificial causes unless fire or explosion ensues, and then only for direct loss or damage caused by such ensuing fire or explosion.

WITH REGARD TO ALL REAL PROPERTY, THIS PLAN DOES NOT INSURE AGAINST

Loss by normal settling, normal shrinkage or normal expansion in foundations, walls, floors or ceilings.

WITH REGARD TO PERSONAL PROPERTY, THIS PLAN DOES NOT INSURE AGAINST

1. Loss by mechanical derangement, inherent vice or latent defect.
2. Loss resulting from processing or faulty workmanship, unless fire and/or explosion ensues, and then only for direct loss or damage caused by such ensuing fire or explosion.
3. Loss resulting from shrinkage, evaporation, loss of weight or leakage, unless such loss is caused directly by fire or the combating thereof, lightning, windstorm, hail, explosion, strike, riot or civil commotion, aircraft, vehicles, breakage of pipes or apparatus, sprinkler leakage, vandalism and malicious mischief, theft or attempted theft.
4. Inventory shortage, mysterious disappearances or loss resulting from any kind of infidelity or dishonesty on the part of the Insured or any of his employees, except from the perils covered in Section III (Money and Securities - Broad Form) of this Plan.
5. Loss resulting from dampness of atmosphere or variation in temperature unless caused by the periods of Fire and Extended Coverage. This exclusion shall not be deemed to exclude loss resulting from freezing.
6. Loss of electrical appliances or devices of any kind, including wiring, arising from electrical injury or disturbance to the said electrical appliances or devices or wiring from artificial causes unless fire or explosion ensues, and then only for direct loss or damage caused by such ensuing fire or explosion.

WITH REGARD TO ALL REAL PROPERTY, THIS PLAN DOES NOT INSURE AGAINST

Loss by normal settling, normal shrinkage or normal expansion in foundations, walls, floors or ceilings.

PALM BEACH COUNTY SELF INSURED RETENTION PLAN
PLAN DOCUMENT

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1. Loss by mechanical derangement, inherent vice or latent defect.
2. Loss resulting from processing or faulty workmanship, unless fire and/or explosion ensues, and then only for direct loss or damage caused by such ensuing fire or explosion.
3. Loss resulting from shrinkage, evaporation, loss of weight or leakage, unless such loss is caused directly by fire or the combating thereof, lightning, windstorm, hail, explosion, strike, riot or civil commotion, aircraft, vehicles, breakage of pipes or apparatus, sprinkler leakage, vandalism and malicious mischief, theft or attempted theft.
4. Inventory shortage, mysterious disappearances or loss resulting from any kind of infidelity or dishonesty on the part of the Insured or any of his employees, except from the periods covered in Section III (Money and Securities - Broad Form) of this Plan.

PROPERTY SUBJECT TO LIMITATIONS

Bridges, fences, pavements, outdoor swimming pools and related equipment, retaining walls, bulkheads, piers, wharves or docks are not covered against loss caused by freezing or thawing, impact of watercraft, or by pressure or weight of ice or water whether driven by wind or not.

PROPERTY EXCLUDED FROM COVERAGE HEREUNDER

1. Animals, aircraft, standing timber, land, growing crops, trees, shrubs and plants.
2. The cost of excavations, grading or filling, foundations of buildings, machinery, boilers or engines which foundations are below the undersurface of the lowest basement floor, or where there is no basement, below the surface of the ground; pilings, piers, pipes, flues and drains which are underground; pilings which are below the low water mark.

SECTION I - CONDITIONS

1. Valuation: The Plan shall not be liable for loss or damage in excess of:

PALM BEACH COUNTY SELF INSURED RETENTION PLAN
PLAN DOCUMENT

- a. (Real and Personal Property - other than automobile) the cost to repair, rebuild or replace the destroyed or damaged property in a condition equal to but not superior to or more extensive than its condition when new. If the Insured decides to replace destroyed or damaged property on another site, cost of such site is not included hereunder.

It is a requirement hereunder that the Insured repair, rebuild or replace the destroyed or damaged property in order to collect for loss or damage covered by this insurance.

- b. (Automobile) - the actual cash value of the automobile at the time of loss.
2. Debris Removal: This Plan covers the expense of removal from the premises containing the property insured hereunder of debris remaining after any loss hereby insured against, except that there shall be no liability assumed for the expense of removal of any foundations.
3. Removal Clause: This Plan covers the expense and damage occasioned by removal from the premises endangered by the perils insured against wherever such property is located or removed for preservation.
4. Architects fees: This Plan covers the additional assessment involving architects fees for consultations arising from losses resulting from an insured peril. Fees are limited to seven (7%) percent of replacement cost.
5. Civil Authority Clause: Notwithstanding anything contained in this Plan, property which is insured under this Plan is also covered against the risk of damage or destruction by civil authority during a conflagration and for the purpose of retarding the same; provided that neither such conflagration nor such damage or destruction is caused or contributed to by war, invasion, revolution, rebellion, insurrection or other hostilities or warlike operations.
6. Ordinance Deficiency Clause: Notwithstanding anything contained herein to the contrary, the Plan shall be liable also for the loss occasioned by the enforcement of any state or municipal law, ordinance or code, which necessitates, in repairing or rebuilding, replacement of material to meet such requirements. If demolition is required to comply with such enforcement the Plan shall also be liable for such additional costs.
7. Expense to reduce or Prevent Loss: This Plan also covers such expenses as are necessarily incurred for the purpose of reducing or preventing any loss under this Plan not exceeding, however, the amount by which the loss under this Plan is thereby reduced.

PALM BEACH COUNTY SELF INSURED RETENTION PLAN
PLAN DOCUMENT

SECTION I - AGREEMENT A - EXTENSION 1

EXTRA EXPENSE
40/80/100% of Limit

It is agreed that if the property insured by Insuring Agreement A of Section I is damaged or destroyed by perils insured against in said Insuring Agreement A during the period of this Insurance so as to necessitate the incurrence of Extra Expense (as defined below) the Plan shall be liable for the Extra Expense so incurred, not exceeding the actual loss sustained, for not exceeding such length of time, hereinafter referred to as the Aperiod of restoration.

It is further agreed that this extension in coverage shall not operate to increase the Plans limits of liability hereunder.

The Plan shall be liable for no greater percentage of the amount of this Plan than is stated below for the determined period of restoration.

40% if period of restoration is not in excess of one month;

80% if period of restoration exceeds one month but does not exceed two months;

100% if period of restoration exceeds two months.

DEFINITIONS

1. Extra Expense: The term Extra Expense means the excess (if any) of the total cost incurred during the period of restoration chargeable to the operation of the Insureds business, over and above the total cost that would normally have been incurred to conduct the business during the same period had no damage or destruction occurred.
2. Normal: The term Normal wherever used herein shall mean; the condition that would have existed had no loss occurred.
3. Month: The word Month wherever used herein means 30 consecutive days.
4. Period of Restoration: The term Period of Restoration means such length of time commencing with the date of damage and not limited by the date of expiration of this Plan, as would be required with the exercise of due diligence and dispatch to

PALM BEACH COUNTY SELF INSURED RETENTION PLAN
PLAN DOCUMENT

repair, rebuild or replace such part of the Insured's property as has been damaged or destroyed.

CONDITIONS

1. Resumption of Operations: It is a condition of this Insurance that as soon as practicable, the Insured shall resume normal operations of the business and shall dispense with such extra expense.
2. Interruption by Civil Authority: Liability hereunder is extended to include actual loss as covered hereunder, sustained during the period of time, not exceeding two weeks, when as a direct result of a peril insured against, access to the premises in which the property described is located is prohibited by order of civil authority.

EXCLUSIONS

In addition to the General Exclusions of this Insurance, the Plan shall not be liable for extra expense resulting from:

1. The suspension, lapse or cancellation of any lease, license, contract or order beyond the period of restoration;
2. Interference at premises by strikers or other persons with rebuilding, repairing or replacing the property damaged or destroyed or with the resumption or continuation of business;
3. Enforcement of any local or state ordinance or law regulating construction, repair or demolition of buildings or structures;

Further, the plan shall not be liable for:

1. More than the amount set forth in the limits of liability for each premises;
2. Loss of income;
3. The cost of repairing or replacing any of the real or personal property covered hereunder, or the cost of research or other expense necessary to replace or restore damaged or destroyed books of account, abstracts, drawings, card index systems or other records (including film, tape, disc, CD-ROM, cell or other magnetic recording or storage media for electronic data processing), that have been damaged or destroyed by the perils insured against, except cost in excess of the normal cost of such repair, replacement or restoration necessarily incurred for the purpose of reducing loss under this Plan. In no event shall such excess cost exceed the amount by which the total extra expense loss otherwise payable under

PALM BEACH COUNTY SELF INSURED RETENTION PLAN
PLAN DOCUMENT

this policy is thereby reduced;

4. Loss resulting from theft of any property which as the time of loss is not an integral part of a building or structure (except direct loss by pillage and looting occurring during and at the immediate place of a riot or civil commotion), unless loss by a peril not excluded in this Plan ensues from theft or attempted theft, and then the Plan shall be liable for only such ensuing loss;
5. Any other consequential or remote loss.

SECTION I - AGREEMENT A - EXTENSION 2

VALUABLE PAPERS AND RECORDS EXTENSION

1. Property Covered: The Plan agrees to pay in respect of loss or damage to valuable papers and records, (hereafter referred to as property).
2. This Extension Insures Against: All risks of direct physical loss of or damage to the property covered, except as hereinafter provided, occurring during the period of the Plan to which this extension is attached.
3. Protection of Valuable Papers and Records: Insurance under this extension shall apply only while the property is contained in the premises of the Insured, and shall be kept in protective receptacle(s) at all times when the premises are not open for business, except while such property is in actual use.
4. Automatic Extension: Such insurance as is afforded by this extension applies while the property is being conveyed outside the premises and while temporarily within other premises, except for storage, provided the Plans liability for such loss or damage shall not exceed ten percent of the combined limits of Insurance stated in the Declarations, nor fifty thousand dollars, whichever is less.
5. Removal: Such insurance as is afforded by this extension applies while the property is being removed to and while at a place of safety because of imminent danger of loss and while being returned from such place, provided the Insured gives written notice to the Plan of such removal within ten days thereafter.

EXCLUSIONS

THIS EXTENSION DOES NOT APPLY;

1. To loss or damage due to wear and tear, gradual deterioration, vermin or inherent vice;

PALM BEACH COUNTY SELF INSURED RETENTION PLAN
PLAN DOCUMENT

2. To loss or damage due to any dishonest, fraudulent or criminal act by an Insured, a Partner therein or an Officer, director or Trustee thereof, whether acting alone or in collusion with others;
3. To loss of or damage to property, if such property cannot be replaced with other of like kind or quality;
4. To loss of or damage to property held as samples or for sale or delivery after sale;
5. To loss due to electrical or magnet injury, disturbance or erasure of electronic recordings, except by lightning;
6. To war risks or nuclear risks as excluded in the Plan to which this extension is attached.

SPECIAL CONDITIONS

1. Definitions: Property means written, printed or otherwise inscribed documents and records, including books, maps, films, drawings, abstracts, deeds, mortgages and manuscripts, but does not mean money or securities.

Premises means currency, coins, bank notes and bullion; and travelers checks, register checks and money orders held for sale to the public.

Securities means all negotiable and non-negotiable instruments or contracts representing either money or other property and includes revenue and other stamps in current use, tokens and tickets, but does not include money.

2. Ownership of Property; Interests Covered:

The insured property may be owned by the insured or held by him in any capacity; provided, the insurance applies only to the interest of the insured in such property, including the insured's liability to others, and does not apply to the interests of any other person or organization in any of said property unless included in the insured's proof of loss.

3. The limit of the Plan's liability for loss shall not exceed the actual cash value of the property at time of loss nor what it would ten cost to repair or replace the property with other of like kind and quality, nor the applicable limit of insurance. The plan may pay for the loss in money or may repair or replace the property and may settle any claim for loss of the property either with the insured or the owner thereof.

Application of the insurance to property of more than one person shall not operate

PALM BEACH COUNTY SELF INSURED RETENTION PLAN
PLAN DOCUMENT

to increase the applicable limit of insurance.

4. Insured's Duties When Loss Occurs:

Upon knowledge of loss or of an occurrence which may give rise to a claim for loss, the insured shall:

Give notice thereof as soon as practicable to the plan or any of its authorized representatives and, if the loss is due to a violation of law, also to the police;

File detailed proof of loss with the plan as soon as practicable but no longer than the expiration of ninety days after the discovery of loss.

SECTION I - AGREEMENT A - EXTENSION 3

TRANSIT EXTENSION

INSURING CLAUSE

Subject to the terms, limits and conditions of the plan to which this extension is attached and to the following conditions and exclusions, this insurance is hereby extended to cover:

Personal property of the insured or property held by the insured in trust or on commission or on consignment for which the insured may be held legally liable while in due course of transit within the limits of the continental United States of America (excluding Hawaii) and Canada, against All Risks of Direct Physical Loss or Damage to the property insured occurring during the period of this policy (including general average and salvage charges on shipments covered while waterborne).

PERILS EXCLUDED

This extension does not insure against:

1. Loss or damage to personal property resulting from:

shrinkage, evaporation, loss of weight, leakage, breakage of glass or other fragile articles, marring, scratching, exposure to light, or change in color, texture or flavor unless such loss is caused directly by fire or the combating thereof, lightning, windstorm, hail, explosion, strike, riot or civil commotion, aircraft, vehicles, breakage of pipes or apparatus, sprinkler leakage, vandalism and malicious mischief, theft or attempted theft.

PALM BEACH COUNTY SELF INSURED RETENTION PLAN
PLAN DOCUMENT

2. Loss of use, delay or loss of markets.
3. Loss or damage caused by or resulting from moth, vermin, termites, or other insects, inherent vice, latent defect, wear, tear or gradual deterioration; contamination; rust, wet or dry rot, mold, dampness of atmosphere, smog or extremes of temperature.
4. Loss or damage caused by or resulting from misappropriation, conversion, infidelity or any dishonest act on the part of the insured or other party of interest, his or their employees or agents or others to whom the property may be delivered or entrusted (carriers for hire excepted).
5. Loss or damage to the property insured occasioned by war, invasion, hostilities, acts of foreign enemies, civil war, rebellion, insurrection, military or usurped power or martial law or confiscation by order of any government or public authority.
6. Loss or damage arising directly or indirectly from nuclear reaction, nuclear radiation or radioactive contamination however such nuclear reaction, nuclear radiation or radioactive contamination may have been caused. Nevertheless if a fire arises directly or indirectly from nuclear reaction, nuclear radiation or radioactive contamination any loss or damage arising directly from that fire shall (subject to the provisions of this plan) be covered excluding however all loss or damage caused by nuclear reaction, nuclear radiation or radioactive contamination arising directly or indirectly from that fire,
7. Loss or damage caused by breakdown or derangement of refrigerating units.

DEDUCTIBLE(S)

Each loss or series of losses arising out of one event shall be adjusted separately and from the amount of each such adjusted loss the sum(s) state in PART II (GENERAL INSURANCE AGREEMENTS) shall be deducted.

PROPERTY EXCLUDED

This extension does not cover:

1. a. Aircraft, watercraft, vehicles designed for highway use, animals, jewelry, precious stones and furs or garments trimmed with fur.
- b. Accounts, bills, currency, money, notes, securities, deeds, evidences of debt and valuable papers.

PALM BEACH COUNTY SELF INSURED RETENTION PLAN
PLAN DOCUMENT

- c. Data processing equipment and media, including but not limited to film, tape, disc, CD-ROM, cell and other recording or storage media for data processing.
2. Property in due course of ocean marine transit.
3. Shipments in mail after delivery into the custody of the Post Office Department.
4. Samples whilst in the care, custody or control of salesmen.

SECTION I - AGREEMENT A - EXTENSION 4

DATA PROCESSING SYSTEM EQUIPMENT EXTENSION

1. Property Covered: Data processing system, including equipment and component parts therefore owned by the Insured or leased, rented or under the control of the Insured.
2. Property Excluded: (A) Accounts, bills, evidences of debt, valuable papers, records, abstracts, deeds, manuscripts, or other documents; Property rented or leased to others while away from the premises of the Insured. (B) Property rented or leased to others while away from the Insured's premises.
3. Perils Insured: Insures against all risks of direct physical loss or damage to the property covered, except as hereinafter provided.
4. Perils Excluded: This Extension does not insure against loss, damage, or expense caused directly or indirectly by:
 - a. Inherent vice, wear, tear, gradual deterioration, depreciation or vermin;
 - b. Any dishonest, fraudulent or criminal act by an Insured, a partner therein or an officer, director or trustee thereof, whether acting alone or in collusion with others;
 - c. Dryness or dampness of atmosphere, extremes of temperature, corrosion, rust unless directly resulting from physical damage to the data processing systems air conditioning facilities caused by a peril not excluded by the provisions of this Extension;
 - d. Any interruption in electric power supply by power surge or brown out originating more than one hundred (100) feet away from the building containing the property covered.

PALM BEACH COUNTY SELF INSURED RETENTION PLAN
PLAN DOCUMENT

- e. Delay or loss of market;
 - f. War risk or nuclear risks as excluded in the Plan to which this Extension is attached.
5. Valuation: Replacement Cost - The Plan shall not be liable beyond the actual retail replacement cost of the property at the time any loss or damage occurs and the loss or damage shall be ascertained or estimated on the basis of the actual cash retail replacement cost of property similar in kind to that insured at the place of and immediately preceding the time of such loss or damage.

SECTION I - AGREEMENT A - EXTENSION 5

DATA PROCESSING MEDIA EXTENSION

- 1. Property Insured: Active data processing media, being property of the Insured or property of others for which the Insured may be liable.
- 2. Property Excluded: This Plan does not insure accounts, bills, evidences of debt, valuable papers, records, abstracts, deeds, manuscripts or other documents except as they may be converted to data processing media form, and then only in that form, or any data processing media which cannot be replaced with other of like kind and quality.
- 3. Perils Insured: This Extension insures against all risks of direct physical loss or damage to the property from or caused directly or indirectly by:
 - a. Any interruption in electric power supply by power surge or brown out originating more than one hundred (100) feet away from the building containing the property insured;
 - b. Dryness or dampness of atmosphere, extremes of temperature, corrosion, rust unless directly resulting from physical damage to the data processing systems air conditioning facilities caused by a peril not excluded by the provision of this Extension;
 - c. Delay or loss of market;
 - d. Inherent vice, wear, tear, gradual deterioration, depreciation or vermin;
 - e. Any dishonest, fraudulent or criminal act by an Insured, a partner therein or an officer, director or trustee thereof, whether acting alone or in collusion with others;

PALM BEACH COUNTY SELF INSURED RETENTION PLAN
PLAN DOCUMENT

- f. War risk or nuclear risks as excluded in the Plan to which this Extension is attached.
4. Valuation: The Plan shall not be liable beyond the actual reproduction cost of the property.
5. Definitions: The term Active data processing media@ wherever used in this plan shall mean all forms of converted data and/or program and/or instruction vehicles employed in the Insured data processing operation, except all such UNUSED property.

SECTION I - AGREEMENT A - EXTENSION 6

DATA PROCESSING EXTRA EXPENSE EXTENSION

1. Subject of Insurance and Perils Insured: This Extension insures against the necessary Extra Expense, as hereinafter defined, incurred by the Insured in order to continue as nearly as practicable the normal operation of its business, immediately following damage to or destruction of the data processing system including equipment and component parts thereof and data processing media therefore, owned, leased, rented or under the control of the Insured, as a direct result of all risks of physical loss or damage, but in no event to exceed the amount indicated in the Declarations.

This Extension includes the actual loss as covered hereunder, sustained during the period of time, hereinafter defined, (1) when as a direct result of peril insured against the premises in which the property is located is so damaged as to prevent access to such property or (2) when as a direct result of a peril insured against, the air conditioning system or electrical system necessary for the operation of the data processing equipment is so damaged as to reduce or suspend the Insured's ability to actually perform the operations normally performed by the data processing system.

2. Measure of Recovery: If the above described property is destroyed or so damaged by the perils insured against occurring during the term of this Extension so as to necessitate the incurrence of Extra Expense (as defined in this Extension), the Plan shall be liable for the Extra Expense so incurred, not exceeding the actual loss sustained, for not exceeding such length of time, hereinafter referred to as the Aperiod of restoration, commencing with the date of damage or destruction and not limited by the date of expiration of this Extension, as shall be required with the exercise of due diligence ad dispatch to repair, rebuild, or replace such part of said property as may be destroyed or damaged.

It is further agreed that this extension in coverage shall not operate to increase the

PALM BEACH COUNTY SELF INSURED RETENTION PLAN
PLAN DOCUMENT

Plan's limits of liability hereunder.

3. Extra Expense Definition: The term Extra Expense wherever employed in this Extension is defined as the excess (if any) of the total cost during the period of restoration of the operation of the business over and above the total cost of such operation that would normally have been incurred during the same period had no loss occurred; the cost in each case to include expense of using other property or facilities of other concerns or other necessary emergency expenses. In no event, however, shall the Plan be liable for loss of profits or earnings resulting from diminution of business, nor for any direct or indirect property damage loss insurable under Property Damage policies, or for expenditures incurred in the purchase, construction, repair or replacement of any physical property unless incurred for the purpose of reducing any loss under this Extension no exceeding, however, the amount in which the loss is so reduced. Any salvage value of property so acquired which may be sold or utilized by the Insured upon resumption of normal operations, shall be taken into consideration in the adjustment of any loss hereunder.
4. Exclusions: It is a condition of the insurance that the Plan shall not be liable for Extra Expense incurred as a result of:
 - a. Any local or State ordinance or law regulating construction or repair of buildings,
 - b. The suspension, lapse or cancellation of any lease, license, contract or order;
 - c. Interference at premises by strikers or other persons with repairing or replacing the property damaged or destroyed or with the resumption or continuation of the Insured's occupancy;
 - d. Loss or destruction of accounts, bills, evidence of debt, valuable papers, records, abstracts, deeds, manuscripts or other documents except as they may be converted to data processing media form and then only in that form;
 - e. Loss of or damage to property rented or leased to others while away from the premises of the Insured.
 - f. Error in machine programming or instructions to machine;
 - g. Inherent vice, wear, tear, gradual deterioration or depreciation;
 - h. Any dishonest, fraudulent or criminal act by the Insured, a partner therein

PALM BEACH COUNTY SELF INSURED RETENTION PLAN
PLAN DOCUMENT

- or an officer, director or trustee thereof, whether acting alone or in collusion with others;
- i. Damage due to mechanical failure, faulty construction, error in design unless fire or explosion ensues, and then only for loss, damage, or expense caused by such ensuing fire or explosion;
 - j. Short circuit, blow-out, or other electrical disturbance, other than lightning, within electrical apparatus, unless fire or explosion ensues and then only for loss, damage or expense caused by such ensuing fire or explosion;
 - k. Delay or loss of market;
 - l. War risks or nuclear risks as excluded in the Policy to which this Extension is attached.
5. Resumption of Operations: As soon as practicable after any loss the Insured shall resume complete or partial business operations of the insured property and, in so far as practicable, reduce or dispense with such additional charges and expenses as are being incurred.
 6. Interruption by Civil Authority: This Plan is extended to include necessary Extra Expense incurred by the Insured as covered hereunder, during the length of time, not exceeding two consecutive weeks, when as a direct result of damage to or destruction of property adjacent to the premises herein described by the peril(s) insured against, access to such described premises is specifically prohibited by order of civil authority.
 7. Definitions: The term Normal wherever used in this Extension shall mean: The condition that would have existed had no loss occurred.
 8. Deductible: Each and every loss occurring hereunder shall be adjusted separately and from the amount of each such loss when so adjusted the Plan=s property deductible shall be deducted.

Agreement D - General Liability: This Plan hereby agrees, subject to the limitations, terms and conditions hereunder mentioned, to pay on behalf of the Insured for all sums which the Insured shall be obligated to pay by reason of the liability imposed upon the Insured by law or assumed by the Named Insured under contract or agreement, for damages direct or consequential; and expenses, all as more fully defined by the term Aultimate net loss on account of personal injuries, including death at any time resulting there from, suffered or alleged to have been suffered by any person or persons (excepting employees of the Insured injured in the course of their employment; and/or damage to or destruction of property or the loss of use thereof; arising out of any

PALM BEACH COUNTY SELF INSURED RETENTION PLAN
PLAN DOCUMENT

occurrence happening during the period of this plan.

Agreement E - Errors & Omission: In accordance with the provisions of this Agreement the Plan agrees, subject to the terms and conditions hereof, to pay on behalf of the Insured (as herein defined) all sums which the Insured shall be obligated to pay as damages by reason of a wrongful act, error or omission committed or alleged to have been committed and occurring during the period of this plan including any wrongful act, error or omission prior to the inception date of this plan while acting in his/her capacity as an Official, Director, Council or Commission Member.

For the purposes of this Agreement the unqualified word Insured shall mean the Insured named in the Declarations and as further defined in General Insurance Agreement II including all persons who were, now or shall be lawfully elected or lawfully appointed officials, Commissioners, directors or council members of the Insured in the regular service of the Insured during the existence of this Insurance, and any heir, executor, administrator, assign or legal representative of said persons in the event of their death or incapacity.

The Plan shall not be liable to make payment if a judgement or final adjudication in any action brought against the Insured shall be based on a determination that acts of fraud or dishonesty were committed by the Insured.

Agreement F - Liquor Liability: In accordance with the provisions of the above Agreement D, the Plan agrees that indemnity for the Insured extends to liability for the sale or distribution of alcoholic beverages by reason of any local, state or Federal liquor control laws now in force and all laws amendatory thereto; and that such extension includes indemnity for loss of means of support.

Agreement G - Automobile Liability: The Plan hereby agrees, subject to the limitations, terms and conditions hereunder mentioned, to pay on behalf of the Insured all sums which the Insured shall be obligated to pay by reason of the liability imposed upon the Insured by law or assumed by the Named Insured under contract or agreement, for damages direct or consequential, and expenses, all as more fully defined by the term Ultimate net loss, on account of personal injury including death at any time resulting therefrom, suffered or alleged to have been suffered by any person or persons (excepting employees of the Insured injured in the course of their employment); and/or damage to or destruction of property or the loss of use thereof, arising out of the ownership, maintenance or use of any automobile and occurring during the period of this Insurance.

PALM BEACH COUNTY SELF INSURED RETENTION PLAN
PLAN DOCUMENT

Agreement H - Employee Benefit Liability: Subject to the terms, exclusions and definitions hereinafter mentioned the Plan agrees to pay on behalf of the Insured all sums which the Insured shall become legally obligated to pay as a result of damages sustained by an employee, prospective employee, former employee or the beneficiaries or legal representatives thereof in the administration of the Insureds Employee Benefit Programs as defined herein and caused by any negligent act, error or omission of the Insured or any other person for whose acts the Insured is legally liable, occurring during the plan period.

EXCLUSIONS

This insurance does not apply:

1. To any dishonest, fraudulent, criminal or malicious act, libel, slander, discrimination or humiliation;
2. To bodily injury to, or sickness, disease, or death, of any person, or to injury to or destruction of any tangible property, including the loss of use thereof;
3. To any claim for failure of performance of contract by any Insurer, including failure of any Employee Benefit Program;
4. To any claim based upon the Insured's failure to comply with any law concerning Workers Compensation, Unemployment Insurance, Social Security or Disability Benefits;
5. To any claim based upon:
 - a. Failure of stock to perform as represented by an Insured;
 - b. Advice given by an Insured to an employee to participate nor not to participate in stock subscription plans;
 - c. The investment or non-investment of funds;
6. To claims based upon the Employee Retirement Income Security Act of 1974, Public Law 93-406 commonly referred to as the Pension Reform Act of 1974 and amendments thereto, or similar provisions of any Federal, State or Local Statutory Law or Common Law.

DEFINITIONS

1. Employee Benefit Programs: The term AEmployee Benefit Programs shall mean group life insurance, group health insurance, profit sharing plans, pension plans,

PALM BEACH COUNTY SELF INSURED RETENTION PLAN
PLAN DOCUMENT

employee stock subscription plans, workers compensation, unemployment insurance, social security, disability benefits insurance and travel, savings or vacation plans.

2. Administration: the unqualified word Administration wherever used, shall mean:
- a. Giving counsel to employees with respect to the Employee Benefit Programs;
 - b. Interpreting the employee Benefit Programs;
 - c. Handling of records in connection with the Employee Benefit Programs;
 - d. Effecting enrollment, termination or cancellation of employees under the Employee Benefit programs;

Provided all such acts are authorized by the Named Insured.

Agreement I - Contingent Liability: It is understood and agreed that contingent upon the following, coverage afforded under this plan covers any Insured, under Agreements D, E, F, and G, only, with respect to any action against such Insured; provided that this plan will pay on behalf of the insured only for liability for torts imposed on the insured when the waiver of sovereign immunity in tort actions and/or limitations of liability as set forth in Florida Statute 768.28 are not available to limit the amount which the insured is liable to pay. Furthermore, this plan will not apply to any Legislative Act arising from, or related to, Florida Statute 768.28 (Claims Bill).

SECTION II - DEFINITIONS

1. Personal Injuries: The term personal injuries wherever used herein, shall mean:
- a. Bodily Injury, Mental Injury, mental Anguish, Shock, Sickness, Disease, Disability, False Arrest, False Imprisonment, Wrongful Eviction, Detention, Malicious Prosecution, Discrimination, Humiliation, Invasion of Right of Privacy, Libel, Slander or Defamation of Character; also Piracy and any Infringement of Copyright or of Property, Erroneous Service of Civil Papers, Violation of Civil Rights, Assault and Battery, and Disparagement of Property.
 - b. Professional medical services of which should have been rendered to any person or persons (other than employees of the Insured injured during the course of their employment) by any duly qualified medical practitioner, or nurse, technician, paramedic, mobile intensive care personnel or emergency medical technician employed by or acting on behalf of the Insured, provided such liability is based solely on error, negligence or

PALM BEACH COUNTY SELF INSURED RETENTION PLAN
PLAN DOCUMENT

mistake committed during the period of this Insurance.

2. Property Damage: The term property damage wherever used herein shall mean damage to or destruction or loss of property, excluding, however, damage to property owned by the Named Insured, but including damage to property of others in the care, custody or control of the Named Insured or property which is purchased by the Named Insured under a contract which provides that the title remain with the sellers until payments have been completed, the liability of the Plan being limited to the amount of payments outstanding.
3. Occurrence: The term occurrence wherever used herein shall mean an accident or a happening or event or a continuous or repeated exposure to conditions which unexpectedly and unintentionally results in personal injury, or damage to property during the plan term. All such exposure to substantially the same general conditions existing at or emanating from one location shall be deemed one occurrence.
4. Ultimate Net Loss: The term Aultimate net loss shall mean the total sum which the Insured becomes obligated to pay by reason of personal injury or property damage claims, either through adjudication or compromise, after making proper deductions for all recoveries and salvages, and shall also include hospital, medical and funeral charges and all sums paid as salaries, wages, compensation, fees, charges and law costs, premiums on attachment or appeal bonds, interest, expenses for doctors, lawyers, nurses and investigators and other persons and for litigation, settlement, adjustment and investigation of claims and suits which are paid as a consequence of any occurrence covered hereunder, excluding only the salaries of the Named Insureds permanent employees. Fees, charges and expenses for independent service company are specifically excluded, and are to be paid by the Insured.

SECTION II - CONDITIONS

1. Cross Liability: In the event of claims being made by reason of personal injuries and/or property damage suffered by any employee of one Insured herein for which another Insured herein is or may be liable, then this Insurance shall cover such Insured against whom a claim is made or may be made in the same manner as if separate policies had been issued to each Insured herein. Nothing contained herein shall operate to increase the Plan=s Limit of Liability as set forth herein. The Plan agrees to waive all rights of subrogation against all or any of the corporations or individuals comprising the Insured.
2. Notice of Occurrence: Whenever any Insured has information from which the Insured may reasonably conclude that an occurrence covered under Section II of

PALM BEACH COUNTY SELF INSURED RETENTION PLAN
PLAN DOCUMENT

this insurance involves injuries or damages, notice shall be given to the Plan Administrator, or his/her designee, at the office of the Palm Beach County Risk Management Department as soon as practicable.

3. Other Insurance: If any Insured has other Insurance against loss covered by this Insurance the Plan shall be liable, under the terms of this Insurance, only as excess of coverage provided by such other Insurance.

SECTION II - EXCLUSIONS

THIS PLAN DOES NOT APPLY

1. To liability of any Insured for assault and battery committed by or at the direction of such Insured except liability for Personal Injury or Death resulting from any act alleged to be assault and battery for the purpose of preventing injury to persons or damage to property;
2. Except with respect to operations performed by independent contractors, to the ownership, maintenance or use, including loading or unloading of aircraft,
3. To damage or destruction of property owned by the Insured;
4. To any liability for:
 - a. Personal injury or bodily injury or loss of, damage to, or loss of use of property directly or indirectly caused by seepage, pollution or contamination, provided always that this paragraph (1) shall not apply to liability for Personal Injury or Bodily Injury or loss of or physical damage to or destruction of tangible property, or loss of use of such property damaged or destroyed, where such seepage, pollution or contamination is caused by a sudden, unintended and unexpected happening during the period of this insurance.
 - b. The cost of removing, nullifying or cleaning-up seeping, polluting or contaminating substances unless the seepage, pollution or contamination is caused by a sudden, unintended and unexpected happening during the period of this insurance.
 - c. Fines, penalties, punitive or exemplary damages.
5. Any of the Insured's obligations to its employees under any State or Federal Workers Compensation Law or Disability Act; nor does this plan provide any Employers Liability or Occupational Disease coverage.

PALM BEACH COUNTY SELF INSURED RETENTION PLAN
PLAN DOCUMENT

6. Claims for loss or damage or any liability of any and all Insured's arising out of or in any way connected with the operation of the principles of eminent domain, condemnation by whatever name called regardless of whether such claims are made directly against the Insured or by virtue of any agreement entered into by or on behalf of the Insured;
7. Hospital Malpractice;
8. Airport Premises/Operations liability at owned airports (insured separately).
9. Back pay or back wages including pre-judgment interest interim earnings and fringe benefits in connection with claims for Personal Injury as more fully described in Section II - Definitions, # 1.a.

SECTION III - CRIME INSURANCE

INSURING AGREEMENTS

Agreement J - Money and Securities (Coverage within Premises):

This Plan agrees, subject to the limitations, terms and conditions of the Insurance, to pay on behalf of the Insured for all loss caused by reason of theft, burglary, robbery, kidnapping, disappearance or destruction of any money or securities which may at any time be or believed by the Insured to be in or upon any premises occupied or used by the Insured or by any bank, trust company or safe deposit company. Such Insurance as is afforded by this Plan also applies to deposits within a night depository safe provided by a bank or trust company on its premises for the use of its customers.

Agreement K - Money and Securities (Coverage outside Premises):

This plan agrees, subject to the limitations, terms and conditions of this Insurance, to pay on behalf of the Insured for all loss caused by reason of the theft, robbery, kidnapping, disappearance or destruction of any money or securities (other than by fraud or connivance of the Insured's officers or employees anywhere, the liability of the Plan to commence at the moment when the person into whose hands the property may be delivered on behalf of the Insured receives the same and to continue until delivery thereof at the final destination.

Agreement L - Commercial Blanket Bond: This Plan (hereinafter called Surety) agrees, subject to the terms and conditions set forth herein, to pay on behalf of the Insured (hereinafter called the Employer) for any loss of money or other property real or personal (including that part of any inventory shortage which the Employer shall conclusively prove is caused by the dishonesty of any Employee or Employees) belonging to the Employer or in which the Employer has a pecuniary interest or for which the Employer is legally liable or held by the Employer in any capacity, whether the Employer is legally liable therefore or not, which the Employer shall during the term of this Insurance sustain or discover that they have sustained through larceny,

PALM BEACH COUNTY SELF INSURED RETENTION PLAN
PLAN DOCUMENT

theft, embezzlement, forgery, misappropriation, wrongful abstraction, willful misapplication or other fraudulent or dishonest act or acts committed by any one or more of the Employees as defined, acting alone or in collusion with others.

Agreement M - Faithful Performance: This Plan agrees, subject to the terms and conditions set forth herein, to indemnify the Insured for loss caused to the Insured through the failure of any of the Insured's Employees as defined, acting alone or in collusion with others, to perform faithfully his duties or to account properly for all monies and property received by virtue of his position or employment.

Agreement N - Forgery or Alteration: This Plan agrees to pay on behalf of the BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY and/or all employees, Agents, Board and Commission Members (hereinafter called the Insured) against

1. Loss through forgery or alteration of any check, draft, promissory note, bill of exchange or similar written promise, order or direction to pay a sum certain in money, drawn by or drawn upon, or purported to have been drawn by or upon the Insured.
2. Loss through forgery or alteration of, on or in any request for transportation required in connection with air or railway travel cards issued by or on behalf of the Airline or Railroad to the Insured or any employee of the Insured.
3. Loss due to acceptance in good faith (a) any post office or express money order, if same is not paid upon presentation, and (b) counterfeit United States or Canadian paper currency.

SECTION III - DEFINITIONS

INSURING AGREEMENTS K AND L

1. Money: The term money as used in this Plan shall be deemed to mean currency, coin, bank notes, un-cancelled and pre-cancelled postage and unused postage in postage meters.
2. Securities: The term securities shall be deemed to mean Federal Food Stamps, express, postal and bank money orders, postal notes, debentures, scrip, checks, warrants, transfers, coupons, demand and time drafts, bills of exchange, acceptances, promissory notes, certificates of deposits, certificates of stock, bonds, car trust certificates, interim receipts and certificates, warehouse receipts, bills of lading and all other instruments of a similar nature including mortgages upon real estate or upon chattels and upon interests therein, and assignments of such mortgages and instruments.

PALM BEACH COUNTY SELF INSURED RETENTION PLAN
PLAN DOCUMENT

3. It is understood and agreed that this Plan covers money and securities of the Insured or as respects that which the Insured is legally liable for the loss thereof. If legal proceedings are taken against the Insured to enforce a claim for money and securities so held, the Insured shall immediately notify the Plan in writing.
4. Employees: The term Employees shall mean not only persons compensated by the Insured but also those directed by the Insured, and including those independent contractors and/or services which may be considered as usually performed by employees of the Insured.
5. Theft: The term Theft shall include Atrick and device.
6. Ultimate Net Loss: The words ultimate net loss in respect of this Section shall be understood to mean the actual loss sustained by the Insured after making deductions for all recoveries and salvages.

INSURING AGREEMENT M

1. Employer: The term Employer as used in this Insuring Agreement shall mean the Insured named in the Declarations and as further defined in General Insurance Agreement I.
2. Employee or Employees: The terms Employee or Employees as used in this Insuring Agreement shall be deemed to mean respectively one or more of the natural persons who on the effective date of this Insurance or at any other time during the term of this Insurance are in the regular service of the Employer in the ordinary course of the Employer's business and who are compensated by salary, wages, and/or commission, and whom the Employer has the right to govern and direct at all times in the performance of such service, but not to mean brokers, factors, commission merchants, consignees, contractors or other agents or representatives of the same general character.

SECTION III - EXCLUSIONS

THIS INSURANCE DOES NOT APPLY UNDER
INSURING AGREEMENTS K AND L

1. To any fraudulent, dishonest or criminal act other than robbery or safe burglary or attempt thereat, committed by the Insured or by any officer, employee (except Brinks or Armored Car Employees): agent or authorized representative of the Insured, whether acting alone or in collusion with others.
2. To forgery by whomsoever committed.

PALM BEACH COUNTY SELF INSURED RETENTION PLAN
PLAN DOCUMENT

SECTION III - CONDITIONS

UNDER INSURING AGREEMENTS K, L AND M

Warranted free of all claims for losses not discovered within the term of this plan and for losses sustained and/or acts committed prior to October 1, 1986 (hereinafter called the Retroactive Date) but with the understanding that in the event of the termination of this Plan in its entirety the Insured shall have twelve calendar months following the date of such termination in which to discover losses sustained between the Retroactive Date and the date of such termination.

UNDER INSURING AGREEMENT M

1. It is agreed that within the term Employees are various public officials of the County who by law are required to be separately bonded. It is further agreed that this Bond shall apply as excess insurance and then only after such legally required other insurance has been exhausted.
2. Upon the discovery of any loss hereunder, this Bond shall be treated as reinstated so as at all times to continue in force for the sum set forth herein notwithstanding any previous loss for which the Surety may have paid or be liable to pay hereunder provided however that in no event shall the surety be liable under this insurance for an amount greater than the limits of liability stated on account of any one loss or series of losses caused by the fraudulent or dishonest acts of any Employee or in which such Employee is concerned or implicated.
3. In case any reimbursement be obtained or recovery be made by the Employer on account of any loss covered and paid under this Insurance, the net amount of such reimbursement or recovery, after deducting the actual cost of obtaining or making the same, shall be applied to reimburse the Plan's Loss Fund.
4. This Bond shall be deemed cancelled as to any Employee immediately upon discovery by the Employer, of any fraudulent or dishonest act on the part of such Employee.

SECTION IV - GENERAL CONDITIONS

1. Salvage and Recovery Clause: All salvages, recoveries and payments recovered or received subsequent to a loss settlement under this Insurance shall be applied as if recovered or received prior to the said settlement and all necessary adjustments shall be made by the parties hereto.
2. Inspections, Audit and Verification of Values: The Plan Administrator or his/her duly authorized representatives shall be permitted at all reasonable times during

PALM BEACH COUNTY SELF INSURED RETENTION PLAN
PLAN DOCUMENT

continuance of this Plan to inspect the premises used by the Insured and to examine the Insured's books or records so far as they relate to coverage afforded by this Insurance.

3. Records: It is hereby understood and agreed that the records and books as kept by the Insured shall be acceptable to the Plan in determining the amount of loss or damage covered hereunder.
4. Other Insurance: If any Insured has other Insurance against loss covered by this Insurance the Plan shall be liable, under the terms of this Insurance, only as excess of coverage provided by such other Insurance.
5. Mortgage Clause: The interest of any mortgagor on property covered hereunder is included as if a separate endorsement were attached hereto to the extent of the amount of mortgage as of the date of loss subject to the limits of liability set forth in this Insurance.
6. Claims: The Insured shall immediately notify the Plan Administrator or his/her representative of any occurrence, the cost of which is likely to result in payment by the plan under this insurance.
7. Loss Payments: When it has been determined that the Plan is liable under this Insurance, the Plan shall thereafter promptly reimburse the Insured for all payments made in excess of the deductible stated in General Insurance Agreements, Article II.
8. Subrogation: The Plan shall be subrogated to all rights which the Insured may have against any person or other entity in respect to any claim or payment made under this Insurance, and the Insured shall cooperate with the Plan to secure Plan's rights. In case any reimbursement obtained or recovery be made by the Insured or the Plan on account of any loss covered by this Insurance, the amount of such reimbursement or recovery shall be first applied in the following order:

To reduce the Insured's loss;

To reduce the Plan's loss until the Plan is fully reimbursed.

Waiver of Subrogation: This Insurance shall not be invalidated if the Insured by written agreement has waived or shall waive its right of recovery from any party for loss or damage covered hereunder; provided, that any such waiver is made prior to the occurrence of said loss or damage.

Changes: By acceptance of this Plan the Insured agrees that it embodies all agreements existing between the Insured and the Plan or any of its representatives relating to

PALM BEACH COUNTY SELF INSURED RETENTION PLAN
PLAN DOCUMENT

this Insurance. None of the provisions, conditions or other terms of this Insurance shall be waived or altered except by endorsement. War Clause: Coverage does not apply under this Insurance for loss or damage directly or indirectly occasioned by, happening through or in consequence of war, invasion, acts of foreign enemies, any weapon of war employing atomic fission or radioactive force whether in time of peace or war, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power, confiscation or nationalization or requisition or destruction of or damage to property by or under the order of any government or public or local authority unless such acts of destruction by order of civil authority unless such acts of destruction by order of civil authority is at the time of and for the purpose of preventing spread of fire; or claims or liability arising directly or indirectly from nuclear fission, nuclear fusion or radioactive contamination.

Fraudulent Claims: If any Insured shall make any claim knowing the same to be false or fraudulent, as regards amount or otherwise, this Insurance shall become void as regards such claim.

Limitation on Purchase of Insurance: It is hereby understood and agreed that no Insured is authorized to purchase any other insurance which is or purports to be for the benefit of Palm Beach County, a political subdivision of the State of Florida, the Board of County Commissioners of Palm Beach County, its Commissioners, Employees or Agents without the express approval of the Plan Administrator.

Conflicting Statutes: In the event that any provision of this Insurance is unenforceable by the Insured under the laws of any State or other jurisdiction wherein it is claimed that the Insured is liable for any injury covered hereby because of non-compliance with any statute thereof, then this policy shall be enforceable for the Insured with the same effect as if it complied with such statutes.