

# **Gallatin Gateway County Water & Sewer District**

## **PUBLIC MEETING**

**Date: Wednesday, July 13, 2022**

**Time: 6:30 PM**

**Place: Gallatin Gateway Fire Department, 320 Webb St. Gallatin Gateway, MT**

A teleconference bridge for public input can be joined at **1-605-562-8400** and using **Participant Access Code 1286503** or by using the following web link:

**<http://hello.freeconference.com/conf/call/1286503>**

### **AGENDA**

#### **I. Public Participation on Non-Agenda Items<sup>1</sup>**

#### **II. Conflict of Interest Disclosure<sup>2</sup>**

#### **III. Approval of Minutes**

**A.** Approval of meeting minutes for May 16, 2022

**B.** Approval of meeting minutes for June 8, 2022

#### **IV. Old Business**

**A.** None

#### **V. New Business**

**A.** Consideration of Terms of Annexation Agreement and Petition for Annexation for 475 Gateway Road South

**B.** District Insurance - Renewal or find a new provider

**C.** Delinquent Account Letter Review

a. There are currently (4) delinquent accounts

#### **VI. Reports of Officers, Standing Committees and Special Committees**

**A.** General Manager's Report

- District Capacity Report

**B.** Existing Will Serve Agreements

**C.** Gateway Village Report (Director Fox)

#### **VII. Adjourn**

<sup>1</sup>The opportunity for members of the public to comment on District matters which are not on the agenda. Time limits may be imposed at the discretion of the President.

<sup>2</sup>An opportunity for Board members to disclose any potential, perceived or real conflict of interest on any item on the agenda or for any District business.

# **Gallatin Gateway County Water & Sewer District**

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## MINUTES OF THE

### **BOARD OF DIRECTORS**

A regular meeting of the Board of Directors of the Gallatin Gateway County Water & Sewer District was held at the Gallatin Gateway Fire Station, 320 Webb Street, Gallatin Gateway, MT, on 5/16/2022. Present at the meeting were board members Eric Amend (remotely), Ted Border, Cary Fox, as was District Council Swimley. Staff present included APE representatives Andrew Huggins and General Manager Sam Proconier. Members of the public included Pete Stein, and Tom Hennesh.

President Border called the meeting to order at 6:30 p.m. Secretary Alison Curry recorded the minutes of the meeting.

#### PUBLIC PARTICIPATION OF NON-AGENDA ITEMS

A. President Border asked for public comment on non-agenda items. No comments were made.

B. President Border made the motion to appoint Director Amend as an official member of the District's board. Director Fox seconded the motion, and it was passed unanimously. Director Amend has accepted the position as board member.

#### CONFLICT OF INTEREST DISCLOSURE

President Border asked if there were any items of conflict of interest, or potential conflict of interest, to be raised. None were raised.

#### APPROVAL OF MINUTES

Director Amend moved for the approval of 4/11/2022 minutes as is. Director Fox seconded the motion. Motion passed 3-0.

#### OLD BUSINESS

##### A. THE JUMP

Tom Hennesh who is a co-owner of The Jump is planning to host a concert June 11<sup>th</sup> on their property; this event will be a nonprofit event for a group of veterans, and additional parking is needed.

The Jump presented a proposal to use some of the District's property to the east as overflow parking. The Jump is committed to picking up trash, mowing, and adding the District onto their insurance policy.

There was a general discussion of potential vehicular impact to the District's property. The primary concerns would be damage to the District's well head, and soil compaction that may cause problems to a future drain field site. APE Representative Huggins noted that due to the lack of infrastructure and potential damage thereof, there would probably be no lasting impact to the site.

District Council Swimley encouraged the board to approve the Jump's proposal, provided the engineer confirms the low risk to the District's property. There was a consensus to speak with the engineer to assuage any concerns that may arise.

Director Fox makes motion for one time use of District property for the Jump to use for their event with the conditions laid out. Director Amend seconds, motion passed unanimously.

District Council Swimley will work on a license agreement for the Jump.

#### B. 475 Gateway Road South

District Council Swimley notes the District is negotiating terms of an annexation agreement, and distributed a 4/27/2022 letter from John Kauffman.

District Council Swimley is insistent with 475 that the District must have some kind of financial security, she is concerned about a flood event that would wipe out east/west bank. There is ambiguity in 475's response regarding pollution insurance; they have not pursued this coverage at this time. Though there is no resolution, John Kauffman asked that his letter be presented at the May board meeting.

It is noted that Mr. Pfeil does not have the right to tie into the District line; 475 has installed pipe up to the District's line, but has not made any breach of the line as of yet. Annexation is advantageous for 475 because they will pay less on a monthly basis than if they were on an out of District contract. District Council Swimley defers to the Board, but notes she does not believe 475's insurance is sufficient. If responsibility is assumed as indemnitor, there could be a catastrophic event for which the District would be held liable. Info on the boring has been acquired and flood exhibits have been provided. Director Fox would like to see more clarity from 475 South and an agreement made in the Pfeil name before they continue discussion. President Border agrees. Pete Stein discussed the concern of past events that could trigger a larger problem; there is potential for cottonwoods to collapse, creating a dam and flooding the area in question. Director Amend agrees that appropriate liability insurance needs to be attained.

There is continued discussion of potential negative events that could occur. District Council Swimley will relay the details and consensus of the discussion to John Kauffman.

## C. VRU COUNTS

There are properties that have recently connected to the District line, and will be charged accordingly. Gateway Inn is in the process of coming online, GM Proconier estimates they will be using their allotted 50 VRUs, which is a significant increase from the previous 158. They will be billed within the next quarter.

### Quarter 1

There is a general discussion about new and pending applications, as well as existing will-serves; Gary Kirt is adding units on his property and plans for completion by the end of summer. There are current will-serves that are approaching the 6 month mark, these locations will be contacted and charged. Gallatin Gateway, Genesis Engineering, and Montana Reclaimed Lumber are all coming on line; with these locations and pending applications the District is toeing the line of over capacity. There are approximately 87 VRUs that have been applied for; if the 160 gallons are made available and maximized by each property, the District will have exceeded available resources by roughly 40 VRUs. There is discussion about the purchase of VRUs from Four Corners, or the expansion of such on District property. When all VRUs from Four Corners are bought out this opportunity is obsolete.

## D. BUDGET DRAFT

GM Proconier noted that the prediction for lot charges was on target, with \$30 being the only difference. Then same growth pattern that the District had laid out was followed for this budget proposal. GM Proconier added a few lots, with 139 lots predicted at the conclusion of the year.

The District is \$10,000 underwater on Budget, because of contract administration services; Peak Water Services is taking over Treasurer duties. President Border notes we need to figure out where \$10k is coming from.

Sewer Enterprise is taking most of the cost, and is the same as what was budgeted last year. 25 percent of this line item is Administration services; secretary income will come from this item as well. Prior year was copy and pasted- Answering Service accounted for \$2000 budgeted for last year, but will be removed from budget for this year.

Morris and Maierle Engineering contract was budgeted at \$7500 last year, but it is concluded that only \$5000 is needed.

Legal Services are a little higher because of need of council to help navigate 475 South's petition for annexation.

Treatment services from 4 corners is the same percentage from last budget but GM Proconier used 9 month averages instead of 6 months due to unusual flow on the odd month. 30 percent over what the cost was for 9 months.

There was a general discussion with regards to Facilities line item and where the total number came from. Especially with regard to the lift station. There is no certain answer, and GM Proconier will investigate.

Four Corners fees are based on total amount the District paid last year. With more usage, there is less need to pay.

There is discussion as to numbers regarding the shed was from last year's budget. This will be looked into as well. The number may have come from extra cash from Capital Improvements Fund; the tool shed may have been covered by this fund. It is noted that the District's fiscal year ends June 30<sup>th</sup>.

#### Plant Investment Charge

GM Proconier calculated this line item from the will serves that are not paid, plus extra for the upcoming year. President Border would like to stay conservative on income projections. Stacey's will serve is coming up on 1 year anniversary; Peak will contact them. Will-serves expire after 6 months, but there is some leniency with regards to projects in progress. If a second extension is issued and expired, the District would require payment, otherwise the VRUs from those locations would come available for application and purchase. Peak will bring list of existing will-serves to next month's meeting. The District will continue to reissue checks to Pfeil Acquisitions until it is deposited. It is noted that the District's position on the 22 VRUs that were allotted to 475 are back in the pool, if they wish to make use of said VRUs they will need to reapply. Peak did not include these VRUs in their initial calculation.

Overage from budget proposal came from legal services, amounting to approximately \$3000. This line item is upped for the upcoming year.

The Board will look at Budget and get back to Peak about it. Director Amend notes that the Board should carefully review the proposed budget; the General Fund is of greatest concern at this time, with largest expense coming from contract administration services.

#### E. ENGINEER RECORDS CONTRACT

Director Fox makes motion to renew Morrison-Maierle engineering fee structure agreed to, Director Amend seconds, motion passed unanimously.

## NEW BUSINESS

None recorded.

### REPORT OF OFFICERS, STANDING COMMITTEES, AND SPECIAL COMMITTEES

#### General Manager Report

A.

Peak will become signatory on the District's account. This needs to happen asap so invoices can be paid.

The discharge permit on record was for 2020, there is question as to whether the permit renewal filed (DEQ). Peak will make sure permit is in the queue and will ascertain when permit will be received.

#### B.TURNBAY

Locates were found with no issue, Peak is still waiting to hear from MDT.

Some funds may need to be added to budget; Peak needs to know exactly where pipe is, not just the wire.

#### Existing will Serve Agreements

None recorded.

#### Gateway Village Report

Nothing to report.

President Border then asked for unanimous consent to adjourn. Seeing no objection, the meeting was adjourned at 7:54 P.M.

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Alison W. Curry

Secretary

# **Gallatin Gateway County Water & Sewer District**

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## MINUTES OF THE

### **BOARD OF DIRECTORS**

A regular meeting of the Board of Directors of the Gallatin Gateway County Water & Sewer District was held at the Gallatin Gateway Fire Station, 320 Webb Street, Gallatin Gateway, MT, on 06/08/2022. Present at the meeting were board members Eric Amend, Ted Border, Cary Fox. Staff present included GM Sam Proconier and APE representative Huggins.

President Border called the meeting to order at 6:30 p.m. Secretary Alison Curry recorded the minutes of the meeting.

#### PUBLIC PARTICIPATION OF NON-AGENDA ITEMS

President Border asked for public comment on non-agenda items. No comments recorded.

#### CONFLICT OF INTEREST DISCLOSURE

President Border asked if there were any items of conflict of interest, or potential conflict of interest, to be raised. None were raised.

#### APPROVAL OF MINUTES

Due to delinquency of May's minutes draft, there was a consensus to approve those minutes at July's District board meeting.

#### OLD BUSINESS

##### A. BUDGET

GM Proconier noted that he had adjusted the numbers in contract admin services. The adjusted budget reflects that 75% comes from the Sewer Enterprise Fund and 25% from the General Fund, it is noted that this is the biggest difference from last year's budget.

The utilities from the lift station was corrected, it is no longer being accounted for twice. Utilities were all included on the one line item.

Expense for locating the main was added onto budget; this number was provided from SIME, and was slightly higher than anticipated.

Capital Enterprise \$11,637 is what was initially budgeted, and \$8,681 is what SIME charged, so the District ended about \$3k ahead last year. Peak left this at \$10,000 for the time being; an increase may be necessary if the project for MDT is more expensive than estimated. This will be determined once Peak has heard back from MDT.

The Plant Investment Charge is reduced from \$40k to \$35k in order to be more conservative; this reflects the standing projections for flows as well.

The balance sheet is provided, there is general discussion about the details of the District's bookkeeping, Profit/Loss, etc. Peak will plan to email members of the Board copies of these financial documents.

Depreciation is recorded at about 10 percent of total number.

President Border notes the need for extra cash in case there are surprises from MDT, Director Amend mentioned it would be wise not to dip into the asset reserve if it can be avoided.

Lift station is looked at once a year, this will happen shortly. Peak is waiting to hear from MDT before pursuing the scope. It is more economical to perform the scope when a crew is in proximity as opposed to sending a team out specifically for that task.

There is discussion about location of manholes, APE representative Huggins noted that the as-builts that Peak has reviewed are quite accurate. President Border saw a groundfill project occurring near the North end of Webb street, and he inquired as to whether Peak has investigated the risk to District lines. Peak has done some locates but can't say affirmative for that particular area; President Border notes that the manhole in this location is obvious and the associated lines shouldn't be at risk of impairment.

There is a new house on Tracy Street that was coming online during the transition of treasurer duties to Peak. GM Proconier spoke with the owners, the Doyles, they were wrapping up their project and should be connecting to District line shortly.

With regards to the budget, Director Amend would like to see the Contract Admin Services worked out on paper; the board is fairly comfortable with the budget proposal overall.

Director Amend moves to approve budget, Director Fox seconds, motion passed unanimously.

### NEW BUSINESS

None recorded



## REPORT OF OFFICERS, STANDING COMMITTEES, AND SPECIAL COMMITTEES

### General Manager Report

#### A. MDT PROJECT

Locates were achieved and reburied. Peak is still waiting to hear a status update from MDT, and will connect and press them for a response.

#### B. LIFT STATION INFILTRATION ISSUES

APE representative Huggins notes lift Station that line dumps into had a major overflow of water and a subsequent mess has ensued. The water was flooded into the treatment plant, this valve was restricted to stem the flow. The tie-ins in the force main were assessed, Super Sun LLC was in poor condition, this is caused in part by tanks/penetrations not sealed properly, the water has saturated this area and was being addressed by the contractor. They were able to tackle the issue despite the threatening environment and the flow has decreased going into Four Corners plant. Issue is found at Ecocamp, package lift station had 2 penetrations where water was very close to the surface and constantly flowing, these were capped to stop the flow. It was determined that Ecocamp and Super Sun LLC both contributed to the issue at hand. Peak checked the flow from the lift station in Gallatin Gateway, but the water level remained in an acceptable range. Although the flooding has been resolved, Peak is not sure how Four Corners will handle the bill. Flow data will be recorded once a month, Peak reported the flow data from the omni site. There is a discussion about average of flows over the course of a month, flow is monitored coming from Lift station that the District pumps into, this includes water from Elk Grove subdivision; an exact amount cannot be determined. Peak recommends that Four Corners divvy up excessive fees between each tie in. The lift station near the Antique Barn was full, there was no discernible infiltration there was evidence of overflow; it is likely all sites have contributed to the overflow, so all will be responsible for extra cost. This has been discussed with all associated owners. Another site has transferred ownership recently, Peak spoke with the owner; they have one tie-in, but two new buildings under construction with small package lift stations. They applied for additional VRUs awhile ago, Peak has pressed the owners for more info but they have not been responsive. Peak will pursue the owners to ascertain the required information. The meter from this site's tie-in was never installed, so there is no read-out. APE representative Huggins summarized all concerns at hand and Peak will discuss excess fees with all users, monitor flow meters, and update the District with relevant information. President Border inquired about when these installations were done, discussed the need for the District's engineer to address concerns and approve necessary actions.

## CAPACITY REPORT

The capacity report was updated and made available. There are no pending applications, and there were no questions of GM Proconier at this time.

### Existing will Serve Agreements

Peak contacted everyone with existing will-serves, this is at least the 6 month point of issuance; since Peak took over duties as the manager.

### STACEY's

June 15<sup>th</sup> is the expiration of the will-serve for Stacey's they have issues with encroachment- they asked for an additional 6 months, but are willing to reapply for 8 VRUs if the District prefers. There is discussion with whether there should be an upcharge for VRUs that are reapplied for; Director Amend would like to keep current rate, so it does not skew the numbers of the Operations Budget. Peak will increase their PIC charge and reissue a will-serve once payment is received. President Border raised the question of how much more usage the site may be using based on visible activity; this is inconclusive at this time.

Peak will look into whether Stacey's has an old flow meter on their well, and they will be notified about increased PIC charges.

### MONTANA RECLAIMED LUMBER

There has been a lot of dialogue with Lutson, LLC about what their intentions are for construction and the associated usage of the District's resources. Their VRU allotment was upped slightly: .2 VRUS. Peak made changes to their will-serve and it will not expire until November.

### LINDA COX

Linda Cox is asking for extension due to difficulty getting contractors to finish the job. Director Amend notes there needs to be consistency with charges/clients; Peak will increase her picc charge and issue an extension.

### DOHLE

Peak has reached out to Dohles but they have not been responsive. They have a structure and although there is no known connection, Peak will pursue contact with them since their will-serve is expired. There is currently one VRU allotted to Dohles; they had applied for one new one for a total of two VRUs. Their original will-serve could not be found.

### ECOCAMP

They have residents in first house, and Peak will charge accordingly. There are two structures connected to the force main, with only one being occupied. Peak has contacted the owners, they confirmed that meters are ordered and they are awaiting shipment; Peak gave them until August to be installed. There is a consensus to start charging flow rates for any lines that are connected to the force main. Ecocamp is allotted 11 VRUs, so Peak will be billing for the 4.4 VRUs that are already tied in.

#### GENESIS ENGINEERING

Peak will get in touch with Genesis Engineering in the next month as their will-serve will be expiring. Peak has kept their VRUs at the current 17, but laid out contingencies that the flow meter will be monitored, and if the allotted amount is exceeded, this will be reflected in an overage charge.

#### LOHSS CONSTRUCTION

Lohss is allotted 7 VRUs; they are preparing to break ground. Their PIC charges were paid last August, and Peak is allowing until this August before the PIC charges will be increased.

#### RONALD PAGE

Ron Page was allotted 3 VRUs, however his 6 months has expired and he has not responded to Peak as of yet. He will need to pay increased PIC charges, otherwise those 3 VRUs will be open for application. In this instance, the District can issue him a refund check, and he can reapply when ready.

There is the possibility that the District will no longer accept applications in the near future, as VRU capacity will soon be maximized.

This concludes will serve report.

District Council Swimley has written up a contract for the concert hosted by The Jump; Peak signed off and the event has been approved.

There is no update on 475 South since last month.

Gateway Village is becoming occupied, 2 units are occupied and they are hoping to have several more by the end of the month. For the time being Scenic City hauls off sewage until flow meter registers a certain rate, at which point the Gateway Village plant will be used.

President Border then asked for unanimous consent to adjourn. Seeing no objection, the meeting was adjourned at 7:24.

Alison W. Curry

Secretary

KASTING, KAUFFMAN & MERSEN, P.C.

A T T O R N E Y S   A T   L A W

JOHN M. KAUFFMAN  
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KENT M. KASTING, *Of Counsel*

June 7, 2022

VIA EMAIL

Susan B. Swimley  
Attorney at Law  
1807 West Dickerson #B  
Bozeman, MT 59715

Re: Gateway W&S District – 475 Gateway, LLC/Pfeil Acquisition, LLC  
Subject to Rule 408 M.R.Evid.

Dear Susan:

I apologize for the delay since your last communication on this issue. The delay is mine alone, given my other obligations.

My client and I have tried to be creative to resolve the impasse that we are facing. I believe the following represents the last best offer from 475 Gateway, LLC / Pfeil Acquisition, LLC to resolve and compromise the dispute with Gateway Water and Sewer District (the “District”) as it relates to the provision of wastewater services.

To address the demand for environmental insurance and recognizing the uncertainty that comes along with being about to secure and maintain such a product into the future, my client would agree to obtain environmental pollution insurance so long as the cost of the same does not exceed 50% of the cost of wastewater service rates after the completion of annexation. It is our understanding that the monthly service rate, post annexation, will be \$1,100 or \$13,200 annually. As a result, insurance will be obtained as long as the premium for the coverage is at or below \$6,600 (using current rates). The last quote we received for the coverage was \$3,562 for \$1,000,000 in coverage. Therefore, at current sewer rates, the premium could increase quite a bit before the cap is triggered. In addition, my client will own the line as it goes beneath the river and indemnify the District, as discussed in my earlier correspondence. Finally, if

Susan Swimley  
June 7, 2022  
Page 2

coverage is not available, then the requirement for insurance would be lifted and the property would become security for the indemnification.

It is our hope that this compromise will bridge the gap between the parties and we can move forward. We have worked diligently to find a solution that avoids future conflict. Please let me know if the foregoing achieves that result.

Sincerely,

A handwritten signature in black ink, appearing to read "John M. Kauffman". The signature is stylized with several long, sweeping horizontal strokes that extend to the right.

John M. Kauffman

c. Client (email only)

Tuesday, January 18, 2022

FROM: Denise Cox  
 TO: HUB International Mountain States Limited  
 ATTN: Blaine Martin

RE: Riverbend MT, LLC

We are pleased to provide the following proposal for your client. Please review all coverage terms and conditions carefully as the coverage being offered may be more limited than coverages requested.

**Coverage:** All terms per Carrier      **Company:** Beazley Syndicates

Options	1 Year Term	2 Year Term	3 Year Term
Limits	\$1M/\$1M	\$1M/\$1M	\$1M/\$1M
Retention	\$25,000.00	\$25,000.00	\$25,000.00
Commission	10.00%	10.00%	10.00%
Premium	\$3,562.00	\$6,056.00	\$7,838.00
Carrier Fee	\$100.00	\$100.00	\$100.00
Surplus Lines Tax (MT) 2.750%	\$107.58	\$176.17	\$225.17
ERP Consulting Fee*	\$250.00	\$250.00	\$250.00
<b>Total due by insured</b>	<b>\$4,019.58</b>	<b>\$6,582.17</b>	<b>\$8,413.17</b>

\* The consulting fee is for services provided by Environmental Risk Professionals (ERP). ERP is an environmental consulting firm providing environmental risk management resources and professional risk review on your account.

Taxes shown above will increase if terrorism coverage is added to the premium. Details for purchasing terrorism coverage follow, but are not included in the above calculations.

Payment is due to UCPM, Inc. within 15 days from the effective date of coverage.

**The indication is subject to the receipt and satisfactory review of the following information prior to binding unless otherwise noted:**

- Signed terrorism form
- Completed, signed and dated previously submitted application
- Copy of easement agreement
- [MT SL Affidavit](#)

UCPM can handle the surplus lines filing for fee as quoted after receipt of any necessary affidavits.

Quote is valid for 30 days from the date of this proposal, or until the Expiration Date of the current policy, whichever is sooner.

**Note:** Higher limits may be available for most risks. Payment of premium or receipt of a policy number does not guarantee coverage if there are binding subjectivities outstanding.



## Deliver Enhanced Expertise and Value-Added Services

### Quote Analysis and Comparison

Review and compare quote options easily with our patented Dynamic Coverage Analysis Tool (DCAT). The DCAT shows side-by-side how each quote's terms respond to important coverage issues, helping insureds make more informed purchase decisions.

### Understand Pollution Risk

Most businesses are not aware of the pollution risks they carry. Environmental Risk Overviews (EROs) can help you convey the need for pollution insurance by highlighting the specific environmental exposures faced by a business and providing claims examples.

### Connect for Success

You can schedule a video or phone meeting with your UCPM broker to review quote options, coverage terms and exposures to prepare your presentation with the client. This opportunity to address questions and gain insights can enhance your success in placing coverage.

### Deliver Environmental Risk Management

We have an environmental consultant on retainer who can help you deliver valuable resources to your clients to manage their environmental risk, including Pollution Prevention Practices and Operations & Maintenance (O&M) Plans.

### Expand Business Opportunities

Enhance your insurance presentation with a business-building opportunity for your contractor clients. Certified Environmentally Responsible Contractor (CERC) is a unique certification program that can distinguish a contractor during the bid process for being properly trained and properly insured. Learn more about the CERC program at [c-e-r-c.com](http://c-e-r-c.com).

Watch testimonial on the benefits of CERC from a certified contractor [here](#)

Learn more about how CERC can help you stand out [here](#)





## ENVIRONMENTAL INSURANCE QUOTE

DATE	QUOTE #
01/18/2022	ENV-0027578

### APPLICANT

Riverbend MT, LLC  
1442 Baxter Lane E  
BOZEMAN, MT 59718

Thank you for the opportunity to provide this quote. Please note the policy forms and endorsements quoted may not be standard industry forms. The terms and conditions offered may differ from your prior policy and from what you requested in your submission.

This quotation is subject to receipt and review of the following information. Upon receipt of the below listed information, we reserve the right to modify these terms and conditions in accordance with our underwriting guidelines.

- Signed TRIA Form (Prior To Bind)
- Currently completed and signed EIL/Site Pollution Application (Prior To Bind)
- Copy of easement agreement. (Prior To Bind)

### STANDARD TERMS AND CONDITIONS OF THIS QUOTE

- The broker is responsible for all surplus lines filings and tax requirements.
- Premium is due by 15 days after the end of the calendar month the coverage is effective.
- Policy is 25.00% minimum earned at inception.
- This Quote is valid through 02/17/2022 or the expiration date of current coverage.

## QUOTED COVERAGES

Covered Location Pollution Liability (see Coverage Table below)

COVERAGE TABLE	COVERAGE PROVIDED
Covered Location Pollution Liability	
I.A.1. New Pollution Conditions (Third-Party Trigger)	Yes
I.A.2. New Pollution Conditions (Discovery Trigger)	Yes
I.B.1. Existing Pollution Conditions (Third-Party Trigger)	No
I.B.2. Existing Pollution Conditions (Discovery Trigger)	No
I.C. Transportation Pollution Liability Coverage	Yes
I.D. Non-Owned Disposal Site Pollution Liability Coverage	Yes

COVERED LOCATIONS	RETROACTIVE DATE
475 Gateway South Road, Gallatin Gateway, MT 59730	Inception Date

\*Please confirm with your underwriter that the addresses of the proposed insured locations are correct.\*

**FORMS AND ENDORSEMENTS**

EIL112 12-2016	EIL Form
LMA9104 01-2021	TRIA Disclosure of Premium
LSW1001	SEVERAL LIABILITY NOTICE
EIL203 12-2016	Covered Locations Endorsement
EIL229 12-2016	Microbial Matter Exclusion
EIL239 12-2016	Specified Coverage and Contamination Exclusion
EIL287 01-2021	Cyber Acts Clarification Endorsement
EVA129 12-2016	Minimum Earned Premium
EVA300 12-2016	Sanction Limitation and Exclusion
EVA301 12-2016	War and Terrorism Exclusion
EVA302 12-2016	Lloyd's Security Schedule
EVA303 12-2016	Radioactive Contamination Exclusion
EVA304 12-2016	Nuclear Incident Exclusion Clause - Direct (Broad) (USA)

**OPTION #1**

**LIMITS OF INSURANCE** the below limits are shared limits with a shared aggregate limit

Covered Location Pollution Liability Per Pollution Condition Limit	\$1,000,000
Covered Location Pollution Liability Aggregate Limit	\$1,000,000

COVERAGES	DEDUCTIBLES	RETROACTIVE DATES
Covered Location Pollution Liability	\$10,000 each pollution condition	see proposed locations schedule
Transportation of Pollution Liability	Covered Location deductible applies	Inception Date

**PREMIUM**

	Annual Term	2 Year Term	3 Year Term
Coverage Part Premium	\$3,562	\$6,056	\$7,838
TRIA Premium	\$250	\$250	\$250
<b>Total Premium</b>	<b>\$3,812</b>	<b>\$6,306</b>	<b>\$8,088</b>

**State Surplus Lines Taxes Apply – Broker to file and collect surplus lines taxes**

Policy Fee	\$100
Rate	Flat/Non-Auditable
Estimated Gross Receipts	

BEAZLEY SYNDICATES

NOTICE TO BROKER

MANDATORY POLICYHOLDER DISCLOSURE  
RE: TERRORISM INSURANCE COVERAGE

WE ARE REQUIRED BY THE TERRORISM RISK INSURANCE ACT (TRIA), AS REAUTHORIZED AND AMENDED, TO PROVIDE POLICYHOLDERS WITH A CLEAR AND CONSPICUOUS DISCLOSURE OF THE PREMIUM WE ARE CHARGING FOR TERRORISM COVERAGE AND THE FEDERAL SHARE OF COMPENSATION FOR SUCH COVERAGE. THIS NOTICE MUST BE PROVIDED AT THE TIME OF OFFER, PURCHASE AND RENEWAL OF THE POLICY.

WE HAVE PROVIDED YOU WITH A NOTICE THAT MEETS THE ACT'S REQUIREMENTS. YOU ARE INSTRUCTED TO DELIVER A COPY OF THIS NOTICE TO OUR PROSPECTIVE INSURED WHEN YOU FORWARD OUR QUOTE.

The following endorsements apply when the Applicant accepts or rejects Terrorism Coverage.

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Declination of Terrorism Coverage:

LMA 9104 01-2021

TRIA Disclosure of Premium

EVA306 12-2016

TRIA Not Purchased

Acceptance of Terrorism Coverage:

EVA305 01-2021

TRIA New & Renewal Business

LMA 9104 01-2021

TRIA Disclosure of Premium

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POLICYHOLDER DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE

You are hereby notified that under the Terrorism Risk Insurance Act of 2002, as amended ("TRIA"), that you now have a right to purchase insurance coverage for losses arising out of acts of terrorism, as defined in Section 102(1) of the Act, as amended: The term "act of terrorism" means any act that is certified by the Secretary of the Treasury, in consultation with the Secretary of Homeland Security and the Attorney General of the United States, to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of an air carrier or vessel or the premises of a United States mission; and to have been committed by an individual or individuals, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion. Any coverage you purchase for "acts of terrorism" shall expire at 12:00 midnight December 31, 2027, the date on which the TRIA Program is scheduled to terminate, or the expiry date of the policy whichever occurs first, and shall not cover any losses or events which arise after the earlier of these dates.

YOU SHOULD KNOW THAT COVERAGE PROVIDED BY THIS POLICY FOR LOSSES CAUSED BY CERTIFIED ACTS OF TERRORISM IS PARTIALLY REIMBURSED BY THE UNITED STATES UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. HOWEVER, YOUR POLICY MAY CONTAIN OTHER EXCLUSIONS WHICH MIGHT AFFECT YOUR COVERAGE, SUCH AS AN EXCLUSION FOR NUCLEAR EVENTS. UNDER THIS FORMULA, THE UNITED STATES PAYS 80% OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURER(S) PROVIDING THE COVERAGE. YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS A USD100 BILLION CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT AS WELL AS INSURERS' LIABILITY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM WHEN THE AMOUNT OF SUCH LOSSES IN ANY ONE CALENDAR YEAR EXCEEDS USD100 BILLION. IF THE AGGREGATE INSURED LOSSES FOR ALL INSURERS EXCEED USD100 BILLION, YOUR COVERAGE MAY BE REDUCED.

THE PREMIUM CHARGED FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

	I hereby elect to purchase coverage for acts of terrorism for a prospective premium of 1% of the bound premium subject to a minimum premium of \$250.
	I hereby elect to have coverage for acts of terrorism excluded from my policy. I understand that I will have no coverage for losses arising from acts of terrorism.

\_\_\_\_\_  
Policyholder/Applicant's Signature

Beazley Syndicates  
\_\_\_\_\_  
Issuance Company

\_\_\_\_\_  
Print Name

TBD  
\_\_\_\_\_  
Policy Number

\_\_\_\_\_  
Date

(LMA 9104 01-2021)



## QUOTE CONDITIONS

This Quotation should not be construed as a legal interpretation or description of the coverage afforded. The specific contract should be consulted for the exact details on the coverages and exclusions.

This quote has been based on the information you provided to us and on which we have relied and is subject to the terms and conditions of the policy forms. (Copies of policy forms are available upon request.) In the event the information provided to us is not complete and accurate, it may allow the insurers to deny liability for a particular claim or to void the policy entirely. If any material information has been withheld or if any of the information provided is now inaccurate, please advise us immediately in order that we can seek revalidation of terms.

This quote is valid until the date referenced on page one of this quote under the Standard Terms and Conditions section. **This quote does not necessarily provide the terms and conditions requested in your submission.** After the quote validation date has expired, pricing, terms and conditions are subject to change. We will not be responsible for consequences that may arise from any delay or failure by you to respond to us by that quote validation date.

**YOU ARE REQUESTED TO REVIEW THIS QUOTE TO CONFIRM THAT IT ACCURATELY REFLECTS THE COVERAGE, CONDITIONS, LIMITS AND OTHER TERMS THAT YOU REQUIRE.**

Compensation: As the program manager of the quoted insurer(s) in this proposal, we receive remuneration from the insurer for the tasks we provide the insurer. Our remuneration is a percentage of the insurance premium paid, and covers the services we provide the insurer. We may also receive an administration fee for claims handling, and a payment based upon the profitability of the business placed with these insurers under the binding authority.

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**COVERED LOCATION POLLUTION LIABILITY**

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These Declarations along with the completed and signed **Application** and the Policy with endorsements shall constitute the contract between the **Insureds** and the Underwriters.

CERTAIN UNDERWRITERS AT LLOYD'S  
BEAZLEY SYNDICATES AT LLOYD'S UNDER BINDING AUTHORITY - UNIQUE MARKET REFERENCE  
B1776BL202300M

POLICY NUMBER: TBD

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<b>Item 1.</b>	<b>Named Insured:</b>	Riverbend MT, LLC
	<b>Address:</b>	1442 Baxter Lane E BOZEMAN, MT 59718
<b>Item 2.</b>	<b>Policy Period</b>	both dates at 12:01 a.m. local time at the address stated in Item 1.
	From:	05/01/2022
	To:	05/01/2023
<b>Item 3.</b>	<b>Limit of Liability</b>	
REGARDLESS OF THE NUMBER OF COVERAGES INCLUDED UNDER THIS POLICY OR TRIGGERED BY ANY ONE "OCCURRENCE," <b>CLAIM OR POLLUTION CONDITION</b> , THE LIMITS OF LIABILITY SHOWN BELOW APPLY ONCE TO ANY "OCCURRENCE," <b>CLAIM OR POLLUTION CONDITION</b> , NOT SEPARATELY. THE INDIVIDUAL COVERAGE LIMITS ARE NOT SEPARATE.		
Covered Location Pollution Liability		
	\$1,000,000	Each Pollution Condition
	\$1,000,000	Coverage Part Aggregate Limit
<b>Item 4.</b>	<b>Deductible</b>	
	Covered Location Pollution Liability:	\$10,000 per pollution condition includes <b>Claims Expenses</b>
<b>Item 5.</b>	<b>Premium</b>	
	Coverage Part Premium:	\$3,562
	Application of Terrorism Risk Insurance Extension Act:	Rejected
	Total Premium:	\$3,562

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<b>Item 6. Retroactive Date</b>	
Covered Location Pollution Liability - Existing Pollution Conditions:	See endorsement EIL203 Covered Locations Endorsement
Transportation Pollution Liability:	Inception Date
<b>Item 7. Optional Extension Period /Extended Reporting Period</b>	
(a) Premium for <b>Optional Extension Period:</b>	200% of the total premium for this Policy
(b) Length of <b>Optional Extension Period:</b>	three years
<b>Item 8. Notification Under This Policy</b>	
(a) Notification of a Claim, circumstance or Discovery of a Pollution Condition shall be given to:	
Email:	claims@beazley.com
Fax:	(860) 679-0247
Mail:	Beazley Insurance Company, Inc. Attn: Claims 30 Batterson Park Drive Farmington, CT 06032
(b) All other notices under this Policy shall be given to:	
Mail:	Beazley Services, Inc. 30 Batterson Park Drive Farmington, CT 06032
Telephone:	(860) 677-3700
Fax:	(860) 679-0247
<b>Item 9. Covered Locations</b>	
See endorsement EIL203 Covered Locations Endorsement	
<b>Item 10. Service of process in any suit shall be made upon:</b>	Lloyd's America, Inc. Attention: Legal Department 280 Park Avenue, East Tower, 25 <sup>th</sup> Floor New York, NY 10017 or refer to the attached Service of Suit Endorsement
<b>Item 11. Choice of Law:</b>	New York

**Item 12. Coverage Provided**

THE FOLLOWING COVERAGE(S) ARE IN EFFECT ONLY IF DENOTED AS "YES" UNDER THE COVERAGE PROVIDED COLUMN BELOW

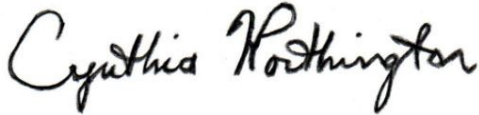
COVERAGE TABLE	COVERAGE PROVIDED
Covered Location Pollution Liability	
I.A.1. New Pollution Conditions (Third-Party Trigger)	Yes
I.A.2. New Pollution Conditions (Discovery Trigger)	Yes
I.B.1. Existing Pollution Conditions (Third-Party Trigger)	No
I.B.2. Existing Pollution Conditions (Discovery Trigger)	No
I.C. Transportation Pollution Liability Coverage	Yes
I.D. Non-Owned Disposal Site Pollution Liability Coverage	Yes

**Item 13. Endorsements Effective at Inception:**

EIL112 12-2016	EIL Form
LMA9104 01-2021	TRIA Disclosure of Premium
LSW1001	SEVERAL LIABILITY NOTICE
EIL203 12-2016	Covered Locations Endorsement
EIL229 12-2016	Microbial Matter Exclusion
EIL239 12-2016	Specified Coverage and Contamination Exclusion
EIL287 01-2021	Cyber Acts Clarification Endorsement
EVA129 12-2016	Minimum Earned Premium
EVA300 12-2016	Sanction Limitation and Exclusion
EVA301 12-2016	War and Terrorism Exclusion
EVA302 12-2016	Lloyd's Security Schedule
EVA303 12-2016	Radioactive Contamination Exclusion
EVA304 12-2016	Nuclear Incident Exclusion Clause - Direct (Broad) (USA)

**Dated:** 01/18/2022

7535 East Hampden Avenue, Suite 400  
Denver, CO 80231  
(the office of the Correspondent)

by   
Signature of Coverholder (as an agent for underwriters).

NOTICE: The coverage under Insuring Clause I.A.1., I.B.1., I.C. and I.D. is provided on a Claims Made and Reported Basis and applies only to **Claims** first made against the **Insured** during the **Policy Period** and reported in writing to the Underwriters pursuant to the terms of this Insurance Policy. The coverage under Insuring Clause I.A.2. and I.B.2. is first party coverage for **Cleanup Costs**. The Limit of Liability available to pay **Damages** and **Cleanup Costs** shall be reduced and may be completely exhausted by payment of **Claims Expenses**. Please review the coverage afforded under this Insurance Policy carefully and discuss the coverage hereunder with your insurance agent or broker.

This Policy only affords coverage provided for those Insuring Clauses that are indicated as purchased in Item 12. of the Declarations page.

In consideration of the payment of the premium and reliance upon the statements in the **Application**, which is deemed a part of this Insurance Policy (hereinafter referred to as the “Policy” or “Insurance”) and subject to the Limit of Liability, Deductible, Exclusions, conditions and other terms of this Insurance, the Underwriters agree with the **Named Insured** as follows:

**I. INSURING CLAUSE**

**THE FOLLOWING COVERAGES ARE IN EFFECT ONLY IF SCHEDULED IN THE DECLARATIONS.**

**A. Covered Location Pollution Liability Coverage - New Pollution Conditions**

To pay on behalf of the **Insured**:

1. **Cleanup Costs, Damages and Claims Expenses**, in excess of the Deductible, which the **Insured** shall become legally obligated to pay because of a **Claim** for a **Pollution Condition** first made against the **Insured** and reported in writing to the Underwriters during the **Policy Period**; or within the period, if applicable, set forth in Clause X.; and/or
2. **Cleanup Costs**, in excess of the Deductible, because of a **Pollution Condition** first discovered by the **Insured** and reported in writing to the Underwriters during the **Policy Period**; or within the period, if applicable, set forth in Clause X.;

provided that, such **Pollution Condition**:

- a. first commenced on or after the Inception Date stated in Item 2. of the Declarations and before the end of the **Policy Period**; and
- b. is on, at, under or migrates from a **Covered Location**.

**B. Covered Location Pollution Liability Coverage - Existing Pollution Conditions**

To pay on behalf of the **Insured**:

1. **Cleanup Costs, Damages and Claims Expenses**, in excess of the Deductible which the **Insured** shall become legally obligated to pay because of any **Claim** for a **Pollution Condition** first made against the **Insured** and reported in writing to the Underwriters during the **Policy Period**; or within the period, if applicable, set forth in Clause X; and/or
2. **Cleanup Costs**, in excess of the Deductible, because of a **Pollution Condition** first discovered by the **Insured** and reported in writing to the Underwriters during the **Policy Period**; or within the period, if applicable, set forth in Clause X.;

provided that, such **Pollution Condition**:

- a. first commenced on or after the Retroactive Date, if any, set forth in Item 6. of the Declarations and before the Inception Date stated in Item 2. of the Declarations; and
- b. is on, at, under or migrated from a **Covered Location**.

**C. Transportation Pollution Liability Coverage**

To pay on behalf of the **Insured**:

**Cleanup Costs, Damages and Claims Expenses**, in excess of the Deductible, which the **Insured** shall become legally obligated to pay because of any **Claim** for a **Pollution Condition** first made against the **Insured** and reported in writing to the Underwriters during the **Policy Period**, or within the period, if applicable, set forth in Clause X., wholly occurring during and resulting solely from **Transportation**; provided that such **Pollution Condition** first commenced on or after the Retroactive Date set forth in Item 6. of the Declarations and before the end of the **Policy Period**.

This Insuring Clause shall not be utilized to evidence financial responsibility of any **Insured** under any federal, state, provincial or local law.

**D. Non-Owned Disposal Site Pollution Liability Coverage**

To pay on behalf of the **Insured**:

**Cleanup Costs, Damages and Claims Expenses**, in excess of the Deductible, which the **Insured** shall become legally obligated to pay because of any **Claim** for a **Pollution Condition** first made against the **Insured** and reported in writing to the Underwriters during the **Policy Period**, or within the period, if applicable, set forth in Clause X., provided that such **Pollution Condition**:

1. first commenced on or after the Inception Date stated in Item 2. of the Declarations and before the end of the **Policy Period**; and
2. is on, at, under or migrates from a **Non-Owned Disposal Site**.

**II. SUPPLEMENTARY PAYMENTS**

Supplementary Payments made under this Clause are not subject to the Deductible and are payable by the Underwriters in addition to the Limits of Liability as set forth in Clause VII.

**A. Defendants Reimbursement**

Upon the Underwriters' request, the **Insured** shall attend mediation meetings, arbitration proceedings, hearings, depositions and trials relative to the defense of a **Claim**. The Underwriters shall reimburse the **Insured**, upon written request, for actual loss of earnings and reasonable expenses, due to such attendance, up to \$500 for each day, beginning on the day after the third day of attendance, in the aggregate for all **Insureds** subject to a maximum amount of \$10,000 for each **Claim**.

**B. Reputation Management Reimbursement**

The Underwriters shall reimburse the **Named Insured** fifty percent (50%) of the first \$100,000 in the aggregate for the **Policy Period** incurred by the **Named Insured** for **Reputational Management Expenses**

### III. DEFINITIONS

Wherever used in this Policy in bold face type, the following definitions shall apply.

- A. **“Application”** means all signed applications, including all attachments and other materials submitted therewith or incorporated therein, and any other such documents submitted in connection with the underwriting of this Policy including any endorsement or other part thereof, or any other policy issued by the Underwriters, of which this Policy is a renewal, replacement or which it succeeds in time.
- B. **“Bodily Injury”** means physical injury, sickness or disease, including death resulting therefrom, and any accompanying mental anguish, emotional distress or shock sustained by any person.
- C. **“Cargo”** means an **Insured’s** waste, materials, goods or products transported by automobile, aircraft, watercraft or other conveyance for delivery by a carrier properly licensed, as required by law, to transport such waste, materials, goods or products
- D. **“Claim”** means:
  - 1. a written demand received by an **Insured** for money or services or alleging liability or responsibility, including, but not limited to, the service of suit or institution of arbitration proceedings; or
  - 2. a court or government agency order or government or regulatory action filed against the **Insured**.
- E. **“Claims Expenses”** means:
  - 1. reasonable and necessary fees charged by an attorney designated or consented to by the Underwriters, such consent not to be unreasonably withheld or delayed;
  - 2. all other fees, costs and expenses resulting from the investigation, adjustment, defense and appeal of a **Claim** arising in connection therewith, if incurred by the Underwriters, or by the **Insured** with the prior written consent of the Underwriters, such consent not to be unreasonably withheld or delayed; and
  - 3. premiums for appeal bonds for judgments or bonds to release property used to secure a legal obligation, if required for a **Claim** against any **Insured** for a **Pollution Condition** to which this Insurance applies,

provided, however, that the Underwriters shall have no obligation to appeal the underlying judgment or to obtain such bonds.

Except as set forth in Clause II.A., **Claims Expenses** do not include any goods supplied or services performed by the staff or salaried employees of the **Insured** in connection with the investigation, adjustment, defense or appeal of a **Claim** noticed under this Insurance or in connection with the investigation or remediation of a **Pollution Condition**.

F. **“Cleanup Costs”** means:

1. reasonable and necessary costs, charges and expenses incurred (if by an **Insured**, then only with the prior written consent of the Underwriters, such consent not to be unreasonably withheld or delayed) in the investigation, assessment, removal, disposal, abatement, containment, treatment, remediation (including the associated testing and monitoring) or neutralization of a **Pollution Condition**, to the extent required by **Environmental Laws**, required by a **Licensed Site Professional** or required to satisfy the **Insured’s** obligations under a federal or state voluntary cleanup program;
2. reasonable and necessary fees charged by an attorney designated or consented to by the Underwriters, such consent not to be unreasonably withheld or delayed, incurred in connection with any such **Cleanup Costs**;
3. reasonable and necessary **Restoration Costs**; and/or
4. reasonable and necessary expenses incurred to respond to an imminent and substantial endangerment to the public health or welfare or to the environment because of a **Pollution Condition**; provided that, as a condition precedent to coverage, the **Named Insured** shall forward written notice to the Underwriters of any action taken and expense incurred pursuant to this section as soon as practicable, but in no event later than seventy-two (72) hours after any such Cleanup Costs have been incurred or assumed..

G. **“Covered Location”** means any location specified in Item 9. of the Declarations or in a Covered Location Endorsement attached to this Policy.

H. **“Damages”** means a monetary judgment, award or settlement of compensatory damages, including any pre-judgment and/or post-judgment interest thereon, incurred for **Property Damage** and/or **Bodily Injury**, including any required medical monitoring when accompanied by such **Bodily Injury**.

The term **Damages** shall not include or mean:

1. criminal fines, taxes or loss of tax benefits, sanctions or criminal penalties assessed against the **Insured**;
  2. civil fines and penalties assessed against the **Insured**, punitive damages, exemplary damages or any damages which are a multiple of compensatory damages, unless insurable by the law under which this Policy is construed;
  3. liquidated damages;
  4. any amounts for which the **Insured** is not liable, or for which there is no legal recourse against the **Insured**;
  5. matters deemed uninsurable under the law pursuant to which this Policy is construed; or
  6. goods supplied or services performed by the staff or salaried employees of the **Insured** in connection with the investigation, adjustment, defense or appeal of any **Claim** noticed under this Insurance or in connection with the investigation or remediation of a **Pollution Condition**, without the prior written consent of the Underwriters and in accordance with Clause II. A.
- I. **“Engineering Controls”** means physical modifications to a **Covered Location** to reduce or eliminate the potential for exposure to **Pollution Conditions**.
- J. **“Environmental Laws”** means any federal, state, provincial or local laws, including but not limited to statutes, rules, regulations, ordinances, guidance documents, and governmental, judicial or administrative orders and directives that are applicable to **Pollution Conditions** to which this Insurance applies.
- K. **“Insured”** shall mean:
1. the **Named Insured**;
  2. a present or former director or officer, or, in the case of a limited liability company, a member or manager of the **Named Insured**, but only with respect to the performance of his or her duties as such on behalf of the **Named Insured**;
  3. a present or former employee or **Temporary Employee** of the **Named Insured**, but only for work done while acting within the scope of his or



her employment and related to the conduct of the **Named Insured's** business;

4. a present or former principal if the **Named Insured** is a sole proprietorship or a partner if the **Named Insured** is a partnership, but only with respect to the performance of his or her duties as such on behalf of the **Named Insured**;
5. the estate, heirs, executors, administrators, assigns and legal representatives of any **Insured** in the event of such **Insured's** death, incapacity, insolvency or bankruptcy, but only to the extent that such **Insured** would otherwise be entitled to coverage under this Insurance.

L. **“Institutional Controls”** means legal and administrative restrictions on the use of or access to a **Covered Location** which are designed to reduce or eliminate the potential for exposure to **Pollution Conditions**.

M. **“Licensed Site Professional”** means a licensed environmental scientist or engineer that is in good standing with, and acting under the authority of federal, state, provincial or local laws for the purpose of addressing **Pollution Conditions** at a **Covered Location**.

N. **“Material Change In Use”** means any change in use or operations at a **Covered Location** from the use or operations identified by the **Insured**:

1. in the statements and information contained in the **Application** and other supplemental materials submitted to the Underwriters prior to the Inception Date stated in Item 2. of the Declarations, or
2. prior to adding such location as a **Covered Location** specified in Item 9. of the Declarations

that materially increases the likelihood or severity of a **Pollution Condition**, or results in the imposition of more stringent remediation standards than those applicable to the **Covered Location** as of the effective date of this Policy.

O. **“Microbial Matter”** means fungi, mold or mildew.

P. **“Named Insured”** means only the person or entity specified in Item 1. of the Declarations.

Q. **“Natural Resource Damage”** means physical injury to, or destruction of, and the resulting loss of use and loss of value (and the cost for assessment and replacement as a result of such injury, destruction or loss required by law to

restore the natural resources to their baseline conditions as they existed prior to the **Pollution Condition**) of land, fish, wildlife, biota, air, water, groundwater, drinking water supplies, and other such resources belonging to, managed by, held in trust by, appertaining to, or otherwise controlled by the United States (including the resources of the fishery conservation zone established by the Magnuson-Stevens Fishery Conservation and Management Act, 16 U.S.C. 1801 et. seq.), any state, local or provincial government, any foreign government, any Native American Tribe or if such resources are subject to a trust restriction on alienation, any member of a Native American Tribe.

- R. **“Non-Owned Disposal Site”** means any location used by the **Named Insured** for the treatment, storage or disposal of waste or materials generated at a **Covered Location**, provided that such location:
1. is not managed, operated, owned or leased by any **Insured** or an affiliate of any **Insured**; and
  2. is properly permitted and/or licensed by the applicable federal, state, local or provincial authorities to accept such waste or materials as of the date the waste or materials are treated, stored or disposed of at such location; and
  3. is within the United States, its territories or possessions, or in Canada; and
  4. is not listed on a proposed or final Federal National Priorities List and/or any state or provincial equivalent National Priority List, Superfund or Hazardous Waste List prior to the treatment, storage or disposal of the waste or material at such location; and
  5. is not owned or operated by a bankrupt or financially insolvent entity as of the date the waste or materials are treated, stored or disposed of at such location.
- S. **“Policy Period”** means the period of time between the Inception Date stated in Item 2. of the Declarations and the effective date of termination, expiration or cancellation of this Insurance and specifically excludes any **Extended Reporting Period** or any prior policy period or renewal period.
- T. **“Pollution Condition”** means the actual or alleged discharge, dispersal, release, escape, migration, seepage or illicit abandonment of any solid, liquid, gaseous or thermal irritant, contaminant or pollutant, including but not limited to, smoke, vapors, soot, fumes, acids, alkalis, chemicals, toxic or hazardous substances, waste materials, including medical infectious and pathological

waste, low-level radioactive waste and material into or upon land or structures thereupon, the atmosphere or any watercourse, body of water or groundwater, which results in **Bodily Injury, Property Damage or Cleanup Costs** to which this Insurance applies. **Pollution Condition** includes the presence of legionella pneumophilia and **Microbial Matter** on, at or within any structures at the **Covered Location**. **Pollution Condition** does not include any exposure to infected humans or animals, or contact with bodily fluids or infected humans or animals.

For the purpose of this Policy, the same, continuing or series of related or repeated **Pollution Conditions** shall be considered a single **Pollution Condition**, irrespective of the number of claimants or **Insureds** involved in the **Claim**.

U. **“Property Damage”** means:

1. physical injury to or destruction of any tangible property, including the loss of use thereof;
2. loss of use of tangible property that has not been physically injured or destroyed;
3. diminished value of property owned by third parties, but only where there is physical injury to or destruction of such tangible property; or
4. **Natural Resource Damage**.

**Property Damage** does not include **Cleanup Costs**.

V. **“Reputational Management Expense”** means reasonable fees, costs, and expenses incurred by the **Named Insured** which are directly related to mitigating harm to the **Named Insured’s** reputation resulting from a **Pollution Condition** covered under this Policy.

W. **“Responsible Insured”** means:

1. any director, officer, principal, partner, or, in the case of a limited liability company, member or manager of the **Named Insured**;
2. any manager or supervisor of the **Named Insured** responsible for environmental health and safety affairs, control or compliance;
3. any insurance manager or any member of the risk management or legal department of the **Named Insured**; or

- 4. any manager of a **Covered Location**.
  
- X. “**Restoration Costs**” means expenses required to restore, repair or replace real or personal property to substantially the same condition it was in prior to being damaged during the course of responding to a **Pollution Condition** to which this Insurance applies. These costs will not exceed the actual cash value of such real or personal property immediately prior to such damage, or include costs associated with improvements or betterments. Actual cash value shall mean the cost to replace such real or personal property, immediately prior to such damage, minus the accumulated depreciation of the real or personal property.
  
- Y. “**Temporary Employee**” means a natural person furnished or leased to the **Named Insured** to meet short term or project specific workloads and for whom the **Named Insured** has the right to direct and control the means of performance.
  
- Z. “**Transportation**” means the movement of **Cargo** to or from a **Covered Location** and includes the loading and unloading of **Cargo** onto or from an automobile, aircraft, watercraft or other conveyance provided that the loading and unloading is performed by or on behalf of the **Insured**.
  
- AA. “**Underground Storage Tank**” means any stationary container or vessel, including the associated piping connected thereto, which is:
  - 1. ten percent (10%) or more beneath the surface of the ground;
  - 2. constructed primarily of non-earthen materials; and
  - 3. designated to contain any substance.

#### IV. DEFENSE, SETTLEMENT AND INVESTIGATION

- A. The Underwriters shall have the right and duty to defend, subject to the Limit of Liability, exclusions and other terms and conditions of this Policy, any **Claim** against the **Insured** seeking **Cleanup Costs** and/or **Damages** to which this Insurance applies, even if any of the allegations of the **Claim** are groundless, false or fraudulent.
  
- B. The Limit of Liability available to pay **Damages** and **Cleanup Costs** shall be reduced and may be completely exhausted by payment of **Claims Expenses**. **Cleanup Costs**, **Damages** and **Claims Expenses** shall be applied against the Deductible.

- C. The Underwriters shall have the right to make any investigation they deem necessary, including, without limitation, any investigation with respect to the **Application** and statements made in the **Application** and with respect to coverage.
- D. If the **Insured** shall refuse to consent to any settlement or compromise of a **Claim** recommended by the Underwriters and acceptable to the claimant, the Underwriters' liability for any **Damages** and **Claims Expenses** associated with such **Claim** shall not exceed the amount for which the **Claim** could have been settled, less the remaining Deductible, plus the **Claims Expenses** incurred up to the time of such refusal, or the applicable Limit of Liability, whichever is less, and the Underwriters shall have the right to withdraw from the further defense thereof by tendering control of said defense to the **Insured**.
- E. It is further provided that the Underwriters shall not be obligated to pay any **Cleanup Costs, Damages** or **Claims Expenses**, or to undertake or continue defense of any suit or proceeding after the applicable Limit of Liability has been exhausted by payment of **Cleanup Costs, Damages** and/or **Claims Expenses**.

## V. TERRITORY

Subject to Clause III.R., this Policy applies to **Claims** made and **Pollution Conditions** arising anywhere in the world where permitted by applicable law.

## VI. EXCLUSIONS

The coverage under this Insurance does not apply to **Damages** or **Claims Expenses** incurred in connection with or resulting from any **Claim**, or to any **Cleanup Costs**:

### A. Intentional Acts

arising out of or resulting from any actual or alleged **Pollution Condition** that results from a **Responsible Insured's** intentional disregard of, or willful, deliberate, or dishonest non-compliance with, any statute, regulation, ordinance, administrative complaint, notice of violation, notice letter, order or instruction by or on behalf of any governmental agency or representative.

### B. Prior Knowledge

arising out of or resulting from any actual or alleged **Pollution Condition** existing prior to the Inception Date stated in Item 2. of the Declarations and known by a **Responsible Insured**. This exclusion does not apply to **Pollution Conditions** known by a **Responsible Insured**, disclosed to the Underwriters

prior to the Inception Date stated in Item 2. Of the Declarations and specifically scheduled by written endorsement attached to this Policy.

**C. Insured versus Insured**

made by or on behalf of any **Insured** against any other person or entity who is also an **Insured**. This exclusion does not apply to:

1. **Claims** involving a **Named Insured** and any other person or entity who is also an **Insured**, in which the underlying action is initiated by a third party who is not an **Insured**, such as an action for contribution or cross claim; or
2. **Claims** that arise out of an indemnification given by one **Insured** to another **Insured** as specified in a contract that was submitted and approved by the Underwriters and attached to this Policy by endorsement, to the extent not otherwise excluded by this Policy.

**D. Assumption of Contractual Liability of Others**

arising out of or resulting from the liability of others assumed by the **Insured** under any contract or agreement either oral or written, including any hold harmless or indemnity agreements, except to the extent:

1. the **Insured** would have been liable in the absence of such contract or agreement; or
2. provided under contracts approved by the Underwriters and identified on a Schedule of Insured Contracts Endorsement attached to this Policy.

**E. Asbestos / Lead-Based Paint**

arising out of or resulting from asbestos or lead-based paint, or asbestos containing materials or lead-based paint in whatever form or quantity; provided, that this exclusion shall not apply to:

1. Insuring Clause I.A. or I.B. of this Policy to the extent of asbestos or lead-based paint, or any materials containing asbestos or lead-based paint, in soil or in any watercourse or body of water or in groundwater; or
2. Insuring Clause I.C. or I.D. of this Policy.

## F. Employers Liability and Workers Compensation

for, arising out of or resulting from:

1. **Bodily Injury** to any employee of the **Named Insured** arising out of and in the course of:
  - a. employment by the **Named Insured**; or
  - b. performing duties related to the conduct of the **Named Insured's** business; or
2. **Bodily Injury** to any spouse (or person living together as spouse), child, parent, brother, sister or dependent of the employee as a consequence of 1. above; or
3. the **Named Insured's** employment obligations, decisions, practices or policies as an employer; or
4. any obligation for which the **Insured** or any carrier as insurer may be liable under any workers compensation, unemployment compensation or disability benefits law or similar law.

## G. Products Liability

arising out of or resulting from any goods or products designed, manufactured, sold, handled, distributed, installed, altered or repaired by the **Insured**, or by others trading under the **Insured's** name, including any container thereof, any failure to warn, or any reliance upon a representation or warranty made at any time with respect thereto, but only to the extent the **Pollution Condition** took place away from a **Covered Location** and after physical possession of such goods or products has been relinquished by the **Insured** to others. This exclusion shall not apply to Insuring Clause I.C. of this Policy.

## H. Property Damage to Named Insured's Property

for, arising out of or resulting from, any **Property Damage** to any property owned, leased or operated by, or in the care, custody or control of the **Named Insured**, even if such **Property Damage** is incurred to avoid or mitigate **Damages** or **Cleanup Costs** to which this Insurance applies.

## I. Naturally Occurring Materials

arising out of or resulting from naturally occurring materials; however, this exclusion does not apply where naturally occurring materials are present at a

**Covered Location** only because of human activities or processes, or where any response, removal, abatement or remediation of naturally occurring materials is required by order of a court or government agency.

J. **New Pollution Conditions at Divested Property**

arising out of or resulting from a **Pollution Condition** on, at, under or migrating from a **Covered Location**, where such **Pollution Condition** first commences after such **Covered Location** is sold, given away or abandoned by the **Insured** or condemned.

K. **Aircraft, Auto or Watercraft**

arising out of or resulting from the ownership, operation, maintenance, use, loading and unloading, or entrustment to others of any aircraft, automobile or watercraft beyond the boundaries of a **Covered Location**.

This exclusion shall not apply to Insuring Clause I.C. of this Policy.

L. **Material Change in Use of a Covered Location**

under Insuring Clause I.A. and I.B., arising out of a **Material Change In Use**.

M. **Failure to Maintain Institutional Controls or Engineering Controls**

arising out of or resulting from:

1. the failure to monitor, maintain or enforce the **Institutional Controls** or **Engineering Controls** for a **Covered Location**; or
2. the ongoing and necessary costs associated with monitoring, maintaining or enforcing the existing **Institutional Controls** or **Engineering Controls** in place on or before the Inception Date stated in Item 2. of the Declarations.

N. **Underground Storage Tank**

arising out of or resulting from the existence of any **Underground Storage Tank**. This exclusion shall not apply to:

1. an **Underground Storage Tank** at a **Covered Location** that is closed, abandoned in place or removed prior to the Inception Date stated in Item 2. of the Declarations, in accordance with all applicable federal,



state, local or provincial regulations in effect at the time of closure, abandonment or removal;

2. an **Underground Storage Tank** that is identified as a **Covered Location** as specified in Item 9. of the Declarations;
3. an **Underground Storage Tank** at a **Covered Location** , the existence of which is not known to any **Responsible Insured** as of the Inception Date stated in Item 2. of the Declarations;
4. a flow-through process tank, including oil/water separators at a **Covered Location**; or
5. a storage tank situated in a man-made underground area (such as a basement, cellar, mine shaft or tunnel) at a **Covered Location** if the storage tank is situated upon or above the surface of the floor.

O. **Compliance Actions and Improvements**

arising out of additions, equipment upgrades or physical improvements to the **Covered Location** or other property of the **Insured** whether undertaken voluntarily or to assure compliance with applicable laws or regulations.

VII. **LIMIT OF LIABILITY**

- A. The Limit of Liability stated in Item 3.(a) of the Declarations for Each **Pollution Condition** is the limit of the Underwriters' liability for all **Cleanup Costs, Damages** and **Claims Expenses** arising out of each **Pollution Condition**.
- B. The Aggregate for the **Policy Period** stated in Item 3. of the Declarations is the Underwriters combined total Limit of Liability for all **Cleanup Costs, Damages** and **Claims Expenses** arising out of all **Pollution Conditions**, which are covered under the terms and conditions of this Policy, and neither the inclusion of more than one **Insured** under this Policy, nor the making of **Claims** by more than one person or entity shall increase the Limit of Liability.
- C. The Limit of Liability for the **Extended Reporting Period** shall be part of and not be in addition to the Limit of Liability of the Underwriters for the **Policy Period**.

VIII. **DEDUCTIBLE**

- A. The Deductible stated in Item 4. of the Declarations applies separately to each **Pollution Condition**. One Deductible shall apply to all **Cleanup Costs, Damages** and **Claim Expenses** arising from the same, continuous, repeated or related

**Pollution Conditions.** The Deductible shall be satisfied by monetary payments by the **Named Insured** of **Cleanup Costs, Damages and Claims Expenses** resulting from **Claims** first made against the **Insured** and **Pollution Conditions** first discovered by the **Insured** during the **Policy Period** and reported to the Underwriters pursuant to the terms of this Policy. The full payment of the Deductible amount is a condition precedent to the payment by the Underwriters of any amounts hereunder, and the Underwriters shall be liable only for the amounts in excess of the Deductible subject to the Underwriters total liability not exceeding the Limits of Liability stated in Items 3. and 3.(b) of the Declarations. The **Named Insured** shall make direct payments within the Deductible to appropriate other parties designated by the Underwriters. The Deductible amount does not reduce the Limit of Liability.

- B. Any payments by the **Named Insured** in satisfaction of its deductible obligations under any other valid and collectible insurance shall not satisfy the Deductible under this Policy. Nor shall payments, costs or charges incurred without the Underwriters' consent (not to be unreasonably withheld) satisfy the Deductible under this Policy.

#### IX. NOTICE OF CLAIM AND DISCOVERY OF POLLUTION CONDITION

- A. With respect to Insuring Clause I.A.1., I.B.1., I.C. and I.D., if any **Claim** is made against an **Insured**, the **Insured** shall forward written notice as soon as practicable to the Underwriters but in no event shall such notice be provided after the expiration of the **Policy Period** or the time allowed, if applicable, under Section X. Notice shall be forwarded via facsimile, email or express or certified mail to the persons identified in Item 8.(a) of the Declarations. Such notice should include a copy of every demand, notice, summons or other process received by the **Insured** or the **Insured's** representative.
- B. With respect to Insuring Clause I.A.2. and I.B.2., the **Insured** shall forward written notice to the Underwriters as soon as practicable after a **Responsible Insured** becomes aware of any **Pollution Condition**, but in no event shall such notice be provided after the expiration of the **Policy Period** or the time allowed, if applicable, under section X Notice shall be forwarded via facsimile, email or express or certified mail to the persons identified in Item 8.(a) of the Declarations.

Notice shall include, at a minimum, information sufficient to identify the **Named Insured**, the **Covered Location** affected, the names of persons with knowledge of the **Pollution Condition**, and all known and reasonably obtainable information regarding the time, place, cause, nature of and other circumstances of the **Pollution Condition**, and any resulting injuries or damages and remedial steps proposed to be undertaken by the **Insured**.

- C. A **Claim** or **Pollution Condition** shall be considered to be reported to the Underwriters when written notice is first received by any of the recipients identified in Item 8.(a) of the Declarations.

**X. EXTENDED REPORTING PERIOD**

**A. Automatic Extended Reporting Period**

- 1. If this Policy is cancelled or non-renewed by the Underwriters or by the **Named Insured**, then the **Named Insured** shall have the right to an Automatic Extended Reporting Period, commencing on the last day of the **Policy Period**, with respect to:
  - a. any **Claim** first made against any **Insured** during the **Policy Period** and reported in writing to the Underwriters during the ninety (90) day Automatic Extended Reporting Period, and otherwise covered under this Policy;
  - b. any **Claim** first made against any **Insured** during the ninety (90) day Automatic Extended Reporting Period, resulting from a **Pollution Condition** first discovered and reported in writing to the Underwriters during the **Policy Period**, and otherwise covered under this Policy;
  - c. any **Pollution Condition** first discovered by any **Insured** during the **Policy Period** and reported in writing to the Underwriters during the Automatic Extended Reporting Period, and otherwise covered under this Policy.

The above Automatic Extended Reporting Period shall not apply if the **Insured** has purchased other insurance to replace the insurance provided under this Policy.

**B. Optional Extended Reporting Period**

- 1. If this Policy is cancelled or non-renewed by the Underwriters or by the **Named Insured**, then the **Named Insured** shall have the right, upon payment of an additional premium calculated at that percentage shown in Item 7.(a) of the Declarations of the total premium for this Policy, to an Optional Extended Reporting Period with respect to any **Claim** first made against any **Insured** and reported during the period of time set forth in Item 7.(b) of the Declarations following the end of the **Policy Period**, but only with respect to any **Pollution Condition** first discovered

and reported in writing to the Underwriters during the **Policy Period**, which is otherwise covered by this Policy.

2. If the Optional Extended Reporting Period is purchased, the ninety (90) day Automatic Extended Reporting Period referred to in Clause X.A. above shall form part of, and not be in addition to the Optional Extended Reporting Period.
3. As a condition precedent to the right to purchase the Optional Extended Reporting Period, the total premium for this Policy must have been paid. The right to purchase such extension of coverage shall terminate unless written notice together with full payment of the premium for such extension of coverage is given to the Underwriters within sixty (60) days after the effective date of cancellation or non-renewal. If such notice and premium payment is not so given to the Underwriters, there shall be no right to purchase such extension of coverage.
4. In the event of the purchase of the Optional Extended Reporting Period, the entire premium for the Optional Extension Period shall be deemed earned at its commencement.
5. The exercise of the Optional Extended Reporting Period shall not in any way increase the Limits of Liability set forth in Item 3. of the Declarations.
6. The offer of renewal terms, conditions or premiums different from those in effect prior to renewal shall not constitute a refusal to renew for purposes of this Clause X.

## **XI. REPRESENTATIONS**

By acceptance of this Policy, all **Insureds** agree that the statements contained in the **Application** are their agreements and representations, that they shall be deemed material to the risk assumed by the Underwriters, and that this Policy is issued in reliance upon the truth thereof.

This entire Policy shall be void if, whether before or after a **Claim** or **Pollution Condition** is first reported to the Underwriters, any Insured has concealed or misrepresented any fact or circumstance material to the granting of coverage under this Policy.

## **XII. OTHER INSURANCE**

- A. Except as set forth in Clause XII.C. below, this Insurance is primary, and the Underwriters obligations are not affected unless any other insurance is also

primary. In that case, the Underwriters will share with all such other insurance by the method described in Clause XII.C. below.

- B. When this Insurance is excess, the Underwriters will pay only its share of the amount of **Cleanup Costs, Damages** or **Claims Expenses**, if any, that exceeds the total amount of such other insurance.
- C. When both this Insurance and other insurance apply to **Cleanup Costs, Damages** or **Claims Expenses** on the same basis, whether primary or excess, the Underwriters shall not be liable under this Policy for a greater proportion of **Cleanup Costs, Damages** or **Claims Expenses** than the amount resulting from the following contribution methods, whichever is lesser:
  - 1. contribution by equal shares where each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the **Cleanup Costs, Damages** or **Claims Expenses** remains, whichever occurs first; or
  - 2. contribution by limits where each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

Where other insurance may be available for **Cleanup Costs, Damages** or **Claims Expenses** covered under this Insurance as noted above, the **Insured** shall promptly, upon request, provide the Underwriters with copies of all such policies.

### **XIII. ASSIGNMENT**

The interest hereunder of any **Insured** is not assignable except with the prior written consent of the Underwriters, such consent not to be unreasonably withheld or delayed. If an **Insured** shall die or be adjudged incompetent, such insurance shall cover that **Insured's** legal representative to the extent that the **Insured** would be covered by this Policy.

### **XIV. CANCELLATION**

This Insurance may be cancelled by the **Named Insured** by surrender of this Policy to the Underwriters or by mailing to the Underwriters written notice stating when thereafter cancellation shall be effective.

This Insurance may be cancelled by the Underwriters, by mailing the **Named Insured** at the address set forth in Item 1. of the Declarations, a notice stating when thereafter such cancellation shall be effective. The Underwriters may only cancel this Insurance for the following reasons:

1. material misrepresentation or fraud on the part of the **Named Insured** in the **Application**;
2. any **Insured's** material failure to comply with the terms, conditions or contractual obligations under this Policy, including the failure to pay any premium or Deductible when due; or
3. a **Material Change In Use**.

The time of surrender or the effective date and hour of cancellation stated in the notice shall become the end of the **Policy Period**. Delivery of such written notice either by the **Named Insured** or by the Underwriters shall be the equivalent of mailing. Notice of pending cancellation will be provided not less than: (a) ninety (90) days prior to the effective date of cancellation for any **Insured's** failure to comply with the terms, conditions or contractual obligations under this Policy including failure to pay the Deductible when due or where there is a material change in the use of, or operations at, a **Covered Location**; (b) thirty (30) days prior to the effective date of cancellation for material misrepresentation or fraud; or (c) ten (10) days prior to the effective date of cancellation for non-payment of premium.

If the Underwriters cancel, subject to any minimum earned premium that may apply, the return premium will be calculated on a pro rata basis. If the **Named Insured** cancels, subject to any minimum earned premium that may apply, the return premium will be calculated in accordance with the customary short rate table and procedure.

#### **XV. ASSISTANCE AND COOPERATION OF THE INSURED**

The **Insured** shall cooperate with the Underwriters and offer all reasonable assistance in the investigation and defense of **Claims**, including investigations regarding the **Application** for and coverage under this Policy, and the inspection, cleanup and mitigation of **Pollution Conditions**.

The **Insured** shall execute or cause to be executed all papers and render all assistance as is reasonably requested by the Underwriters and related to the defense of **Claims** and the cleanup of **Pollution Conditions**. The Underwriters may require that the **Insured** submit to examination under oath, attend hearings, depositions and trials and assist in securing and giving evidence and obtaining the attendance of witnesses in connection with the defense of **Claims** and cleanup of **Pollution Conditions**. In the course of investigation or defense of **Claims**, the Underwriters may require written statements or the **Insured's** attendance at meetings with the Underwriters.

Upon the Underwriters request, the **Insured** shall assist in making settlements, in the conduct of suits and in enforcing any right of contribution or indemnity against any

person or organization who may be liable to the **Insured** because of **Pollution Conditions** with respect to which coverage is afforded under this Policy.

Except as provided in Clause III.F.3, the **Insured** shall not admit liability, make any payment, assume any obligations, incur any expense (including, but not limited to, any **Claims Expenses** or **Cleanup Costs**), enter into any settlement, stipulate to any judgment or award or dispose of any **Claim** without the written consent of the Underwriters, such consent not to be unreasonably withheld or delayed. Except as provided for in Clause II.A., expenses incurred by the **Insured** in assisting and cooperating with the Underwriters, as described above, do not constitute **Claims Expenses** and are not reimbursable under this Policy.

#### **XVI. ACTION AGAINST THE UNDERWRITERS**

No action shall lie against the Underwriters unless, as a condition precedent thereto, the **Insured** shall have fully complied with all of the terms of this Policy, nor until the amount of the **Insured's** obligation to pay shall have been fully and finally determined either by judgment against them or by written agreement between them, the claimant and the Underwriters. Nothing contained herein shall give any person or organization any right to join the Underwriters as a party to any **Claim** against the **Insured** to determine their liability, nor shall the Underwriters be impleaded by the **Insureds** or their legal representative in any **Claim**.

#### **XVII. SUBROGATION**

In the event of any payment under this Insurance, the Underwriters shall be subrogated to all the **Insureds'** rights of recovery therefore against any person or organization, and the **Insured** shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The **Insured** shall do nothing to prejudice such rights. Any recoveries shall be applied first to subrogation expenses, second to the **Named Insured** to the extent of any payments in excess of the Limit of Liability, third to **Cleanup Costs, Damages** and **Claims Expenses** paid by the Underwriters, and fourth to the Deductible. Any additional amounts recovered shall be paid to the **Named Insured**.

#### **XVIII. ENTIRE AGREEMENT**

By acceptance of this Policy, all **Insureds** agree that this Policy embodies all agreements existing between them and the Underwriters relating to this Insurance. Notice to any agent or knowledge possessed by any agent or by any other person shall not effect a waiver or a change in any part of this Policy or estop the Underwriters from asserting any right under the terms of this Policy; nor shall the terms of this Policy be waived or changed, except by written endorsement issued to form a part of this Policy, signed by the Underwriters.

## **XIX. VALUATION AND CURRENCY**

All premiums, limits, deductibles, **Cleanup Costs, Damages, Claims Expenses**, and other amounts under this Policy are expressed and payable in the currency of the United States. If judgment is rendered, settlement is denominated, or another element of **Damages** under this Policy is stated in a currency other than United States dollars or if **Cleanup Costs** or **Claims Expenses** are paid in a currency other than United States dollars, payment under this Policy shall be made in United States dollars at the rate of exchange published in the *Wall Street Journal* on the date on which a relevant final judgment becomes incapable of appeal or payment of the settlement or other element of **Damages** is due or the date such **Cleanup Costs** or **Claims Expenses** are paid.

## **XX. BANKRUPTCY**

Bankruptcy or insolvency of the **Insured** shall not relieve the Underwriters of its obligations nor deprive the Underwriters of its rights or defences under this Policy.

## **XXI. AUTHORIZATION**

By acceptance of this Policy, the **Insureds** agree that the **Named Insured** will act on their behalf with respect to the giving and receiving of any notice provided for in this Policy, the payment of premiums and the receipt of any return premiums that may become due under this Policy, and the agreement to and acceptance of endorsements.

## **XXII. RIGHT OF ACCESS AND INSPECTION**

The **Named Insured** agrees to provide the Underwriters with access to any information developed or discovered by an **Insured** concerning a **Claim** or **Pollution Condition** to which this Insurance applies, whether or not deemed by an **Insured** to be relevant and to provide the Underwriters with access to interview any **Insured** and review any documents of an **Insured**. Further, to the extent that an **Insured** has such rights, any of the Underwriters representatives shall have the right and opportunity but not the obligation to inspect at any reasonable time, during the **Policy Period** or thereafter, a **Covered Location** associated with a **Claim** or **Pollution Condition** reported to the Underwriters. Neither the Underwriters nor its representatives shall assume any responsibility or duty to the **Insured** or to any other person or entity, by reason of such right of inspection. Neither the Underwriters right to make inspections, sample and monitor, nor the actual undertaking thereof nor any report thereon shall constitute an undertaking on behalf of the **Insured** or others, to determine or warrant that the property or operations are safe, healthful or conform to acceptable engineering practices or are in compliance with any law, rule or regulation. The **Named Insured**



agrees to provide appropriate personnel to assist the Underwriters representatives during any inspection.

### **XXIII. HEADINGS**

The descriptions in the headings and subheadings of this Policy are solely for convenience, and form no part of the terms and conditions of coverage.

### **XXIV. SERVICE OF SUIT**

It is agreed that in the event of the failure of the Underwriters to pay any amount claimed to be due under this Insurance, the Underwriters, at the request of the **Insured**, will submit to the jurisdiction of any court of competent jurisdiction within the United States. Nothing in this Clause constitutes or should be understood to constitute a waiver of the Underwriters' rights to commence an action in any Court of competent jurisdiction in the United States, to remove an action to a United States District Court, or to seek a transfer of a case to another Court as permitted by the laws of the United States or of any State in the United States. It is further agreed that service of process in such suit may be made upon Underwriters representative, designated in Item 10. of the Declarations, and that in any suit instituted against any one of them upon this contract, Underwriters will abide by the final decision of such Court or of any Appellate Court in the event of an appeal.

The Underwriters representative designated in Item 10. of the Declarations is authorized and directed to accept service of process on behalf of Underwriters in any such suit and/or upon the request of the **Insured** to give a written undertaking to the **Insured** that they will enter a general appearance upon Underwriters behalf in the event such a suit shall be instituted.

Further, pursuant to any statute of any state, territory or district of the United States which makes provision therefore, the Underwriters designate the Superintendent, Commissioner or Director of Insurance or other officer specified for that purpose in the statute, or his or her successor 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 any beneficiary hereunder arising out of this contract of Insurance, and hereby designate the Underwriters representative, designated in Item 10. of the Declarations, as the person to whom the said officer is authorized to mail such process or a true copy thereof.

### **XXV. CHOICE OF LAW**

Any disputes involving this Policy shall be resolved applying the law designated in Item 11. of the Declarations.

## **XXVI. SOLE AGENT**

The **Named Insured** indicated in Item 1. of the Declarations shall act on behalf of all **Insureds** for all purposes, including but not limited to the payment of Deductible amounts, payment or return of premium, receipt and acceptance of any endorsement issued to form a part of this Policy, giving and receiving notice of cancellation or nonrenewal and the exercise of the rights stated in Clause X.

## **XXVII. SANCTION LIMITATIONS**

No (re)insurer shall be deemed to provide cover and no (re)insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that (re)insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, law or regulations of the European Union, United Kingdom or United States of America.

## **XXVIII. SEVERABILITY OF INTEREST**

Except with respect to the Limit of Liability, Clause XI. and any rights and duties assigned in this Policy to the **Named Insured**, this Insurance applies as if each **Insured** were the only **Insured** and separately to each **Insured** against whom a **Claim** is made.

**POLICYHOLDER DISCLOSURE NOTICE OF  
TERRORISM INSURANCE COVERAGE**

You are hereby notified that under the Terrorism Risk Insurance Act of 2002, as amended ("TRIA"), that you now have a right to purchase insurance coverage for losses arising out of acts of terrorism, **as defined in Section 102(1) of the Act, as amended:** The term "act of terrorism" means any act that is certified by the Secretary of the Treasury, in consultation with the Secretary of Homeland Security and the Attorney General of the United States, to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of an air carrier or vessel or the premises of a United States mission; and to have been committed by an individual or individuals, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion. Any coverage you purchase for "acts of terrorism" shall expire at 12:00 midnight December 31, 2027, the date on which the TRIA Program is scheduled to terminate, or the expiry date of the policy whichever occurs first, and shall not cover any losses or events which arise after the earlier of these dates.

YOU SHOULD KNOW THAT COVERAGE PROVIDED BY THIS POLICY FOR LOSSES CAUSED BY CERTIFIED ACTS OF TERRORISM IS PARTIALLY REIMBURSED BY THE UNITED STATES UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. HOWEVER, YOUR POLICY MAY CONTAIN OTHER EXCLUSIONS WHICH MIGHT AFFECT YOUR COVERAGE, SUCH AS AN EXCLUSION FOR NUCLEAR EVENTS. UNDER THIS FORMULA, THE UNITED STATES PAYS 80%; OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURER(S) PROVIDING THE COVERAGE. YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS A USD100 BILLION CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT AS WELL AS INSURERS' LIABILITY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM WHEN THE AMOUNT OF SUCH LOSSES IN ANY ONE CALENDAR YEAR EXCEEDS USD100 BILLION. IF THE AGGREGATE INSURED LOSSES FOR ALL INSURERS EXCEED USD100 BILLION, YOUR COVERAGE MAY BE REDUCED. THE PREMIUM CHARGED FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

	I hereby elect to purchase coverage for acts of terrorism for a prospective premium of 1% of the quoted premium subject to a flat minimum premium charge of \$250.
	I hereby elect to have coverage for acts of terrorism excluded from my policy. I understand that I will have no coverage for losses arising from acts of terrorism.

\_\_\_\_\_  
Policyholder/Applicant's Signature

\_\_\_\_\_  
Lloyd's Syndicates 623/2623

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Policy Number

\_\_\_\_\_  
Date

(LMA 9104)

### **SEVERAL LIABILITY NOTICE**

The subscribing insurers' obligations under contracts of insurance to which they subscribe are several and not joint and are limited solely to the extent of their individual subscriptions. The subscribing insurers are not responsible for the subscription of any co-subscribing insurer who for any reason does not satisfy all or part of its obligations.

London Form 1001 (Insurance) 08/94

LSW1001

Certain Underwriters at Lloyds

Unique Market Reference B1776BL202300M

effective date of this endorsement:

policy number: TBD

05/01/2022

Endorsement Number: 00

**COVERED LOCATIONS**

This endorsement modifies insurance provided under the Covered Location Pollution Liability (EIL112 12-2016) Coverage applicable to this policy.

All other terms and conditions of this Policy remain unchanged.

In consideration of the premium charged for the Policy, it is hereby understood and agreed that:

1. The **Covered Locations** scheduled below are added to Item 9. of the Declarations.
2. Solely with respect to the scheduled **Covered Location**, Item 6. of the Declarations is deleted and replaced with the Retroactive Date listed below.

SCHEDULE

<b>Covered Location</b>	<b>Retroactive Date</b>
1.Riverbend Campground and sewer line easement - 475 Gateway South Road, Gallatin Gateway, MT	Inception Date

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Certain Underwriters at Lloyds

Unique Market Reference B1776BL202300M

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effective date of this endorsement:

policy number: TBD

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05/01/2022

Endorsement Number: 00

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MICROBIAL MATTER EXCLUSION

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This endorsement modifies insurance provided under the Covered Location Pollution Liability (EIL112 12-2016) Coverage applicable to this policy.

All other terms and conditions of this Policy remain unchanged.

In consideration of the premium charged for the Policy, it is hereby understood and agreed that the coverage under this Insurance does not apply to **Cleanup Costs, Damages or Claims Expenses** arising out of or resulting from the existence, exposure to, required removal or abatement of any **Microbial Matter** regardless of the cause of such **Microbial Matter**.

It is further understood and agreed that the words '**Microbial Matter**' are deemed deleted from Clause **III. DEFINITION T. "Pollution Condition"**.

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Certain Underwriters at Lloyds

Unique Market Reference B1776BL202300M

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effective date of this endorsement:

policy number: TBD

---

Inception Date

Endorsement Number: 00

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SPECIFIED COVERAGE AND CONTAMINATION EXCLUSION

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This endorsement modifies insurance provided under the Covered Location Pollution Liability (EIL112 12-2016) Coverage applicable to this policy.

All other terms and conditions of this Policy remain unchanged.

In consideration of the premium charged for the Policy, it is hereby understood and agreed that the coverage under Insuring Clause(s):

Insuring Clause I.A.  
of this Insurance do not apply to:

Bodily Injury, Property Damage or Cleanup Costs

1. arising out of or resulting from the following **Pollution Conditions**, including any breakdown, daughter, co-products or derivative products of such **Pollution Conditions**:

arising out of or resulting from the existence, exposure to, required removal or abatement of any Microbial Matter regardless of the cause of such Microbial Matter in any sewer or plumbing line

2. in or affecting the following:

- soil
- groundwater
- surface water / sediment
- atmosphere
- soil, groundwater, surface water / sediment and/or atmosphere
- other (see below)

All Media.

3. as referenced, if applicable, in the following assessments or documents:

N/A

4. where such **Pollution Conditions** are:

migrating from

on, at or under

on, at, under, migrating, emitted, released, dispersed or discharged from

5. the following **Covered Locations**:

All Covered Locations.



---

Certain Underwriters at Lloyds

Unique Market Reference B1776BL202300M

---

effective date of this endorsement:

policy number: TBD

---

05/01/2022

Endorsement Number: 00

---

CYBER ACTS CLARIFICATION ENDORSEMENT

---

This endorsement modifies insurance provided under the following:

**COVERED LOCATION POLLUTION LIABILITY**

It is hereby understood and agreed that this Policy does not contain a specific exclusion for cyber acts or cyber incidents.

Subject to all the terms and conditions of this Policy, coverage shall be provided under this Policy for any **Pollution Condition** in connection with a cyber act or cyber incident, whether involving malicious or non-malicious events.

Nothing in this Endorsement creates coverage not otherwise provided under this Policy.

---

Certain Underwriters at Lloyds

Unique Market Reference B1776BL202300M

---

effective date of this endorsement:

policy number: TBD

---

05/01/2022

Endorsement Number: 00

---

MINIMUM EARNED PREMIUM

---

This endorsement modifies insurance provided under all coverages applicable to this policy.

All other terms and conditions of this Policy remain unchanged.

In consideration of the premium charged for this Policy, it is hereby understood and agreed that in the event of cancellation by the **Insured** or cancellation by the Underwriters, this Policy shall be subject to a minimum earned premium of **25.00%** of the amount shown in Item 5. of the Declarations.

---

Certain Underwriters at Lloyds  
Unique Market Reference B1776BL202300M

effective date of this endorsement:	policy number: TBD
05/01/2022	Endorsement Number: 00

---

SANCTION LIMITATION AND EXCLUSION CLAUSE

---

This endorsement applies to all coverage parts under this policy.

All other terms and conditions of the Policy remain unchanged.

No (re)insurer shall be deemed to provide cover and no (re)insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that (re)insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, law or regulations of the European Union, United Kingdom or United States of America.

Certain Underwriters at Lloyds  
Unique Market Reference B1776BL202300M

effective date of this endorsement:	policy number: TBD
05/01/2022	Endorsement Number: 00

WAR AND TERRORISM EXCLUSION ENDORSEMENT

This endorsement applies to all coverage parts under this policy.

Notwithstanding any provision to the contrary within this insurance or any endorsement thereto it is agreed that this insurance excludes loss, damage, cost or expense of whatever nature directly or indirectly caused by, resulting from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss;

1. war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power; or
2. any act of terrorism.

For the purpose of this endorsement an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

This endorsement also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to 1 and/or 2 above.

If the Underwriters allege that by reason of this exclusion, any loss, damage, cost or expense is not covered by this insurance the burden of proving the contrary shall be upon the Assured.

In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

---

Certain Underwriters at Lloyds  
Unique Market Reference B1776BL202300M

---

effective date of this endorsement:

policy number: TBD

05/01/2022

Endorsement Number: 00

---

LLOYD'S SECURITY SCHEDULE

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Syndicate 2623	82%
Syndicate 623	18%

ALL OTHER TERMS, conditions and limitations of said Certificate shall remain unchanged.

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Certain Underwriters at Lloyds  
Unique Market Reference B1776BL202300M

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effective date of this endorsement:	policy number: TBD
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---

05/01/2022

Endorsement Number: 00

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RADIOACTIVE CONTAMINATION EXCLUSION CLAUSE – LIABILITY – DIRECT (U.S.A.)

---

This endorsement modifies insurance provided under all coverages applicable to this policy.

All other terms, conditions and limitations of said Certificate shall remain unchanged.

For attachment (in addition to the appropriate Nuclear Incident Exclusion Clause-Liability-Direct) to liability insurances affording worldwide coverage.

In relation to liability arising outside the U.S.A., its Territories or Possessions, Puerto Rico or the Canal Zone, this Policy does not cover any liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel.

---

Certain Underwriters at Lloyds  
Unique Market Reference B1776BL202300M

---

effective date of this endorsement:	policy number: TBD
05/01/2022	Endorsement Number: 00

---

NUCLEAR INCIDENT EXCLUSION CLAUSE – LIABILITY – DIRECT (BROAD) (U.S.A.)

---

This endorsement modifies insurance provided under all coverages applicable to this policy.

For attachment to insurances of the following classifications in the U.S.A., its Territories and Possessions, Puerto Rico and the Canal Zone:

Owners, Landlords and Tenants Liability, Contractual Liability, Elevator Liability, Owners or Contractors (including railroad) Protective Liability, Manufacturers and Contractors Liability, Product Liability, Professional and Malpractice Liability, Storekeepers Liability, Garage Liability, Automobile Liability (including Massachusetts Motor Vehicle or Garage Liability),

not being insurances of the classifications to which the Nuclear Incident Exclusion Clause-Liability-Direct (Limited) applies.

This Policy\* does not apply:

- I. Under any Liability Coverage, to injury, sickness, disease, death or destruction:
  - (a) with respect to which an insured under the Policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters or Nuclear Insurance Association of Canada, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
  - (b) resulting from the hazardous properties of nuclear material and with respect to which (1) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (2) the insured 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.
- II. Under any Medical Payments Coverage, or under any Supplementary Payments Provision relating to immediate medical or surgical relief, to expenses incurred with respect to bodily injury, sickness, disease or death resulting from the hazardous

properties of nuclear material and arising out of the operation of a nuclear facility by any person or organization.

- III. Under any Liability Coverage, to injury, sickness, disease, death or destruction resulting from the hazardous properties of nuclear material, if:
- (a) the nuclear material (1) is at any nuclear facility owned by, or operated by or on behalf of, an insured or (2) has been discharged or dispersed therefrom;
  - (b) 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 an insured; or
  - (c) the injury, sickness, disease, death or destruction arises out of the furnishing by an insured 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 (c) applies only to injury to or destruction of property at such nuclear facility.

IV. 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 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 (1) containing by-product material and (2) resulting from the operation by any person or organization of any nuclear facility included within the definition of nuclear facility under paragraph (a) or (b) thereof;

"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 the insured 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. With respect to injury to or destruction of property, the word "injury" or "destruction" includes all forms of radioactive contamination of property.

It is understood and agreed that, except as specifically provided in the foregoing to the contrary, this clause is subject to the terms, exclusions, conditions and limitations of the Policy to which it is attached.

\* NOTE: As respects policies which afford liability coverages and other forms of coverage in addition, the words underlined should be amended to designate the liability coverage to which this clause is to apply.



## MONTANA ASSOCIATION OF COUNTIES PROPERTY & CASUALTY TRUST

# CERTIFICATE OF COVERAGE

This certifies that Gallatin Gateway County Water & Sewer District is a member of the Montana Association of Counties Property & Trust and Casualty as such is provided with the following coverages:

- General Liability
- Auto Liability
- Fidelity & Crime
- Errors & Omissions
- Employee Benefits
- Law Enforcement
- Sexual Abuse
- Property Coverage
- Boiler & Machinery

These coverages are provided for the period **07/01/2022 - 07/01/2023**. Coverage limits are attached to this certificate. Coverage exists for all entities acting within the scope of their duties. Questions about coverage should be addressed to MACo PCT, 2717 Skyway Drive, Helena, MT 59602-1213 to the attention of Shannon Chamberlain.

Signed: *Shannon Chamberlain*

MACo PCT Representative  
Shannon Chamberlain  
Trust Administrator

Agent: **Tyler Delaney**



# MONTANA ASSOCIATION OF COUNTIES PROPERTY & CASUALTY TRUST

## Declaration of Coverage

### SUMMARY

<b>Covered Entity</b>	<b>Coverage Period</b>
Gallatin Gateway County Water & Sewer District	7/1/2022 - 6/30/2023
PO Box 383	<b>MACo Policy #</b>
Gallatin Gateway, MT 59730	8189PCT2023

**Certain provisions in this agreement restrict coverage. The entire agreement should be read carefully to determine your rights and duties and to determine what is and is not covered.**

### DECLARATION

In consideration of payment of the contribution set out in this document and in reliance upon the statements in the Application and any supplementary information pertaining thereto, which shall be deemed incorporate herein, being representations which, if inaccurate, will render this coverage null and void, and relieve the Trust from all liability, the MACo Property and Casualty Trust agrees to provide coverage as follows:

### SECTION I COVERAGE

Coverage	Limits	Excess Policy
<b>Real &amp; Business Property</b> <small>as provided by: MACo PCT Memorandum of Property Coverage</small>	Property Valuation	MACo PCT Property Program
	Earth Movement	
	Flood Special Hazard Areas: Zone A or prefixed A Zone V or prefixed V	
	All other Flood Zones	
<b>Equipment Breakdown</b>	Accident	Hartford Steam Boiler
	Electronic Circuitry Impairment	
<b>Fidelity &amp; Crime</b>	Employee Theft	\$500,000/Occurrence
	Forgery or Alteration	
	Theft, Disappearance & Destruction	
	Computer Fraud	
	Funds Transfer Fraud, including False Pretenses	
<b>Terrorism</b>	Act of Terrorism	\$100,000,000 (in a single occurrence and in the aggregate)
	Act of Sabotage	



**MONTANA ASSOCIATION OF COUNTIES  
PROPERTY & CASUALTY TRUST**

**Declaration of Coverage**

<b>SECTION II COVERAGE</b>		
<b>As provided by MACo PCT Memorandum of Indemnity Coverage</b>		
	<b>Retroactive Date</b>	<b>Reinsurance Policy</b>
<b>General Liability</b>	Not Applicable	Ambridge Partners LLC
<b>Automobile Liability</b>	Not Applicable	
<b>Errors and Omissions Liability</b>	7/1/2010	
<b>Employee Benefits Liability</b>	07/01/2020	
<b>Sexual Abuse Liability</b>	07/01/2020	
Each coverage is subject to its own provisions, which may be different from those of other coverages of this agreement.		
<b>Claim Type</b>	<b>Limit of Indemnity</b>	
Each Claim	\$750,000	
Each Occurrence	\$1,500,000	
Uninsured Motorists – Per Statutory Minimum	\$25,000	
Medical Pay for GL & AL – Each Person	\$5,000	
Medical Pay for GL & AL – Each Occurrence	\$50,000	
Weed & Mosquito Spray Sub Limit – Each Occurrence	\$500,000	
Coverage for all liability coverages per the MACo PCT Memorandum is up to the statutory limits of \$750,000/ claim; \$1,500,000/occurrence. Claims that are not subject to state tort limits are covered up to \$5,000,000 as provided by Ambridge Partners LLC reinsurance for Federal and out-of-state claims.		
<b>The above limits are subject to the following additional limits:</b>		
Annual Aggregate in respects to products and completed operations per member	\$1,000,000	
Annual Aggregate in respects to all Section II coverages per member per year for all claims and occurrences	\$5,000,000	



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# MONTANA ASSOCIATION OF COUNTIES PROPERTY & CASUALTY TRUST

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## Declaration of Coverage

### MAINTENANCE DEDUCTIBLE

For individual claims, the Trust's coverage limits set forth above will be reduced by the amount of the deductible set forth under the section below. However, the covered party shall be responsible for only one Maintenance Deductible per line of coverage for any multi-loss occurrence. These losses shall be subject to the highest applicable Maintenance Deductible.

<b>Line of Coverage</b>	<b>Maintenance Deductible</b>
Property Coverage	1,000
Auto Physical Damage	2,500
Crime	1,000
General Liability	1,000
Automobile Liability	1,000
Errors & Omissions Liability	1,000
Employee Benefits Liability	1,000
Sexual Abuse Liability	1,000
<b>Total Contribution</b>	<b>22,410.85</b>

# Invoice



Payment Due Date: 8/15/2022

Invoice #: 8189PCT2023

Montana Association of Counties  
Property & Casualty Trust

**Covered Member:** Gallatin Gateway County Water &  
Sewer District  
Attn: Accounts Payable  
PO Box 383  
Gallatin Gateway, MT 59730

**Mail Payments To:**

Montana Association of Counties

Property & Casualty Trust  
2717 Skyway Dr, Ste C  
Helena, MT 59602  
(406) 449-4370

**Billing Cycle & Payment Information**

Invoice Date	Billing Type	Interest Assessed	Amount Due This Invoice
6/7/2022	Yearly		\$22,410.85

**Description**

**Amount**

MACo Property & Casualty Trust Contribution 07/01/2022-06/30/2023	\$22,410.85
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**Important Information**

**Please make all checks payable to: MACo PCT**

To ensure proper credit, please write your policy number on your check or enclose this statement.

**Gallatin Gateway County Water & Sewer District**

**Remit To:**

Montana Association of Counties  
Property & Casualty Trust  
2717 Skyway Dr, Ste C  
Helena, MT 59602

**Payment Information**

<b>Account #:</b>	8189
<b>Invoice #:</b>	8189PCT2023
<b>Due Date:</b>	August 15, 2022
<b>Amount Due:</b>	\$22,410.85
<b>Amount Enclosed:</b>	

Thank you for your continued trust in Montana Association of Counties Property & Casualty Trust!

**JUNE 30, 2022 DELINQUENT ACCOUNTS - GGCWSD**

Last Name	First Name	Mailing Address		Legal Description of Property	Assessment#	FY21 Uncollected delinquent balance	FY22 Delinquent Balance due on 6/30/22	Delinquent Account Fee (per GGCWSD Rules & Regs sec 624)	Total FY22 Delinquent Balance and penalties
Engler	Edwin	P.O. Box 585	Gallatin Gateway, MT 59730	SALESVILLE, ORIG PLAT OF, BLOCK 10, LOT 10	RHF12887	\$ -	\$ 1,604.52	\$ 60.00	\$ 1,664.52
Triangle E Holdings		P.O. Box 585	Gallatin Gateway, MT 59730	SALESVILLE, S11, T03 S, R04E, BLOCK 9, LOT 12	RHF12618	\$ -	\$ 145.70	\$ 60.00	\$ 205.70
Schans	Jason C.	P.O. Box 435	Gallatin Gateway, MT 59730	SALESVILLE, ORIG PLAT OF, BLOCK 6, LOT 8-9	RHF12642		\$ 619.10	\$ 60.00	\$ 679.10
Benes	David	P.O. Box 429	Gallatin Gateway, MT 59730-0429	SALESVILLE, ORIG PLAT OF, BLOCK 1, LOT 8	RHF12842		\$ 85.30	\$ 60.00	\$ 145.30
<b>TOTAL</b>						\$ -	\$ 1,750.22	\$ 120.00	\$ 1,870.22

GALLATIN GATEWAY COUNTY WATER & SEWER DISTRICT

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July 15, 2022

Edwin Engler  
P.O. Box 585  
Gallatin Gateway, MT 59730

RE: Account Past due as of 6/30/2022  
Legal Description of Property: SALESVILLE, ORIG PLAT OF, BLOCK 10, LOT 10

In accordance with MCA 7-13-2301 section (4)(a), accounts that have amounts due and payable in a fiscal year and which are not paid by the end of the fiscal year (June 30<sup>th</sup>) may be collected as a tax against the property. Your account referenced above is past due as of June 30, 2022 for Benefited Lot Charges and/or Monthly Sewer Service, plus penalties, as disclosed below:

<b>DELINQUENT BALANCE DUE (due and payable as of 6/30/2021)</b>	<b>TOTAL ACCOUNT BALANCE DUE</b>
\$1604.52	\$2,045.52

Your total **DELINQUENT ACCOUNT BALANCE DUE** for charges must be paid by August 15, 2022, or it will be levied on the county tax rolls to be collected along with your real property taxes. By levying it on the tax rolls it becomes a lien against your real property. In addition to the delinquent balance due, a **Delinquent Account Fee of \$60.00** will be assessed on your account in addition to late fees already applied, pursuant to GGWSD Rules and Regulations, Sections 624 & 7111. We may also institute a suit in any court of competent jurisdiction to recover the amount due.

Respectfully Yours,

\s

Sam Proconier  
General Manager

Gallatin Gateway Water & Sewer District  
PO Box 383, Gallatin Gateway, MT 59730  
Email: customerservice@gatewaywsd.com  
406-595-0951



GALLATIN GATEWAY COUNTY WATER & SEWER DISTRICT

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July 15, 2022

Triangle E Holdings  
P.O. Box 585  
Gallatin Gateway, MT 59730

RE: Account Past due as of 6/30/2022  
Legal Description of Property: SALESVILLE, ORIG PLAT OF, BLOCK 9, LOT 12

In accordance with MCA 7-13-2301 section (4)(a), accounts that have amounts due and payable in a fiscal year and which are not paid by the end of the fiscal year (June 30<sup>th</sup>) shall be collected as a tax against the property. Your account referenced above is past due as of June 30, 2022 for Benefited Lot Charges and/or Monthly Sewer Service, plus penalties, as disclosed below:

<b>DELINQUENT BALANCE DUE (due and payable as of 6/30/2021)</b>	<b>TOTAL ACCOUNT BALANCE DUE</b>
\$145.70	\$201.70

Your total **DELINQUENT ACCOUNT BALANCE DUE** for charges must be paid by August 15, 2022, to avoid it being levied on the county tax rolls to be collected along with your real property taxes. By levying it on the tax rolls it becomes a lien against your real property. In addition to the delinquent balance due, a **Delinquent Account Fee of \$60.00** will be assessed on your account in addition to late fees already applied, pursuant to GGWSD Rules and Regulations, Sections 624 & 7111. We may also institute a suit in any court of competent jurisdiction to recover the amount due.

Respectfully Yours,

\s

Sam Procnier  
General Manager

Gallatin Gateway Water & Sewer District  
PO Box 383, Gallatin Gateway, MT 59730  
Email: customerservice@gatewaywsd.com  
406-595-0951

GALLATIN GATEWAY COUNTY WATER & SEWER DISTRICT

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July 15, 2022

Jason C. Schans  
P.O. Box 435  
Gallatin Gateway, MT 59730

RE: Account Past due as of 6/30/2022  
Legal Description of Property: SALESVILLE, ORIG PLAT OF, BLOCK 6, LOT 8-9

In accordance with MCA 7-13-2301 section (4)(a), accounts that have amounts due and payable in a fiscal year and which are not paid by the end of the fiscal year (June 30<sup>th</sup>) shall be collected as a tax against the property. Your account referenced above is past due as of June 30, 2022 for Benefited Lot Charges and/or Monthly Sewer Service, plus penalties, as disclosed below:

<b>DELINQUENT BALANCE DUE (due and payable as of 6/30/2021)</b>	<b>TOTAL ACCOUNT BALANCE DUE</b>
\$619.10	\$964.30

Your total **DELINQUENT ACCOUNT BALANCE DUE** for charges must be paid by August 15, 2022, to avoid it being levied on the county tax rolls to be collected along with your real property taxes. By levying it on the tax rolls it becomes a lien against your real property. In addition to the delinquent balance due, a **Delinquent Account Fee of \$60.00** will be assessed on your account in addition to late fees already applied, pursuant to GGWSD Rules and Regulations, Sections 624 & 7111. We may also institute a suit in any court of competent jurisdiction to recover the amount due.

Respectfully Yours,

\s

Sam Proconier  
General Manager

Gallatin Gateway Water & Sewer District  
PO Box 383, Gallatin Gateway, MT 59730  
Email: customerservice@gatewaywsd.com  
406-595-0951

GALLATIN GATEWAY COUNTY WATER & SEWER DISTRICT

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July 15, 2022

David Benes  
P.O. Box 429  
Gallatin Gateway, MT 59730

RE: Account Past due as of 6/30/2022  
Legal Description of Property: SALESVILLE, ORIG PLAT OF, BLOCK 1, LOT 8

In accordance with MCA 7-13-2301 section (4)(a), accounts that have amounts due and payable in a fiscal year and which are not paid by the end of the fiscal year (June 30<sup>th</sup>) shall be collected as a tax against the property. Your account referenced above is past due as of June 30, 2022 for Benefited Lot Charges and/or Monthly Sewer Service, plus penalties, as disclosed below:

<b>DELINQUENT BALANCE DUE (due and payable as of 6/30/2021)</b>	<b>TOTAL ACCOUNT BALANCE DUE</b>
\$85.30	\$396.50

Your total **DELINQUENT ACCOUNT BALANCE DUE** for charges must be paid by August 15, 2022, to avoid it being levied on the county tax rolls to be collected along with your real property taxes. By levying it on the tax rolls it becomes a lien against your real property. In addition to the delinquent balance due, a **Delinquent Account Fee of \$60.00** will be assessed on your account in addition to late fees already applied, pursuant to GGWSD Rules and Regulations, Sections 624 & 7111. We may also institute a suit in any court of competent jurisdiction to recover the amount due.

Respectfully Yours,

\s

Sam Proconier  
General Manager

Gallatin Gateway Water & Sewer District  
PO Box 383, Gallatin Gateway, MT 59730  
Email: customerservice@gatewaywsd.com  
406-595-0951

### Gallatin Gateway WSD Capacity Report

<b>Current VRU's in Service</b>	<b>162.21</b>		
Additional Will Serve VRU's	88.28		
Applied for VRU's	1		<b>Subtotal VRU's</b>
			<b>251.49</b>
<b>Current Capacity and Flow for GGWSD w/ in Service VRU's (5000gal Reserve Included)</b>			
Purchased Flow to FCWSD (total, no reserve)	37080		Total VRU's (160gal/VRU) Alloted to FCWSD
Average Monthly Flow	14000		Average Flow / In Service VRUs
Available Flow (w/ reserve)	18080		Total Possible VRU's (Based on Average Flow) Alloted to FCWSD
			<b>200.5</b>
			<b>86.3</b>
			<b>371.69</b>
<b>Future Capacity and Flow for GGWSD once Will Serve VRU's Connect w/ 5000g Reserve</b>			
Total Future VRU's in Service	250.49	----->	VRU Allotment to FCWSD (160gal/VRU)
Predicted Flow Rate w/ 160gal/VRU	40078.4	----->	Flow Rate Allotment to FCWSD
Predicted Flow Rate w/ current Ave.	21619.3	----->	Flow Rate Allotment to FCWSD
Predicted Flow Rate Using Current Average Flow for in service VRU's and 160g/VRU for Will Serve VRU's	28124.8	----->	Flow Rate Allotment to FCWSD
			<b>-49.99</b>
			<b>-7998.4</b>
			<b>10460.7</b>
			<b>3955.2</b>