

QUOTATION

Submitted Risk Information:

Maryland Judges Defense Liability Program
P.O. Box 79505
Baltimore, MD 21279

We are pleased to offer this quotation based on the information submitted. The policy forms and endorsements quoted may not be standard industry forms. These forms are available for your review. The terms and conditions offered may differ from your prior policy and from what you requested in your submission.

COMPANY: Berkley Assurance Company A+ XV (Non-Admitted)

Policy Term: April 18, 2019 to April 18, 2020
Description of Operations: Judges Liability
Total Premium: TBD
Terrorism Additional Premium: \$0 *Terrorism has been rejected by the insured
Advance Premium: TBD

Coverage Form: Judges Defense Liability – VPOL 00 11 01 18

Judges Defense Liability - Quote # 334972-1

Limits of Liability Per Member Option 1:	Annual Aggregate Limit	\$100,000
	Limit of Liability Per Claim	\$100,000
	Rate Per Member:	\$1,100

Limits of Liability Per Member Option 2:	Annual Aggregate Limit	\$50,000
	Limit of Liability Per Claim	\$50,000
	Rate Per Member:	\$550

Deductible: Per Member: \$0

This insurance does not apply to “wrongful acts” which occur before the Retroactive Date displayed

Retroactive Date: FULL PRIOR ACTS

Description of Operations: Judges Liability

FORMS AND ENDORSEMENTS: Please read the policy forms and endorsements carefully.

FORM NUMBER	FORM TITLE
VUM 99 40 02 17)	Policy Cover Page 2017
IL 00 17 11 98	Common Policy Conditions
VPOL 00 11 01 18	Judges Defense Liability - TBD
VUM SOS 01 16	Service of Suit
VUM 99 32 01 16	Minimum Earned Premium
VPEL 00 01 12 11	Nuclear Energy Liability Exclusion Endorsement
VPEL 00 02 12 11	Fungi, Bacteria, and Viruses Exclusion
VPEL 00 03 12 11	Exclusion of Certified Acts of Terrorism
VPEL 00 04 12 11	Minimum Earned Premium
IL 12 01 11 8	Wavier of Premium for ERP
IL 12 01 11 8	Schedule of Members
VPOL 00 13 12 11	Prior and Pending Litigation Exclusion

THIS QUOTATION IS SUBJECT TO RECEIPT AND REVIEW OF THE FOLLOWING INFORMATION WITHIN THE SPECIFIED TIMEFRAME:

- Completed Verus Surplus Lines Tax letter, Required Within 30 Days of Binding.
- Verus application, currently signed and dated, Required Prior to Binding.

Standard Terms and Conditions:

1. Flat cancellations are not permitted.
2. A written bind request must be received to bind coverage
3. Must have a minimum premium of \$65,000 to bind coverage
4. This quote is valid for 60 days.
5. All policies are 25.00% minimum earned upon binding.
6. The premium(s) provided in this proposal is based on the submitted information received to date and is subject to change based upon receipt of the underwriting information requested in the Subjectivities section of this quote proposal.

Thank you for this opportunity quote this business.

PRIVACY NOTICE

We collect nonpublic personal information about you from the following sources:

- Information we receive from you on applications or other forms; and/or
- Information about your transactions with us, our affiliates, or others; and/or
- Information we receive from a consumer reporting agency; and/or
- Information we receive from inspection reports.

We do not disclose any nonpublic personal information about our customers or former customers to anyone, except as permitted by law.

We may disclose nonpublic personal information about you to the following types of third parties:

- Financial service providers, such as insurance agents and/or brokers

We restrict access to nonpublic personal information about you to those employees who need to know that information to provide products or services to you. We maintain physical, electronic, and procedural safeguards that comply with federal standards to guard your nonpublic personal information.

Policyholder Notice

Claims Reporting Instructions

In the event of any “occurrence” that may result in a claim against this policy you should immediately report the incident to your agent or to Verus Underwriting Managers. For more specific detail as to your reporting requirements please review the Conditions requirement contained in your policy that defines your “Duties in the Event of an Occurrence, Offense, Act, Error or Omission, Claim or Suit”.

New claims can be reported by email, fax, mail or phone 24 hours a day, 7 days a week.

Email: NewClaims@verusins.com or VUMClaims@verusins.com

Fax: 804-525-1362

Mail: Verus Underwriting Managers

Attention: Claims Department

4820 Lake Brook Drive, Suite 200

Glen Allen, Virginia 23060

Phone: 804-525-1360

877-598-3787

COMMON POLICY CONDITIONS

All Coverage Parts included in this policy are subject to the following conditions.

A. Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
 - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

B. Changes

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

C. Examination Of Your Books And Records

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

D. Inspections And Surveys

1. We have the right to:
 - a. Make inspections and surveys at any time;

- b. Give you reports on the conditions we find; and

- c. Recommend changes.

2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:

- a. Are safe or healthful; or

- b. Comply with laws, regulations, codes or standards.

3. Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

E. Premiums

The first Named Insured shown in the Declarations:

1. Is responsible for the payment of all premiums; and
2. Will be the payee for any return premiums we pay.

F. Transfer Of Your Rights And Duties Under This Policy

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

SERVICE OF SUIT

Pursuant to any statute of any state, territory or district of the United States which makes provision therefore, the Company hereby designates the Superintendent, Commissioner or Director of Insurance or other Officer specified for that purpose in the Statute, or his/her successor or successors in office, as its true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of you or any beneficiary hereunder arising out of this contract of insurance, and hereby designates the below named as the person to whom the said Officer is authorized to mail such process or a true copy thereof.

It is further agreed that service of process in such suit may be made upon Janet Shemanske, or her nominee of the Company at 7233 East Butherus Drive, Scottsdale, Arizona 85260, and that in any suit instituted against the Company upon this policy, it will abide by the final decision of such Court or of any Appellate Court in the event of an appeal. Nothing herein shall constitute a selection or designation of forum, or a waiver of any of the Company's rights to select a forum or court, including any of the federal courts of the United States.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MINIMUM EARNED PREMIUM

This endorsement modifies insurance provided under the following:

POLICE PROFESSIONAL LIABILITY
PUBLIC OFFICIAL AND EMPLOYMENT PRACTICES LIABILITY
SCHOOL BOARD LEGAL LIABILITY AND EMPLOYMENT PRACTICES LIABILITY

It is agreed that COMMON POLICY CONDITIONS, A. Cancellation is amended by the addition of the following:

7.
 - (a. The minimum premium for the policy period is 100% of the total policy premium as shown on the Declarations plus any premium adjustment due to endorsements and any additional premium developed by premium audit; and
 - (b. Audits that result in a return premium will not reduce the minimum premium as stated in 1. above; and
 - (c. If the insured cancels this policy and the policy is not subject to premium audit, the return premium will be 90% of the unearned policy premium. In no event, however, will the company retain less than of the minimum premium as stated in 1. above.; and
 - (d. If the insured cancels this policy and the policy is subject to premium audit, the earned premium will be determined by the final audit. In no event, however, will the company retain less than of the minimum premium as stated in 1. above; and
 - (e. If the company cancels the policy for any reason other than for non-payment of premium, the insured will be returned the full amount of the unearned premium without any minimum premium restrictions.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT

(Broad Form)

This endorsement modifies insurance provided under the following:

POLICE PROFESSIONAL LIABILITY

PUBLIC OFFICIAL AND EMPLOYMENT PRACTICES LIABILITY

SCHOOL BOARD LEGAL LIABILITY AND EMPLOYMENT PRACTICES LIABILITY

1. The insurance does not apply:

A. Under any Liability Coverage, to "bodily injury" or "property damage":

(1) 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, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or

(2) Resulting from the "hazardous properties" of "nuclear material" and with respect to which **(a)** any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or **(b)** 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.

B. Under any Medical Payments coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization.

C. Under any Liability Coverage, to "bodily injury" or "property damage" resulting from "hazardous properties" of "nuclear material", if:

(1) The "nuclear material" **(a)** is at any "nuclear facility" owned by, or operated by or on behalf of, an "insured" or **(b)** has been discharged or dispersed therefrom;

(2) The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an "insured"; or

(3) The "bodily injury" or "property damage" 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 **(3)** applies only to "property damage" to such "nuclear facility" and any property thereat.

2. As used in this endorsement:

"Hazardous properties" includes radioactive, toxic or explosive properties;

"Nuclear material" means "source material", "Special nuclear material" or "by-product material";

"Source material", "special nuclear material," and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof;

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor";

"Waste" means any waste material **(a)** containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and **(b)** resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility".

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"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;

"Property damage" includes all forms of radioactive contamination of property.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

FUNGI, BACTERIA, AND VIRUSES EXCLUSION

This endorsement modifies insurance provided under the following:

POLICE PROFESSIONAL LIABILITY
PUBLIC OFFICIALS AND EMPLOYMENT PRACTICES LIABILITY
SCHOOL BOARD LEGAL LIABILITY AND EMPLOYMENT PRACTICES LIABILITY

In consideration of the premium charged, it is hereby understood and agreed that the following Exclusion is added to the Policy:

The Company shall not make any payment nor defend any suit in connection with any CLAIMS made against the INSURED:

where all or any part of such CLAIM arises from, is based upon, or is in any way related to any allegation that Damages were suffered as a result of; presence of, suspected presence of; or exposure to:

- a. Fungi, including but not limited to mold, mildew, mushroom, rust, smuts, and yeast;
- b. Bacteria;
- c. Viruses; or
- d. Dust, spores, or odors, including but not limited to allergens, irritants, mycotoxins, endotoxins or scents, particulates, byproducts, microbial volatile organic compounds produced by, resulting from or associated with any of the organisms listed in a., b., or c. above;

from any source whatsoever.

Any loss, cost or expense arising out of the abating, testing for, monitoring of, mitigation of, cleaning up of, removal of, containment of; treatment of, detoxification of, neutralization of, remediation of, disposal of, or any other response to or assessment of, the effects of any of the items in a., b., c. or d. above, from any source whatsoever.

All other terms and conditions remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

POLICE PROFESSIONAL LIABILITY
PUBLIC OFFICIAL AND EMPLOYMENT PRACTICES LIABILITY
SCHOOL BOARD LEGAL LIABILITY AND EMPLOYMENT PRACTICES LIABILITY
OFF – DUTY POLICE OFFICER PROFESSIONAL COVERAGE PART

A. The following exclusion is added:

This insurance does not apply to:

TERRORISM

"Any injury or damage" arising, directly or indirectly, out of a "certified act of terrorism".

B. The following definitions are added:

1. For the purposes of this endorsement, "any injury or damage" means any injury or damage covered under any Coverage Part to which this endorsement is applicable, and includes but is not limited to "bodily injury", "property damage", "personal and advertising injury", "injury" or "environmental damage" as may be defined in any applicable Coverage Part.

2. "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

- a. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
- b. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

POLICY CHANGES

Policy Change Number: 11/1/2018

POLICY NUMBER	POLICY CHANGES EFFECTIVE 01	COMPANY Berkley Assurance Company, A+ XV (Non-Admitted)
NAMED INSURED Maryland Judges Defense Liability Program		AUTHORIZED REPRESENTATIVE Dale H. Pilkington
COVERAGE PARTS AFFECTED Public Officials Legal Liability and Employment Practices Liability		
CHANGES		
Schedule of Members: In consideration of the premium charged, it is hereby understood and agreed that the schedule of Named Members is as follows: Members: TBD Limits: TBD		
ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.		



Authorized Representative

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PRIOR AND PENDING LITIGATION EXCLUSION

This endorsement modifies insurance provided under the following:

PUBLIC OFFICIALS LIABILITY AND EMPLOYMENT PRACTICES LIABILITY COVERAGE FORM

The following exclusion is added to **SECTION 1 - COVERAGE**:

This Insurance does not apply to any claim made against the Insured or any incident known to the Insured:

for, based upon, arising out of, resulting from, or in consequence of, or in any way involving, directly or indirectly, any litigation or other judicial proceeding, including arbitration, pending against the Insured prior to or as of the date of , or the same or any substantially similar fact, circumstance or situation underlying or alleged therein.

“Claim” means any written or oral notice from any party that it is the intention of such party to hold the insured responsible for any “wrongful act(s)” or any demand received by the Insured for money damages, filing and or service of suit papers or arbitration proceeding filed against the Insurance arising out of “wrongful acts” to which this insurance applies.

Nothing contained herein shall be held to vary, waive, alter, or extend any of the terms, conditions, agreements or declarations of the policy, other than as herein stated.



Surplus Lines Tax Filing Information

Named Insured: Maryland Judges Defense Liability Program

Policy Number:

It is the broker's responsibility to ensure that Surplus Lines tax is paid to the appropriate jurisdiction.

Please provide the following information regarding the home state and the individual responsible for the collection and remittance of the applicable Surplus Lines taxes and fees.

Home State of the Insured (state where taxes remitted): _____

Agency Name: _____

Agent Name: _____

Agent License # under which the taxes were remitted: _____

Address of Licensee: _____

City: _____ State: _____ Zip: _____

If **NEW JERSEY** is the **Home State** of the insured, please provide the NJ Surplus Lines Transaction Number below:

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Please return completed form to your **Underwriting Assistant**.

Thank you.