

MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS
OF THE JEFFERSON COUNTY EMERGENCY SERVICES DISTRICT NO. 4

A regular meeting of the Board of Commissioners of Jefferson County Emergency Services District No. 4 (the "District") was called for at 5:30 p.m. on the 21st day of August, 2013, at the District's administrative office, located at the Labelle-Fannett VFD fire station, 12880 FM 365, Beaumont, Texas 77705, pursuant to notice duly posted according to law.

The roll was called of the duly constituted officers and members of the Board, to wit:

Jeff Roebuck	President
Charlie Reneau	Vice President
Sandra Duhon	Secretary
Sandra Melton	Treasurer
Charlie Cox	Assistant Treasurer

All of said Board members were present, with the exception of Vice President Reneau and Secretary Duhon, thus constituting a quorum. Also present at the meeting were Joshua Heinz of the law firm Benckenstein & Oxford, L.L.P., attorneys for the District; and, other persons identified on the meeting attendance log attached hereto as **Exhibit A**.

Upon establishing that a quorum was present, President Roebuck asked for public comment as set forth in Agenda Item No. 3. Kenneth Duhon requested that the Board consider alternating its regular monthly Board meeting location between the Labelle-Fannett and Cheek VFD fire stations. In response, the Board recognized Mr. Duhon's request and indicated that it would place same on a future meeting agenda for further discussion and consideration.

The Board was then directed to Agenda Item No. 4 for review of the Minutes of the regular meeting held on July 2, 2013. Upon motion by President Roebuck and seconded by Treasurer Melton, and with the unanimous consent of the Board members present, the proposed Minutes were approved.

The Board then moved along through Agenda Item Nos. 5, 6 and 7 relating to the 2013 Certified Tax Roll and other information received from the Jefferson County Appraisal District ("JCAD"); the BASF industrial facility on West Port Arthur Rd., and mandated/optional tax exemptions. The Board discussed the certified tax roll and other information provided by JCAD, copies of which are attached hereto as **Exhibit B**. As to the BASF industrial facility, President Roebuck and Mr. Heinz reported on the status of this property in relation to the District's net taxable value, and informed the Board they were awaiting clarification on the matter from Roland Bieber, Chief Appraiser for JCAD. Mr. Heinz also discussed with the Board the various mandated/optional tax exemptions, the procedure for the Board to adopt optional exemptions, if any, and the effect same would have on the District's net taxable value.

President Roebuck then directed the Board to Agenda Item No. 8 regarding the District and VFD's 2013-14 budgets. Treasurer Melton and Assistant Treasurer Cox reported that they have met with representatives for the VFDs to discuss their proposed budgets previously submitted to the District, and they are currently waiting on receipt of documentation from the VFDs supporting certain budgeted expenses. Once such information is obtained and the VFDs' budgets are in final form, information therefrom will be used in preparing a proposed 2013-14 budget for the District.

Next, the Board's attention was directed to Agenda Item No. 9 to discuss scheduling of a workshop and/or special meeting to discuss and work on the District's 2013-14 budget. Treasurer Melton and Assistant Treasurer Cox reported that the finance committee is scheduled to meet again on August 26, 2013 to continue review of the VFDs budgets and prepare the District's proposed budget. The Board also discussed the possibility of holding a special Board meeting the week of September 9, 2013, but prior to scheduling and posting notice, the Board members present requested that Mr. Heinz first provide all Board members with potential dates/times and confirm everyone's availability.

The Board's attention was then directed to Agenda Item No. 10 to consider adoption of a resolution to establish bank accounts and a line of credit at Texas First Bank, and to review and execute bank documentation to facilitate same. Upon motion by President Roebuck and seconded by Treasurer Melton, the Board member's present unanimously approved the proposed resolution to establish bank accounts and a \$10,000.00 line of credit at Texas First Bank, which is attached hereto as **Exhibit C**. Treasurer Melton then advised the Board about her discussions with Texas First Bank and the information and materials required to establish the banks accounts and line of credit, and presented the Board with the bank documentation needing to be executed by all the Board members in order to facilitate same, copies of which are attached hereto as **Exhibit D**. All the Board members present executed the bank documents, and Treasurer Melton indicated that she will have the absent Board members sign same prior to returning to the bank.

President Roebuck then directed the Board to Agenda Item No. 11 regarding insurance for the District. The Board discussed the proposal submitted by VFIS, a copy of which is attached hereto as **Exhibit E**, as well as the coverage provided under the proposal and the estimated annual premium (\$2,124.00). The proposal also includes a \$100,000.00 bond for the Treasurer, in accordance with the amount set by Judge Branick. Upon motion by President Roebuck and seconded by Assistant Treasurer Cox, the Board member's present unanimously approved the VFIS proposal, with the understanding that the premium would not be paid, and thus coverage would not be bound, until the District has sufficient funds to do so, either from its requested line of credit through Texas First Bank or its 2013 tax revenues.

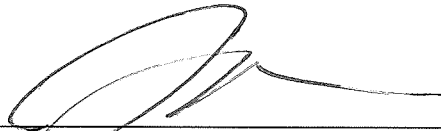
The Board then moved along to Agenda Item No. 13, during which time they discussed obtaining a fax and/or phone line for the District's administrative office, along with office furniture, computer, accounting software, etc.

Thereafter, the Board was directed to Agenda Item No. 13 to discuss the District's official seal, at which time Assistant Treasurer Cox reported that he is working on the seal design, and which he anticipates being completed prior to the Board's next regular meeting.

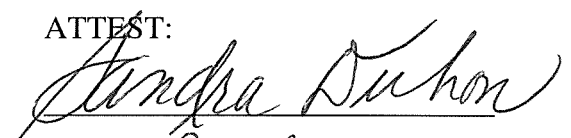
The Board's attention was then directed to Agenda Item No. 14 regarding Benckenstein & Oxford, L.L.P.'s retainer agreement. After a brief discussion between Mr. Heinz and the Board members present, the matter was tabled until the Board's next regular meeting, so that the absent Board members are allowed an opportunity to present any questions or concerns they may have about the proposed agreement.

Next, the Board was directed to Agenda Item No. 15, during which time Mr. Heinz reported to the Board on the recent activities of counsel.

Lastly, the Board was directed to Agenda Item No. 16, and there being no further business to come before the Board, the meeting was adjourned at approximately 6:45 p.m.



Jeff Roebuck, President
Date: 9/18/2013

ATTEST:


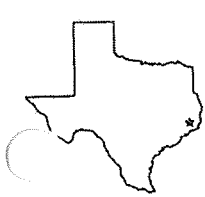
Date: 9-18-13

Exhibit A

8/21/2013 JCESD #4 Regular Meeting

<u>NAME</u>	<u>VFD</u>
1. MATTHEW JAY FRANCIS	CHEEK
2. KEN DUNON	CHEEK
3. Rufus Laverghne	LBFV
4. HENRY LABRIE	LBFV
5. CHARLES SOUNIER	LBFV
6. Richard Nanks	LBFV
7. Carrie Sander	LBFV
8. PAT LARSON	
9. DENNIS GIFFORDS	LBFVFD
10. Randy Rivett	LFVFD
11. Darlene Rivett	LFVFD
12. Jim Newvine	CFVFD
13. Scott Newvine	LFVFD

Exhibit B



Jefferson County Appraisal District

P. O. Box 21337
Beaumont, Texas 77720-1337

4610 S. Fourth St.
Beaumont, Texas 77705

(409) 840-9944
(409) 727-4611
Fax (409) 727-5621

CHIEF APPRAISER
Roland R. Bieber, RPA

MEMBERS OF THE BOARD

C. L. Sherman, Chairperson
Charles Lankford, Secretary
J. Shane Howard
Miriam K. Johnson
Eugene Landry
Dr. Louis Reed, Jr.

July 24, 2013

Mr. Jeff Roebuck
President, Board of Directors
Emergency Services District #4
12880 FM 365
Beaumont TX 77705

Dear Mr. Roebuck:

In accordance with Section 26.01(a), the 2013 appraisal roll for your jurisdiction has been certified to your tax assessor-collector.

Enclosed is a copy of the 2013 Appraisal Roll Certification for your review and information. Please do not hesitate to contact me should you have any questions.

Sincerely,

Roland R. Bieber, RPA
Chief Appraiser

pjb

STATE OF TEXAS

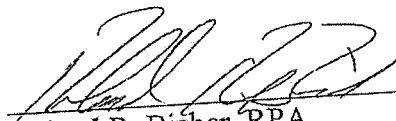
COUNTY OF JEFFERSON

CERTIFICATION OF 2013 APPRAISAL ROLL FOR Emergency Services District #4

I, Roland R. Bieber, Chief Appraiser for the Jefferson County Appraisal District, solemnly swear that the attached is that portion of the approved Appraisal Roll of the Jefferson County Appraisal District that lists property taxable by and constitutes the appraisal roll for Emergency Services District #4.

July 24, 2013

Date



Roland R. Bieber, RPA

Chief Appraiser

Jefferson County Appraisal District

2013 APPRAISAL ROLL INFORMATION

2013 Gross Value

\$668,861,337

2013 Taxable Value

\$567,520,881

RECEIVED BY: _____

DATE: _____

2013 CERTIFIED TOTALS

Property Count: 10,337

586 - JEFFERSON COUNTY ESD #4
Grand Totals

7/24/2013

3:35:08PM

Land		Value				
Homesite:		39,181,375				
Non Homesite:		59,493,316				
Ag Market:		88,514,635				
Timber Market:		6,149,116		Total Land	(+)	193,338,442
Improvement		Value				
Homesite:		295,387,885				
Non Homesite:		83,592,246		Total Improvements	(+)	378,980,131
Non Real		Count	Value			
Personal Property:		252	45,029,030			
Mineral Property:		1,126	51,513,734			
Autos:		0	0	Total Non Real	(+)	96,542,764
				Market Value	=	668,861,337
Ag	Non Exempt	Exempt				
Total Productivity Market:	94,663,751	0				
Ag Use:	11,534,198	0		Productivity Loss	(-)	82,398,719
Timber Use:	730,834	0		Appraised Value	=	586,462,618
Productivity Loss:	82,398,719	0				
				Homestead Cap	(-)	780,259
				Assessed Value	=	585,682,359
Exemption	Count	Local	State	Total		
DV1	11	0	62,000	62,000		
DV2	6	0	34,500	34,500		
DV3	5	0	50,000	50,000		
DV4	34	0	335,300	335,300		
EX-XU	2	0	28,220	28,220		
EX-XV	380	0	17,650,832	17,650,832		
EX366	5	0	626	626	Total Exemptions	(-)
						18,161,478
					Net Taxable	=
						567,520,881

APPROXIMATE TOTAL LEVY = NET TAXABLE * (TAX RATE / 100)
0.00 = 567,520,881 * (0.000000 / 100)

Tax Increment Finance Value: 0
Tax Increment Finance Levy: 0.00

Property Count: 10,337

586 - JEFFERSON COUNTY ESD #4

Grand Totals

7/24/2013

3:35:11PM

CAD State Category Breakdown

State Code	Description	Count	Acres	New Value Market	Market Value
A1	REAL, RESIDENTIAL, SINGLE-FAMILY	2,575		\$10,045,650	\$323,795,223
A2	REAL, RESIDENTIAL, MOBILE HOME	22		\$59,180	\$883,120
A7	REAL/RES/MH 5 AC/LESS-BY OWNER	609		\$406,620	\$9,901,180
B1	REAL, RESIDENTIAL, DUPLEXES	2		\$0	\$2,392,690
B2	REAL, RESIDENTIAL, APARTMENTS	7		\$0	\$601,760
B4	"REAL, RESIDENTIAL(FOUR PLEXES)"	1		\$0	\$107,500
C1	REAL, VACANT LOTS AND LAND TRACTS	2,287		\$0	\$14,535,633
D1	QUALIFIED OPEN-SPACE LAND	1,634	118,920.2801	\$0	\$94,665,259
D2	FARM AND RANCH IMPROV ON QUALIFI	62		\$412,698	\$1,174,822
E	E	647		\$0	\$15,251,078
E1	REAL, FARM/RANCH, HOUSE	192		\$233,280	\$38,665,920
E3	REAL, FARM/RANCH, OTHER IMPROVEME	131		\$387,890	\$6,348,998
E7	MH ON REAL PROP (5 AC/MORE) MH	39		\$400	\$1,263,970
F1	REAL, Commercial	172		\$896,230	\$30,345,730
F2	REAL, Industrial	4		\$1,200	\$2,272,550
F5	OPERATING UNITS ACREAGE	10		\$0	\$3,680,560
F9	INDUSTRIAL APPR BY CAPITOL	3		\$0	\$1,960,390
G1	OIL AND GAS	1,118		\$0	\$51,299,596
J2	REAL & TANGIBLE PERSONAL, UTILITIES,	1		\$0	\$720
J3	REAL & TANGIBLE PERSONAL, UTILITIES,	32		\$0	\$107,620
J4	REAL & TANGIBLE PERSONAL, UTILITIES,	2		\$0	\$109,050
J5	REAL & TANGIBLE PERSONAL, UTILITIES,	1		\$0	\$5,950
J6	REAL & TANGIBLE PERSONAL, UTILITIES,	9		\$0	\$1,080,480
J8	REAL & TANGIBLE PERSONAL, UTILITIES,	22		\$0	\$1,769,550
L1	TANGIBLE, PERSONAL PROPERTY, COMM	217		\$0	\$36,533,940
L2	TANGIBLE, PERSONAL PROPERTY, INDU	9		\$0	\$6,526,690
LE	PP-FREEPORT	1		\$0	\$83,390
M1	TANGIBLE OTHER PERSONAL, MOBILE H	221		\$524,750	\$4,555,160
O	O	73		\$0	\$1,097,990
O1	INVENTORY, VACANT RES LAND	2		\$47,140	\$49,890
S	SPECIAL INVENTORY	1		\$0	\$115,250
X		387		\$500,040	\$17,679,678
	Totals		118,920.2801	\$13,515,078	\$668,861,337

Exhibit C

**RESOLUTION TO ESTABLISH BANK ACCOUNTS
AND OBTAIN A LINE OF CREDIT**

THE STATE OF TEXAS §
 §
COUNTY OF JEFFERSON §

WHEREAS, the Board of Commissioners of Jefferson County Emergency Services District No. 4 (the "District") has deemed that it is in the best interest of the District to establish an account at Texas First Bank (the "Bank") and also to establish a line of credit in the amount of \$ 10,000.00 and such other accounts at the Bank as deemed necessary;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF JEFFERSON COUNTY EMERGENCY SERVICES DISTRICT NO. 4 THAT:

The Board of Commissioners of the District authorizes the District to establish a banking account or accounts and a line of credit at the Bank;

Any two of the five officers of the District, being the President, Vice President, Secretary, Treasurer and Assistant Treasurer, be hereby authorized and directed, on behalf of the District to execute and deliver, or cause to be executed and delivered, such documents as such officers may deem, in their discretion, to be necessary or advisable in order to establish such accounts;

The foregoing authority shall not be limited to the individuals identified herein as officer(s) or position-holder(s) of the District, but shall extend to such additional or different individuals as are named as being so authorized in any letter, form or other written or oral notice by any such above-identified officer(s) or position-holder(s) of the District;

The Secretary of the District shall furnish the Bank a copy of this Resolution, and the Bank is hereby authorized to deal with the present holders of said office(s) or position(s) under the authority of this Resolution unless and until it shall be expressly notified in writing to the contrary by the District;

The Secretary of the District shall, from time to time hereafter, as changes in the personnel of said office(s) or position(s) of District are made, immediately certify such changes to the Bank, and the Bank shall be fully protected in relying upon such certifications of the Secretary of the District, and shall be indemnified and saved harmless from any claims, demands, expenses, losses and/or damages resulting from, or growing out of, honoring the signature of any officer(s) or position-holder(s), representative(s), agent(s), or employee(s) so certified, or refusing to honor any signature not so certified which is not described or stated in this Resolution;

any other officer

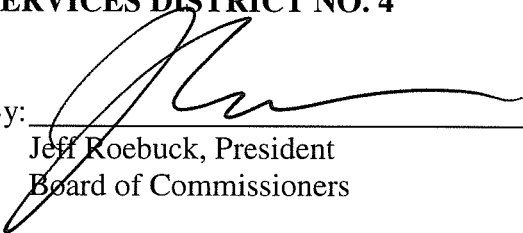
The President and Secretary of the District are authorized and directed to certify to the Bank that this Resolution was duly adopted, and that the provisions thereof are in full conformity with the laws of the State of Texas; and,

All transactions by any officer(s), member(s), position-holder(s), representative(s), agent(s) or employee(s) of the District, on its behalf and in its name, with the Bank prior to delivery of a copy of this Resolution are, in all respects, hereby ratified, confirmed and adopted.


PASSED AND APPROVED this the 21st day of August, 2013.

**JEFFERSON COUNTY EMERGENCY
SERVICES DISTRICT NO. 4**

By: _____


Jeff Roebuck, President
Board of Commissioners

ATTEST:



~~Sandra Duhon, Secretary~~ Sandra Melton, Treasurer
Board of Commissioners

CERTIFICATE FOR RESOLUTION

THE STATE OF TEXAS §
 §
COUNTY OF JEFFERSON §

The undersigned officer of the Board of Commissioners of Jefferson County Emergency Services District No. 4 hereby certifies as follows:

1. The Board of Commissioners of Jefferson County Emergency Services District No. 4 convened in a regular meeting on the 21st day of August, 2013, at the Labelle-Fannett Volunteer Fire Department Fire Station No. 1, located at 12880 FM 365, Beaumont, Texas 77705, and the roll was called of the duly constituted officers and members of the Board, to wit:

Jeff Roebuck	-	President
Charlie Reneau	-	Vice President
Sandra Duhon	-	Secretary
Sandra Melton	-	Treasurer
Charlie Cox	-	Assistant Treasurer

vice President Charlie Reneau

and all of said Commissioners were present, except Commissioner(s) Secretary Sandra Duhon, thus constituting a quorum. Whereupon, among other business, the following was transacted at the meeting:

**RESOLUTION TO ESTABLISH BANK ACCOUNTS
AND OBTAIN A LINE OF CREDIT**

was introduced for the consideration of the Board. It was then duly moved and seconded that the Resolution be adopted, and, after due discussion, the motion, carrying with it the adoption of the Resolution, prevailed and carried by majority of the Board.

2. A true, full and correct copy of the Resolution adopted at the meeting described in the above paragraph is attached to this certificate; the Resolution has been duly recorded in the Board's minutes of the meeting; the persons named in the above and foregoing paragraph are the duly chosen, qualified and acting officers and members of the Board as indicated therein, each of the officers and members of the Board was duly and sufficiently notified officially and personally, in advance, of the time, place and purpose of the aforesaid meeting and that the Resolution would be introduced and considered for adoption at the meeting, and each of the officers and members consented, in advance, to the holding of the meeting for such purpose; the meeting was open to the public as required by law; and public notice of the time, place and subject to the meeting was given as required by Chapter 551 of the Government Code.

SIGNED AND SEALED this 23rd day of August, 2013.

Sandra Melton
~~Sandra Duhon, Secretary~~ Sandra Melton, Treasurer
Board of Commissioners

THE STATE OF TEXAS §
 §
COUNTY OF JEFFERSON §

^{Treasurer} This instrument was acknowledged before me on August 23, 2013, by ^{Sandra Melton} ~~Sandra Duhon~~, Secretary of the Board of Commissioners of Jefferson County Emergency Services District No. 4, on behalf of said District.



Kara Thibodeaux
Notary Public

**CERTIFICATE OF RESOLUTION OF THE COMMISSIONERS OF
JEFFERSON COUNTY EMERGENCY SERVICES DISTRICT NO. 4
TO ESTABLISH BANK ACCOUNTS AND OBTAIN A LINE OF CREDIT**

The undersigned, Jeff Roebuck and ^{Sandra Melton}~~Sandra Duhon~~, hereby certify to Texas First Bank (“Bank”) that the undersigned are the President and ^{Treasurer}~~Secretary~~ of Jefferson County Emergency Services District No. 4 (“District”), a political subdivision created and existing under the laws of the State of Texas; that the following is a true copy of the Resolution duly adopted by the Board of Commissioners by unanimous vote of the Commissioners present at a regular meeting of the Board of Commissioners on August 21st, 2013, at which a quorum was present; that such Resolution is in full force and effect and has not been amended or rescinded; and that there is no statute or law limiting the power of the Board of Commissioners to pass the following Resolution.

WHEREAS, the Commissioners of the District have deemed that it is in the best interest of the District to establish an account at the Bank and also to establish a line of credit in the amount of \$ 10,000.00 and such other accounts at the Bank as deemed necessary.

BE IT RESOLVED that the Commissioners of the District authorize the District to establish a banking account or accounts and a line of credit at the Bank;

FURTHER RESOLVED, that any two of the five officers of the District, being the President, Vice President, Secretary, Treasurer and Assistant Treasurer, be hereby authorized and directed, on behalf of the District to execute and deliver, or cause to be executed and delivered, such documents as such officers may deem, in their discretion, to be necessary or advisable in order to establish such accounts;

FURTHER RESOLVED, that the foregoing authority shall not be limited to the individuals identified herein as officer(s) or position-holder(s) of the District, but shall extend to such additional or different individuals as are named as being so authorized in any letter, form or other written or oral notice by any such above-identified officer(s) or position-holder(s) of District;

FURTHER RESOLVED, that the Secretary of the District shall furnish the Bank a certified copy of this Resolution, and Bank is hereby authorized to deal with the present holders of said office(s) or position(s) under the authority of this

Resolution unless and until it shall be expressly notified in writing to the contrary by the District;

FURTHER RESOLVED, that the Secretary of the District shall, from time to time hereafter, as changes in the personnel of said office(s) or position(s) of District are made, immediately certify such changes to the Bank, and that the Bank shall be fully protected in relying upon such certifications of the Secretary of the District, and shall be indemnified and saved harmless from any claims, demands, expenses, losses and/or damages resulting from, or growing out of, honoring the signature of any officer(s) or position-holder(s), representative(s), agent(s), or employee(s) so certified, or refusing to honor any signature not so certified which is not described or stated in this Resolution;

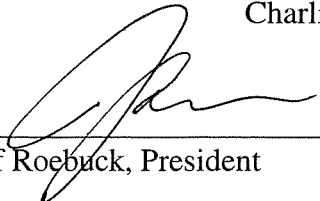
FURTHER RESOLVED, that the President and ^{any other officer} ~~Secretary~~ of the District are authorized and directed to certify to the Bank that this Resolution was duly adopted, and that the provisions thereof are in full conformity with the laws of the State of Texas;

FURTHER RESOLVED, that all transactions by any officer(s), member(s), position-holder(s), representative(s), agent(s) or employee(s) of the District, on its behalf and in its name, with the Bank prior to delivery of a certified copy of this Resolution are, in all respects, hereby ratified, confirmed and adopted; and


FURTHER RESOLVED, that the Secretary of the District is expressly authorized to affix the seal, if any, of the District on any instrument as the seal of the District and that this Resolution supersedes any other document of the District to the contrary.

We, finally, certify that the following are the persons who now hold the offices referred to above in this Resolution:

Jeff Roebuck	-	President
Charlie Reneau	-	Vice President
Sandra Duhon	-	Secretary
Sandra Melton	-	Treasurer
Charlie Cox	-	Assistant Treasurer



Jeff Roebuck, President



~~Sandra Duhon, Secretary~~
Sandra Melton, Treasurer

IN WITNESS WHEREOF, I have hereunto duly subscribed my name and affixed the seal, if any, of the District on August 23, 2013.

(seal)

By Sandra Melton
~~Sandra Duhon, Secretary~~
Sandra Melton, Treasurer

Exhibit D

TEXAS FIRST BANK

Fannett Banking Center
16831 Hwy 124, Fannett, TX 77705

OWNERSHIP OF ACCOUNT - CONSUMER (Select one by placing your initials next to account selected.)
UNIFORM SINGLE-PARTY OR MULTIPLE-PARTY ACCOUNT SELECTION FORM NOTICE: THE TYPE OF ACCOUNT YOU SELECT MAY DETERMINE HOW PROPERTY PASSES ON YOUR DEATH. YOUR WILL MAY NOT CONTROL THE DISPOSITION OF FUNDS HELD IN SOME OF THE FOLLOWING ACCOUNTS.

- SINGLE-PARTY ACCOUNT WITHOUT "P.O.D." (Payable on Death) DESIGNATION
 - SINGLE-PARTY ACCOUNT WITH "P.O.D." (Payable on Death) DESIGNATION
 - MULTIPLE-PARTY ACCOUNT WITHOUT RIGHT OF SURVIVORSHIP
 - MULTIPLE-PARTY ACCOUNT WITH RIGHT OF SURVIVORSHIP
 - MULTIPLE-PARTY ACCOUNT WITH RIGHT OF SURVIVORSHIP AND "P.O.D." (Payable on Death) DESIGNATION
 - CONVENIENCE ACCOUNT
 - TRUST ACCOUNT (name beneficiaries below)
 - TRUST ACCOUNT SUBJECT TO SEPARATE AGREEMENT
- DATED: _____
- OTHER _____

NAME OR NAMES OF BENEFICIARIES:

OWNERSHIP OF ACCOUNT - BUSINESS PURPOSE

- SOLE PROPRIETORSHIP LIMITED LIABILITY COMPANY
- CORPORATION: FOR PROFIT NOT FOR PROFIT
- PARTNERSHIP ASSOCIATION

BUSINESS: EMERGENCY SERVICE
COUNTY & STATE OF ORGANIZATION: JEFFERSON TX
AUTHORIZATION DATED: 8/15/2013

TYPE OF ACCOUNT

- NEW EXISTING
- CHECKING SAVINGS
- MONEY MARKET CERTIFICATE OF DEPOSIT
- NOW _____

ACCOUNT NAME: BUSINESS CHECKING

This is a Temporary account agreement.

BACKUP WITHHOLDING CERTIFICATIONS

TIN: 46-3181810

TAXPAYER I.D. NUMBER - The Taxpayer Identification Number shown above (TIN) is my correct taxpayer identification number.

BACKUP WITHHOLDING - I am not subject to backup withholding either because I have not been notified that I am subject to backup withholding as a result of a failure to report all interest or dividends, or the Internal Revenue Service has notified me that I am no longer subject to backup withholding.

EXEMPT RECIPIENTS - I am an exempt recipient under the Internal Revenue Service Regulations.

SIGNATURE: I certify under penalties of perjury the statements checked in this section and that I am a U.S. citizen or other U.S. person (as defined in the instructions).



JEFFERSON COUNTY EMERGEN(Date)

ACCOUNT NUMBER 10031508

ACCOUNT OWNER(S) NAME & ADDRESS
JEFFERSON COUNTY EMERGENCY SERVICES No. 4
12880 FM 365 RD
BEAUMONT, TX 77705-9682

DATE OPENED 08/15/2013 BY B324RMP
INITIAL DEPOSIT \$ 100.00
 CASH CHECK _____
HOME TELEPHONE # 409-673-6435
DRIVER'S LICENSE # _____
E-MAIL _____
EMPLOYER _____
BUSINESS PHONE # _____
Name and address of someone who will always know your location: _____

Number of signatures required for withdrawal 001
FACSIMILE SIGNATURE(S) ALLOWED? YES NO

[X]

SIGNATURE(S) - The undersigned certifies the accuracy of the information he/she has provided and acknowledges receipt of a completed copy of this form. The undersigned authorizes the financial institution to verify credit and employment history and/or have a credit reporting agency prepare a credit report on the undersigned, as individuals. The undersigned also acknowledge the receipt of a copy and agree to the terms of the following agreement(s) and/or disclosure(s):

- Terms & Conditions Truth in Savings Funds Availability
- Electronic Fund Transfers Privacy Substitute Checks
- Common Features _____

[X]

(1) [X] SANDRA DUHON
I.D. # 999-99-9999 Other _____

(2) [X] Sandra J. Melton
SANDRA J MELTON
I.D. # _____ Other _____

(3) [X] Charlie Cox
CHARLIE COX
I.D. # 999-99-9999 Other _____

(4) [X] See Signature Addendum
JEFF ROEBUCK
I.D. # 99-999-9999 Other _____

The person(s) named below are Convenience Signers only (not owners)

[X]

I.D. # _____ Other _____

[X]

I.D. # _____ Other _____

ADDENDUM

Date: 08/15/2013

Financial Institution



TEXAS FIRST BANK

Fannett Banking Center
16831 Hwy 124, Fannett, TX 77705

Account Title & Address

JEFFERSON COUNTY EMERGENCY
SERVICES No. 4
12880 FM 365 RD
BEAUMONT, TX 77705-9682

ADDENDUM - This Addendum is incorporated into and made a part of the document described as follows (the "Agreement"): 10031508 Account Agreement (for example, "Account Agreement")
dated: 08/15/2013, relating to account number(s): 10031508.

Beneficiary Information

and/or

Additional Terms

Signature Addendum - The following signatures are added to and supplement the signatures provided on the Agreement. The undersigned agree to the terms of the Agreement, and all terms and disclosures acknowledged on the Agreement.

Amendment Signatures - This Addendum amends the Agreement. The undersigned agree to the additional terms or information above. This Addendum overrides any conflicting terms of the Agreement.

CHARLES O RENEAU	Date		Date
	Date		Date
	Date		Date

Business Account Application

Date
 Tax ID #
 Opened By
 Reviewed By

Current Banking Information

Where do you bank now? Why are you leaving them?
 How did you hear about us?

Current Services Used/Requested

<input type="checkbox"/> Online Banking	<input type="checkbox"/> Cash Management*	<input type="checkbox"/> Merchant Services	<input type="checkbox"/> Night Drop Service
<input type="checkbox"/> Online Banking w/Bill Pay	<input type="checkbox"/> Business Invoicing**	<input type="checkbox"/> Positive Pay	<input type="checkbox"/> Business Savings
<input type="checkbox"/> Debit Card	<input type="checkbox"/> Remote Deposit Capture	<input type="checkbox"/> Business Credit Card	<input type="checkbox"/> Business Money Market

Business Type

When was the business established? Is the business considered high risk? If yes, choose high risk type below. If no, please indicate business industry type in other. If business is an MSB you must complete the MSB application process.
 How many employees? High Risk Types Other
 How long in the industry? Business Entity Type

Business Estimated Activity

# of Deposits	<input type="text" value="1 - 10"/>	# of Checks	<input type="text" value="None"/>	# ACH Items	<input type="text" value="None"/>	<input type="text" value="Anticipated Wire Activity"/>		
Avg. \$ Range	<input type="text" value="\$1 - \$2500"/>	Avg. \$ Range	<input type="text" value="None"/>	Avg. \$ Range	<input type="text" value="None"/>	Domestic	Foreign	Internet
						<input type="text" value="Yes"/>	<input type="text" value="Yes"/>	<input type="text" value="Yes"/>

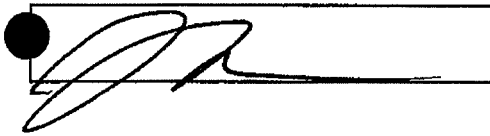
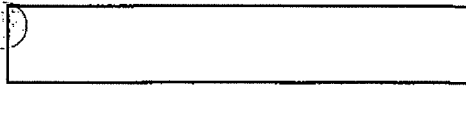
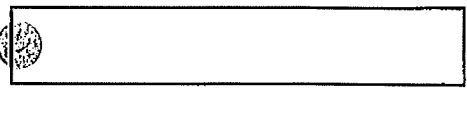
Business Information

Business Name DBA Name
 Physical Address Mailing Address
 City, State, Zip City, State, Zip
 Website Business Email

Business Owner / Signer Information

By signing below I am verifying that all the information provided is correct and I am authorizing Texas First Bank to verify business and personal credit history.

Name <input type="text" value="JEFF ROEBUCK"/>	Name <input type="text" value="CHARLIE RENEAU"/>	Name <input type="text" value="SANDRA DUHON"/>
Title <input type="text" value="PRESIDENT"/>	Title <input type="text" value="VICE PRESIDENT"/>	Title <input type="text" value="SECRETARY"/>
ID - #,Type, Exp. <input type="text"/>	ID - #,Type, Exp. <input type="text"/>	ID - #,Type, Exp. <input type="text"/>
DOB <input type="text"/>	DOB <input type="text"/>	DOB <input type="text"/>
SSN <input type="text"/>	SSN <input type="text"/>	SSN <input type="text"/>
Contact Phone # <input type="text"/>	Contact Phone # <input type="text"/>	Contact Phone # <input type="text"/>
<input type="text" value="Signer"/>	<input type="text" value="Signer"/>	<input type="text" value="Signer"/>

Business Account Application

Date
 Tax ID #
 Opened By
 Reviewed By

Current Banking Information

Where do you bank now? Why are you leaving them?
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<input type="checkbox"/> Online Banking w/Bill Pay	<input type="checkbox"/> Business Invoicing**	<input type="checkbox"/> Positive Pay	<input type="checkbox"/> Business Savings
<input type="checkbox"/> Debit Card	<input type="checkbox"/> Remote Deposit Capture	<input type="checkbox"/> Business Credit Card	<input type="checkbox"/> Business Money Market

Business Type

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 How many employees? High Risk Types Other
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Avg. \$ Range	<input type="text" value="\$1 - \$2500"/>	Avg. \$ Range	<input type="text" value="None"/>	Avg. \$ Range	<input type="text" value="None"/>	<input type="text" value="No"/>	<input type="text" value="No"/>	<input type="text" value="No"/>

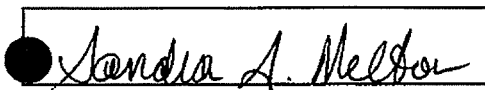
Business Information

Business Name DBA Name
 Physical Address Mailing Address
 City, State, Zip City, State, Zip
 Website Business Email

Business Owner / Signer Information

By signing below I am verifying that all the information provided is correct and I am authorizing Texas First Bank to verify business and personal credit history.

Name <input type="text" value="SANDRA MELTON"/>	Name <input type="text" value="CHARLIE COX"/>	Name <input type="text"/>
Title <input type="text" value="TREASURER"/>	Title <input type="text" value="ASSISTANT TREASURER"/>	Title <input type="text"/>
ID - #, Type, Exp. <input type="text"/>	ID - #, Type, Exp. <input type="text"/>	ID - #, Type, Exp. <input type="text"/>
DOB <input type="text"/>	DOB <input type="text"/>	DOB <input type="text"/>
SSN <input type="text"/>	SSN <input type="text"/>	SSN <input type="text"/>
Contact Phone # <input type="text"/>	Contact Phone # <input type="text"/>	Contact Phone # <input type="text"/>
<input type="text" value="Signer"/>	<input type="text" value="Signer"/>	<input type="text" value="Owner"/>





RESOLUTION OF LODGE, ASSOCIATION OR OTHER SIMILAR ORGANIZATION



Fannett Banking Center
16831 Hwy 124, Fannett, TX 77705

Referred to in this document as "Financial Institution"

By: JEFFERSON COUNTY EMERGENCY SERVICES No. 4
12880 FM 365 RD
BEAUMONT, TX 77705-9682

Referred to in this document as "Association"

I, SANDRA DUHON, certify that I am Secretary (clerk) of the above named association organized under the laws of TX, Federal Employer I.D. Number 46-3181810, and that the resolutions on this document are a correct copy of the resolutions adopted at a meeting of the Association duly and properly called and held on 8/15/2013 (date). These resolutions appear in the minutes of this meeting and have not been rescinded or modified.

AGENTS Any Agent listed below, subject to any written limitations, is authorized to exercise the powers granted as indicated below:

Name and Title or Position	Signature	Facsimile Signature (if used)
A. <u>JEFF ROEBUCK, PRESIDENT</u>		X
B. <u>CHARLES O RENEAU, VICE PRESIDENT</u>		X
C. <u>SANDRA DUHON, SECRETARY</u>		X
D. <u>SANDRA J MELTON, TREASURER</u>		X
E. <u>CHARLIE COX, ASSISTANT TREASURER</u>		X
F. _____	X	X

POWERS GRANTED (Attach one or more Agents to each power by placing the letter corresponding to their name in the area before each power. Following each power indicate the number of Agent signatures required to exercise the power.)

Indicate A, B, C, D, E, and/or F	Description of Power	Indicate number of signatures required
<u>ABCDE</u>	(1) Exercise all of the powers listed in this resolution.	<u>1</u>
_____	(2) Open any deposit or share account(s) in the name of the Association.	_____
_____	(3) Endorse checks and orders for the payment of money or otherwise withdraw or transfer funds on deposit with this Financial Institution.	_____
_____	(4) Borrow money on behalf and in the name of the Association, sign, execute and deliver promissory notes or other evidences of indebtedness.	_____
_____	(5) Endorse, assign, transfer, mortgage or pledge bills receivable, warehouse receipts, bills of lading, stocks, bonds, real estate or other property now owned or hereafter owned or acquired by the Association as security for sums borrowed, and to discount the same, unconditionally guarantee payment of all bills received, negotiated or discounted and to waive demand, presentment, protest, notice of protest and notice of non-payment.	_____
_____	(6) Enter into a written lease for the purpose of renting, maintaining, accessing and terminating a Safe Deposit Box in this Financial Institution.	_____
_____	(7) Other _____	_____

LIMITATIONS ON POWERS The following are the Association's express limitations on the powers granted under this resolution.

EFFECT ON PREVIOUS RESOLUTIONS This resolution supersedes resolution dated _____ . If not completed, all resolutions remain in effect.

CERTIFICATION OF AUTHORITY

I further certify that the Association has, and at the time of adoption of this resolution had, full power and lawful authority to adopt the resolutions on page 2 and to confer the powers granted above to the persons named who have full power and lawful authority to exercise the same. (Apply seal below where appropriate.)

If checked, the Association is a non-profit lodge, association or similar organization.

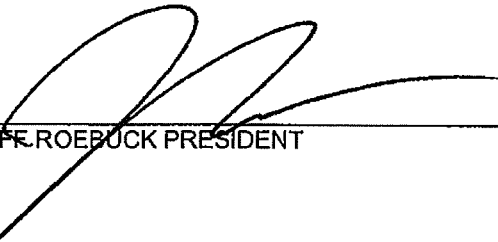
_____ (Secretary)
 _____ (Attest by Other Officer)
 _____ (Attest by Other Officer)

Certification Regarding Internet Gambling

The business entity identified below certifies that it does not engage in an Internet gambling business within the meaning of Federal Reserve Regulation GG.

Business Entity

JEFFERSON COUNTY EMERGENCY SERVICES



JEFF ROEBUCK PRESIDENT

8/21/13
Date

**TEXAS FIRST BANK
COMMERCIAL CREDIT APPLICATION**

Name of Business: Jefferson County Emergency Services District No 4
 Address (Street, City, State, Zip): 12880 FM 365 RD, Beaumont, TX 77705
 Mailing Address (if different than above): _____
 E-Mail Address: _____
 Telephone Number: _____ Fax Number: _____
 Legal Relationship: Corporation Partnership Sole-Proprietorship
 Taxpayer ID Number: 46-3181810 Date Established: _____

Persons to Sign for Credit **Applying for Credit:**
 Name: _____ SSN: _____ Individually Jointly
 Name: _____ SSN: _____ Individually Jointly

Name: Jeff Roebuck, President Address: _____
 SSN: _____ Phone: _____
 DOB: _____ Applying _____
 E-Mail: _____ For Credit: Individually Jointly

Name: Charlie Reneau, Vice President Address: _____
 SSN: _____ Phone: _____
 DOB: _____ Applying _____
 E-Mail: _____ For Credit: Individually Jointly

Name: Sandra Duhon, Secretary Address: _____
 SSN: _____ Phone: _____
 DOB: _____ Applying _____
 E-Mail: _____ For Credit: Individually Jointly

Name: Sandra Melton, Treasurer Address: _____
 SSN: _____ Phone: _____
 DOB: _____ Applying _____
 E-Mail: _____ For Credit: Individually Jointly

Name: Charlie Cox, Assistant Treasurer Address: _____
 SSN: _____ Phone: _____
 DOB: _____ Applying _____
 E-Mail: _____ For Credit: Individually Jointly

REQUEST

Amount Requested: \$10,000.00 Date: _____
 Terms Requested: Revolving Line of Credit, single pay note
 Purpose of Loan: To supply working capital
 Collateral: _____

CREDIT DENIAL NOTICE. If your gross revenues were \$1,000,000 or less in your previous fiscal year, or you are requesting trade credit, a factoring agreement, or similar types of business credit in this Commercial Loan Application, and if your application for business credit is denied, you have the right to a written statement of the specific reasons for the denial. To obtain the statement, please contact:

Texas First Bank
 3000 FM 1764
 La Marque, TX 77568
 Phone: (409) 978-2250

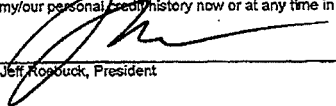


within 60 days from the date you are notified of our decision. We will send you a written statement of reasons for the denial within 30 days of receiving your request for the statement.

EQUAL CREDIT OPPORTUNITY NOTICE: The federal Equal Credit Opportunity Act prohibits creditors from discriminating against credit applicants on the basis of race, color, religion, national origin, sex, marital status, age (providing that the applicant has the capacity to enter into a binding contract); or because all or part of the applicant's income derives from any public assistance program; or because the applicant has in good faith exercised any right under the Consumer Credit Protection Act. The federal agency that administers compliance with this law concerning this creditor is:

Federal Reserve Consumer Help Center
 P. O. Box 1200
 Minneapolis, MN 55480
 Toll-free number: (888) 851-1920
 Fax number: (877) 888-2520
 TDD number: (877) 766-8533

This Information and the information provided on all accompanying financial statements and schedules is provided for the purpose of obtaining credit for the Applicant(s) or for the purpose of Applicant(s) guaranteeing credit for others. Applicant(s) acknowledges that representations made in this application and all accompanying financial statements and schedules will be relied on by Creditor in its decision to grant such credit. This application and all accompanying financial statements and schedules are true and correct in every detail and accurately represents the financial condition of the Applicant(s) on the date given below. Applicant(s) hereby authorizes Creditor to make all inquiries it deems necessary to verify the accuracy of the information contained herein and to determine the creditworthiness of the Applicant(s) now or at any time in the future, without further notice. Applicant(s) will promptly notify Creditor of any subsequent changes which would affect the accuracy of this application and all accompanying financial statements and schedules. Creditor is further authorized to answer any questions about Creditor's credit experience with Applicant(s). Applicant(s) are aware that any knowing or willful false statements regarding the value of the above property for purposes of influencing the actions of Creditor can be a violation of federal law, 18 U.S.C. & 1014, and may result in a fine or imprisonment or both.

By signing below, each applicant declares that he/she has read and understands the statement above, and hereby authorizes Texas First Bank to check my/our personal credit history now or at any time in the future, without further notice.

<p> <u>8/21/13</u> Jeff Roebuck, President Date</p>	<p><u>8/21/13</u> Charlie Reneau, Vice President Date</p>
<p><u>8/21/13</u> Sandra Duhon, Secretary Date</p>	<p> <u>8/21/13</u> Sandra Melton, Treasurer Date</p>
<p> <u>8/21/13</u> Charlie Cox, Asst Treasurer Date</p>	<p>_____ Date</p>

Things needed by Texas First Bank:

Checking Account

Executed copy of bank account agreement

Signature cards complete

Copies of Driver's license for signers

Social security numbers for signers

Line of Credit

Plan – Brief description of purpose

Budget

List of income and expenses

Executed copy of minutes of meeting

Executed application for TFB on Line of Credit

Exhibit E



*A Property & Casualty Proposal
Prepared For*

**JEFFERSON COUNTY EMERGENCY SERVICES
DISTRICT #4**

Presented By: REGNIER & ASSOCIATES INC
3420 EXEC CENTER DRIVE STE 301
AUSTIN, TX 78731 - 1626
(512) 448-9928

Date: July 25, 2013

This proposal is valid for 90 days

PREMIUM SUMMARY
JEFFERSON COUNTY EMERGENCY SERVICES
DISTRICT #4 (TX) C62613

	<u>Premium</u>
Property	Not Requested
Crime	\$421
Portable Equipment,	Not Requested
Automobile	\$253
General Liability	\$350
Management Liability	\$350
<hr/>	
Excess Liability	\$750
Total Estimated Annual Premium	\$2,124



TABLE OF CONTENTS

TABLE OF CONTENTS	2
FOREWORD	3
BACKGROUND OF VFIS	3
EDUCATION AND TRAINING SERVICES	4
YOUR QUOTE:	
GENERAL INFORMATION	5
RISK CONTROL SERVICES and RISK MANAGEMENT	6
PROPERTY	8
CRIME	14
PORTABLE EQUIPMENT	15
AUTOMOBILE	17
GENERAL LIABILITY	23
MANAGEMENT LIABILITY	27
EXCESS LIABILITY	32
OTHER VFIS PRODUCTS	33
PREMIUM SUMMARY	34
PROPOSAL NOTES	35
VFIS ORDER FORM	36
STATE-SPECIFIC FRAUD WARNING NOTICES	37



FOREWORD

This proposal is prepared from information supplied to VFIS on the "factfinder" submitted by your insurance representative.

The proposal format has evolved over the many years we have been working with emergency service organizations. It describes coverages in some detail and provides some claim examples, which may be helpful to your understanding of the coverages. However, this proposal is not a policy, nor is it intended as such. Actual coverage is provided only by the policy.

Please remember that your exposure to loss changes over time. It's necessary to keep your insurance representative informed about any changes, so your policies can be revised. We strongly recommend frequent reviews of your operations and coverages with your insurance representative.

BACKGROUND OF VFIS

In 1969, VFIS pioneered specialized insurance coverages designed to meet the unique needs of America's emergency service organizations. Neglected and misunderstood by many insurance companies, the emergency service industry was in need of an innovative approach to insurance products and services. VFIS accepted the challenge, and today insures more than 12,000 emergency service clients in 49 states and Canada.

Service to clients is the cornerstone of the VFIS program. That means prompt, fair and responsive claim service. It means investing the energy, experience and funds necessary to develop valuable education programs, like driver training, to assist emergency service clients in operating more safely, more efficiently and more effectively.

Over the years, VFIS has forged a partnership with fire and emergency medical service leaders, which fosters the continuing development of policy and program enhancements. VFIS is committed to protecting the resources of emergency service organizations and promoting the health and interests of their members. Wherever and whenever the welfare of our clients is at stake, VFIS is there to lead or support their efforts with a level of dedication no imitator can duplicate.

In 1969, VFIS was first on the scene. Today, VFIS is **Here to Help.**

EDUCATION AND TRAINING SERVICES

In this rapidly changing world, emergency service organizations are continually faced with new challenges, issues and risks, as well as an array of new opportunities. Meeting these challenges and taking advantage of opportunities often requires assistance that may not be available through traditional channels.

That is why VFIS is here to help. As the leader in emergency service insurance for more than 30 years, we have made it a point to provide our customers with quality education, risk control and management programs. We also recognize how valuable these resources are in helping emergency service organizations improve their ability to serve their communities.

In tandem with our quality insurance coverages, VFIS customers benefit from the following programs and services, *which are available to them at little or no cost:*

- **Education and Training** - Timely and innovative, these safety, loss-control and skills-enhancement programs are designed to keep clients current with the fast-paced changes in equipment and techniques. Each is accompanied by appropriate print and/or video materials.
- **Workshops and Seminars** - Conducted on a regional basis throughout the year, these information-packed sessions are offered at instructor and participant levels and cover everything from grant-writing to community relations.

From training to troubleshooting, VFIS helps emergency service organizations become better prepared for every call, reducing the risk of injury or loss to the people they serve, the property they protect and their most valuable asset - their own members. Above all, our knowledgeable, nationally recognized professionals are here to help our customers prepare for the years ahead and the changing world that lies just around the corner.

GENERAL INFORMATION

First Named Insured: JEFFERSON COUNTY EMERGENCY SERVICES
DISTRICT #4

Mailing Address: 3535 CALDER AVENUE #300
BEAUMONT, TX 77706-0000



RISK CONTROL SERVICES and RISK MANAGEMENT

As a valuable service to your organization, VFIS provides risk control services. Employing risk control techniques will accomplish two major objectives. The first is to reduce or eliminate the loss producing conditions and exposures of your organization.

This in turn will achieve the second objective of risk control, which is to help you control the costs of your insurance program and reduce uninsured losses. While insurance coverages should take care of the majority of covered losses, you should understand that claims often contain hidden costs, known as indirect losses, which are not covered by insurance. Some examples of indirect losses are deductibles that must be paid, downtime of equipment or apparatus, temporary or permanent reductions in staffing, costs of overtime, fines, lowered morale and poor public image.

VFIS Risk Control Services can provide your organization with a number of resources to assist you in accomplishing these objectives. While we cannot eliminate all of your exposures, we can help you reduce the potential for losses through consistent and ongoing risk control and risk management efforts.

Risk Control Services

Our experienced technical staff of professionals can assist you in your risk control efforts in many ways. VFIS is proud to offer these valuable services at no cost to your organization. The following are just some of the services available to VFIS clients:

- ~~Mutual Aid by VFIS - An emergency services self audit and resource identification guide~~ which highlights known loss producing exposures and directs you to available VFIS resources to assist your organization in addressing them.
- ~~Communique's~~ - Technical reference bulletins addressing specific areas of operation and offering suggested management controls in SOG/SOP language. Available by contacting VFIS Risk Control Services or by visiting our website at www.vfis.com.
- ~~Direct Contact~~ - Risk control professionals are available to answer questions regarding codes, laws and standards; technical issues; and management and operational policies and procedures.
- ~~On-Site Services~~ - VFIS clients, meeting certain eligibility requirements, will benefit from having an on-site loss control survey conducted by one of our risk control professionals. The purpose of these surveys is to evaluate your existing policies and procedures to determine their effectiveness in controlling your organization's specific exposures. If necessary, VFIS will then provide you with recommendations and resources to enhance or support current practices.
- ~~Professional Referrals~~ - VFIS Risk Control Services has a nationwide network of resources in many aspects of emergency services work. If we cannot assist you directly, we will be happy to put you in contact with an agency or individual who can provide you with the needed assistance.

Risk Management

The practice of risk management will allow your organization to identify and evaluate your exposures to loss. To evaluate your exposures, you'll need to understand some basic risk management principles:

1. **Never risk more than you can afford to lose.** If a given loss would cripple your organization, then you need to transfer the risk to someone else.
2. **Do not risk too much for too little return.** For example, accepting a higher level of deductible on your vehicle coverage may provide only marginal premium savings.
3. **Know the odds.** If the potential for a given loss is very remote, then you may be able to address the exposure a different way than if the potential is more common.

In summary, you need to know how much money, time and equipment is at risk. Then determine if you can afford to assume the risk of losses yourself or transfer them to someone else. Lastly, know where frequent or serious losses are more likely to come from and address them accordingly.

Once you understand this, there are four risk management methods you may employ:

1. **Eliminate the exposure.** Stopping the sale or distribution of alcoholic beverages in your social hall is an easy way to eliminate your liquor law liability exposure.
2. **Assume the risk yourself.** Insurance deductibles are an example of assuming risk. If you don't believe you will have a frequency of losses or if your organization has enough financial resources, you may want to take on a larger deductible, such as \$1,000 or \$2,500 as opposed to a \$250 deductible.
3. **Reduce the exposure.** Coming to a complete stop at intersections with a negative control device, when appropriate, will reduce the risk of having an intersection crash. This practice does not eliminate the possibility of an intersection crash, but it helps reduce the chances.
4. **Transfer the risk.** If an exposure cannot be reduced or eliminated and assuming it is too risky, then transfer the exposure to a third party. Although insurance is the most common method of transfer of risk, it is not the only method. Another commonly used method is a hold harmless agreement or indemnification clause in a contract.

VFIS risk control professionals are always available to assist you with your risk control and risk management needs.

PROPERTY

***** Coverage Not Requested *****



PROPERTY

Valuation Basis

VFIS insures property on a *guaranteed replacement cost (GRC)*, *replacement cost (RC)*, *actual cash value (ACV)* or *functional replacement cost (FRC)* basis. The Schedule of Limits shows how your property was quoted.

Guaranteed replacement cost pays to replace your property, without deduction for depreciation, even if the replacement cost is greater than the limit on the policy. Here's an example:

	<u>With GRC</u>	<u>Without GRC</u>
Policy limit:	\$100,000	\$100,000
Actual cost to replace:	\$125,000	\$125,000
Policy pays:	\$125,000	\$100,000
You would have to pay:	\$ 0	\$ 25,000

Replacement cost pays to replace your property, without deduction for depreciation, but is subject to the limit on the policy.

Actual cash value pays the cost to replace your property, subject to depreciation and subject to the limit on the policy.

Functional replacement cost pays to replace your property with similar property intended to perform the same function, when replacement with identical property is impossible or unnecessary; it's subject to the limit you select.

PROPERTY

Coverage Highlights

The following apply unless noted otherwise in this proposal:

- Loss of Income**
- Protects your organization's loss of income if your operations are interrupted because of a covered loss to your buildings or contents.
 - No dollar limit; covers the actual loss of income you sustain during the period of restoration for up to twelve months.

Example: Because of serious wind damage to the roof of the fire station, a volunteer fire company is unable to hold the twice-weekly bingo games they count on to fund their operations. This coverage would pay for the lost income until the roof is repaired and the bingo games can resume.

- Extra Expense**
- Protects your organization from extra expense you incur if your operations are interrupted because of a covered loss to your buildings or contents, provided the extra expense is necessary to minimize your down-time and continue operations.
 - No dollar limit; covers the extra expense (over and above your normal operating expense) incurred during the period of restoration for up to twelve months.

Example: An ambulance squad suffers a total loss to their main garaging location due to a fire. In order to continue responding to calls, they must lease space from the local municipality for the time it takes to rebuild their garage. This coverage would pay for the extra costs (rent, phone installation, furniture leasing and so forth) needed to do so.

- Ordinance Coverage**
- Applies to buildings insured on a guaranteed replacement cost basis or on a replacement cost basis.
 - Will pay for the loss of value of the undamaged portion of a building that must be torn down, following a covered loss, because of applicable local, state or federal building codes. If the building is written on a replacement cost basis, the amount paid for such loss is included in your building limit and does not increase it.
 - Will pay for the cost to demolish the undamaged portion of the building, clear the site, and repair or rebuild according to code. These costs are covered up to 100% of the amount paid for the initial direct physical loss or damage to the building.

Example: of costs covered by this extension include updated electrical systems to comply with local building codes, or improved rest room facilities that are accessible to disabled people.

PROPERTY

Coverage Highlights

- Earthquake**
- Applies to the full amount of coverage you carry on buildings and contents (no sub-limit).
 - Includes volcanic action.
 - A special 5% deductible applies to the value of the building and personal property for each item.
- Flood**
- Applies to the full amount of coverage you carry on buildings and contents (no sub-limit).
 - A special \$1,000 deductible applies per premises.
- Equipment Breakdown**
- Covers the mechanical breakdown of equipment or the explosion of pressure vessels at your premises. Covered equipment includes such things as refrigeration equipment, air conditioners, cascade units and boilers.
 - Covers the mechanical breakdown of certain types of portable equipment (mobile cascade units, mobile generators, portable pumping units, jaws-of-life) away from your premises.
 - Covers loss of income or extra expense your organization may suffer if your utilities are interrupted as a result of an accident to covered equipment owned by your landlord or utility company.
 - No dollar limit.
- Other Perils (not covered by many property policies)**
- Damage caused by the back-up of sewers and drains.
 - Damage caused by artificially generated electrical currents.
 - Damage caused by changes in temperature or humidity.
- Debris Removal**
- Covered without limit if the expense is incurred as a result of a covered cause of loss.
- Contents Off-Premises**
- Pays the greater of \$10,000 or your highest contents limit at any location.
 - Does not apply to portable equipment.
- Newly Acquired Property**
- Automatically covers newly acquired buildings, buildings under construction, and contents at newly acquired locations.
 - The automatic feature lasts for 90 days or the end of the policy period, whichever is later.
 - Limits are \$1,000,000 for buildings and \$500,000 for contents.

PROPERTY

Coverage Highlights

- Trees, Shrubs, Plants & Lawns**
- Covered against loss by fire, lightning, explosion, civil commotion, aircraft, vehicles and vandalism.
 - No dollar limit.
- Personal Effects**
- Applies on-premises only.
 - Primary coverage (not excess over a homeowners policy, for example).
 - For members, full replacement cost with no dollar limit.
 - For non-members, a limit of \$1,500 per person applies.
 - No deductible.
- Pollution Clean-Up**
- Applies on-premises only.
 - Pollution must result from fire, lightning, windstorm, hail, explosion, civil commotion, vehicles, aircraft, smoke, vandalism, sprinkler leakage, sinkhole collapse, volcanic action, falling objects, the weight of ice / snow / sleet, or water damage.
 - Limit of \$25,000.
- Sirens & Antennas**
- Sirens, antennas, towers and similar structures and their associated equipment are automatically covered away from your scheduled premises, if you have building coverage with VFIS.
 - No sub-limit applies.
- Commandeered Property of Others**
- Replacement cost coverage for any commandeered property other than autos.
 - Includes the owner's loss of use.
 - No dollar limit.
- Computer Software**
- Automatic coverage for the cost of restoring or replacing your organization's data and the media on which it is stored.
 - Covered causes of loss include computer virus and the breakdown of computer hardware.
 - Applies on-premises or off-premises.
 - Automatic limit of \$250,000; higher limits are available.
- Money & Securities**
- Covers theft, disappearance or destruction on-premises or off-premises.
 - Automatic \$10,000 limit; higher limits are available.

PROPERTY

Coverage Highlights

- Valuable Papers & Records**
- Pays the costs you incur to restore or replace any such documents following a covered loss.
 - No dollar limit.
 - Applies on-premises or off-premises.
- Accounts Receivable**
- Pays the costs you incur in restoring your accounts receivable records following a covered loss.
 - Also pays amounts you can't collect if your accounts receivable records can't be restored.
 - No dollar limit.
 - Applies on-premises or off-premises.
- Recharge Costs**
- Will pay the cost to recharge fire extinguishing equipment at your premises regardless of whether the discharge was accidental or was the result of a covered cause of loss.
 - No dollar limit.
 - No deductible.
- Limited Coverage for Fungus, Wet Rot, Dry Rot or Bacteria**
- A standard exclusion applies to loss or damage caused by fungus, wet rot, dry rot or bacteria.
 - However, the exclusion doesn't apply if the fungus, wet rot, dry rot or bacteria results from fire or lightning.
 - An extension has been added to provide a \$25,000 sub-limit if the fungus, wet rot, dry rot or bacteria arises from flood or from a specified cause of loss, as defined in the policy. This sub-limit is the most that will be paid in any policy term regardless of the number of occurrences.
- Deductible Waiver**
- If a Property claim occurs in conjunction with a claim under a VFIS Auto Physical Damage or Portable Equipment coverage, the various deductibles will not be stacked.
 - Only one deductible, the largest, will apply.
- Coinsurance**
- Does not apply to your buildings if they're insured on a guaranteed replacement cost basis.
 - Does not apply to your contents if they're insured on a replacement cost basis or on a guaranteed replacement cost basis.

CRIME

VFIS offers a broad range of fidelity coverages which are customized to meet the needs of emergency service organizations including the following.

- **Employee Dishonesty** provides reimbursement for the loss of your organization's money or other property resulting from dishonest acts of your volunteers or employees.
- **Computer Fraud** will pay for loss the insured sustains arising directly out of the loss of or damage to money, securities, and property other than money and securities. This loss must result directly from the use of any computer to fraudulently cause transfer of that property from inside the premises or banking premises to a person outside those premises, or to a place outside those premises.
- **Identity Fraud Expense** is the compensation of expense sustained that was incurred by the insured or any employee as a result directly from identity fraud.

Your selections are indicated below.

Covered Entity:

JEFFERSON COUNTY EMERGENCY SERVICES DISTRICT #4

<u>Public Employee Dishonesty - Blanket Per Employee</u>		<u>Limit</u>	<u>Deductible</u>	<u>Faithful Performance</u>
		\$100,000	None	Yes
<u>Public Employee Dishonesty - Position Schedule</u>	<u>Number in Position</u>	<u>Limit</u>	<u>Deductible</u>	<u>Faithful Performance</u>
TREASURER	1	\$100,000	None	Yes
<u>Forgery or Alteration</u>		<u>Limit</u>	<u>Deductible</u>	
		\$100,000	None	
<u>Computer Fraud</u>		<u>Limit</u>	<u>Deductible</u>	
		\$100,000	None	
<u>Identity Fraud Expense</u>		<u>Limit</u>	<u>Deductible</u>	
		\$25,000	None	



PORTABLE EQUIPMENT

Blanket Portable Equipment Coverage

***** *Coverage Not Requested* *****

Scheduled Portable Equipment Coverage

***** *Coverage Not Requested******

PORTABLE EQUIPMENT

Coverage Highlights

Personal Effects

- Applies on and off premises while on authorized duty.
- Primary coverage (not excess over a homeowners policy, for example).
- Full replacement cost with no dollar limit.
- No deductible.

Non-Owned Portable Equipment

- Coverage for portable equipment of others temporarily in your possession.
- Automatic \$50,000 limit.

Deductible Waiver

- If a Portable Equipment claim occurs in conjunction with a claim under a VFIS Auto Physical Damage or Property coverage, the various deductibles will not be stacked.
- Only one deductible, the largest, will apply.

Trailers Used to Transport Covered PE

- Physical damage coverage is provided automatically if the primary use of the trailer is to provide mobility to other covered portable equipment.

Example: A portable generator is installed on a small trailer that can be pulled to an emergency scene by a number of vehicles; both the generator and its trailer would be covered under Blanket Portable Equipment.

Blanket Coverage

Applies to:

- All boats up to 100 horsepower, and
- All jet skis and waverunners regardless of horsepower.

Scheduled Coverage

- Required for boats in excess of 100 horsepower.

Valuation

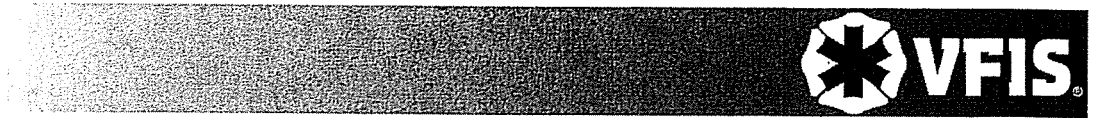
- No need to determine equipment values if you select blanket coverage.
- VFIS will rate the coverage based on the number and type of vehicles you use.
- If you have properly reported all such vehicles, your portable equipment is covered up to its full replacement cost.

AUTOMOBILE

<u>Coverage</u>	<u>Limits</u>
Bodily Injury / Property Damage Combined Single Limit	\$1,000,000
"No Fault" or Statutory Personal Injury Protection	Not Included
Medical Payments (Each Person)	Not Included
Uninsured Motorists / Underinsured Motorists Insurance	Not Included
Hired & Borrowed Vehicles	Included
Commandeered Vehicles	Not Included
Temporary Substitute Vehicles	Not Included
Fellow Member Liability	Not Included
Incidental Garage Liability	Not Included

Schedule of Covered Vehicles

<u>Veh.</u> <u>No.</u>	<u>Year</u>	<u>Make</u>	<u>Classification</u>	<u>ACV</u>	<u>Agreed</u> <u>Value</u>	<u>Comp.</u> <u>Ded.</u>	<u>Coll.</u> <u>Ded.</u>
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AUTOMOBILE LIABILITY

Coverage Highlights

Non-Owned Automobile

- Covers your liability for vehicles hired, borrowed, or otherwise used on your behalf on an *excess basis*.
- Covers your liability for commandeered vehicles used on your behalf on a *primary basis*.

Volunteers/Employees as Insureds Under Non-Owned Automobiles

- Volunteers/employees are covered while operating their own personal vehicle on behalf of the emergency service organization.
- Coverage is on an *excess basis*.

Example: A firefighter responds in his personal vehicle on his department's behalf. Upon rounding a curve, he sees a disabled vehicle partially blocking the road. He swerves and accidentally strikes the motorist who was trying to flag down the firefighter. Non-owned vehicle liability would be provided to the firefighter on an excess basis up to the policy limit over any other insurance available to the firefighter, including his own personal auto policy's liability limit.

Temporary Substitute Vehicle

- Coverage is provided when a replacement vehicle is loaned to you while a covered vehicle is temporarily out of service.
- Coverage is on a *primary basis*.

Example: A department is temporarily loaned an ambulance while their covered ambulance is being serviced. The loaner is involved in an intersection accident injuring civilians. Liability coverage would be provided to the department on a primary basis up to the policy limit.

Uninsured Motorist/ Underinsured Motorist

- Covers your organization for bodily injury and/or property damage sustained by an eligible party caused by a negligent uninsured/underinsured motorist or hit-and-run motorist, based on your state laws.

Personal Injury Protection

- Covers bodily injury medical expenses and certain other losses sustained by an eligible injured person caused by an accident arising out of the use of a covered vehicle subject to applicable no-fault laws.
- Not available in some states.

AUTOMOBILE LIABILITY

Coverage Highlights

Fellow Member Liability

- Covers your volunteers and employees should they accidentally injure a co-volunteer or co-employee arising out of the use of a covered vehicle.
- Note that the protection applies to the *individual* against whom the claim is made, whether or not a claim is made against you (the insured organization).

Example: A fire truck is responding to an emergency call with lights and sirens activated. The vehicle operator fails to see a civilian vehicle resulting in a collision, injuring several passenger firefighters. Fellow member auto liability coverage would be provided to the fire truck driver up to the limit of the policy for claims arising from the injured passenger firefighters.

Incidental Garage Liability

- Provides liability arising from autos used in connection with an insured's garage operations.
- Coverage is primary.
- Provides coverage for your organization if you service or store vehicles owned by others.

AUTOMOBILE PHYSICAL DAMAGE

Coverage Highlights

Agreed Value

Physical damage coverage on emergency vehicles is provided on an *Agreed Value* basis. In the event of a loss, you will receive the **lesser of**:

1. The **cost to repair** the covered vehicle; or
2. The **cost to replace** the part with a part of like kind and quality, *without deduction for depreciation*; or
3. The **cost to replace the entire vehicle with a comparable new vehicle**, manufactured to current specifications set by the NFPA, the U. S. Department of Transportation, or similar organization; or
4. The **agreed value** shown in the policy.

Note: If the estimated repair costs for a damaged vehicle covered on an *Agreed Value* basis exceed 75% of the *Agreed Value*, and you choose not to accept payment under paragraph 1. or 2. (above), VFIS will pay the lesser of paragraph 3. or 4. (above). Under this arrangement, VFIS has the rights to all recovery and salvage.

Furthermore, for repairs or replaced parts under paragraph 1. or 2. (above), VFIS will pay up to an additional 25% of the amount of the loss to cover the costs you incur in bringing the repaired or replaced parts into compliance with the latest safety standards. If recertification is required, we will also pay those costs.

Example: A fire department has a 1976 Mack pumper with an Agreed Value of \$50,000. While responding during an ice storm they lose control and slide into a tree. Damages are appraised at \$40,000. The replacement cost of the truck at the time of the loss is \$100,000. Since the Agreed Value selected by the insured is \$50,000 and 75% of the Agreed Value is \$37,500, the insured has the option to either repair the vehicle, taking the \$40,000 settlement, or be reimbursed the Agreed Value of \$50,000 with VFIS having the rights to the salvage.

We use this method for emergency vehicles and, at the insured's option, for private passenger vehicles less than five years old.

Actual Cash Value Settles the claim based on the current market value of the damaged vehicle or part (old for old).

We use this method for most private passenger vehicles, service vehicles, some trailers and other non-emergency vehicles.

Stated Amount Settles the claim by paying the lesser of:

- The current market value of the damaged vehicle or part (old for old).

or

- The amount stated in the policy.

We do not offer stated amount coverage because it is less advantageous to your organization than other methods.

AUTOMOBILE PHYSICAL DAMAGE

Coverage Highlights

Deductible Waiver

- If an Automobile Physical Damage claim occurs in conjunction with a claim under a VFIS Portable Equipment or Property coverage, the various deductibles will not be stacked.
- Only one deductible, the largest, will apply.

Example: A fire department's rescue truck is responding with lights and siren when it is struck by another vehicle in an intersection and flipped over on its side. The rescue truck sustains \$20,000 of damages and the equipment inside the vehicle is broken and strewn across the roadway. The Waiver of Deductible clauses in the Automobile Physical Damage coverage and the Portable Equipment coverage provide that only one deductible, the largest, would be applied to the loss settlement.

Collision

- Damages from overturn or collision with another object.

Comprehensive

- Damages from causes other than collision or overturn.

Freezing

- Coverage for permanently attached special equipment for loss caused by freezing, unless caused by failure to maintain the equipment.
- Includes, but is not limited to, pumps, gauges and tanks.
- No freezing coverage for loss to vehicle engines.

Volunteers' or Employees' Personal Automobiles

- Covers damage to a member's personally owned vehicle:
 - while enroute to, during, or returning from an emergency or other activity on behalf of your organization, and
 - resulting from a covered cause of loss.
- Reimburse the deductible if insurance is carried or actual cash value if no insurance is carried.

Hired, Borrowed or Commandeered Vehicles

- Coverage for hired, borrowed or commandeered vehicles on an actual cash value basis.
- Comprehensive deductible - \$50.
- Collision deductible - \$100.
- Coverage is primary.

AUTOMOBILE PHYSICAL DAMAGE

Coverage Highlights

Customized Vehicle Extension

- Applies to vehicles, such as chief's cars, insured on an actual cash value basis.
- Cost to replace custom features such as gold leaf lettering, light bars, sirens and radios on a *replacement cost* basis.
- Extended to equipment owned by the organization that's permanently installed in non-owned autos.

Towing and Labor

- Coverage is provided for vehicles carrying comprehensive coverage.
- Labor must be performed at the disablement location.
- Towing not to exceed 200 miles from the disablement location.
- No dollar limit applies.

Recertification

- Included in claims settlement for covered losses.
- No limit applies.

Removal of Apparatus from Environmentally Sensitive Areas

- Following a covered loss, the cost of uprighting, retrieving or towing the vehicle is part of the claim adjustment expense.
- No sub-limit applies.

Full Glass Coverage

- No glass deductible for vehicles with comprehensive coverage.

Garagekeepers Insurance

- \$50,000 coverage for vehicles while left with an insured's garage operation.
- Comprehensive deductible - \$250.
- Collision deductible - \$500.
- Coverage is primary.
- Provides coverage for your organization if you service or store vehicles owned by others.

GENERAL LIABILITY

This coverage contains the following four sections:

- **Coverage A. Bodily Injury and Property Damage Liability** protects you when claims are made against you because of injury to others or damage to their property, unless caused by an auto.
- **Coverage B. Personal and Advertising Injury Liability** protects you when claims are made against you because of offenses such as false arrest, wrongful eviction or slander.
- **Coverage C. Professional Health Care Liability** protects you when claims are made against you as a result of your handling of patients, or providing, or failing to provide, medical services.
- **Coverage D. Medical Expense** protects you when claims are made against you as a result of injuries suffered by the public (not your volunteers or employees) because of your premises or operations. These expenses are payable even if the injury occurred through no fault of your own.

<u>Coverages</u>	<u>Limits</u>
Each Occurrence or Medical Incident.....	\$1,000,000
Personal and Advertising Injury (each offense).....	\$1,000,000
Fire Damage Legal Liability (any one fire).....	\$1,000,000
Medical Expense (each accident).....	\$5,000
General Aggregate.....	\$3,000,000
(the total payable in any policy term)	
Products / Completed Operations Aggregate.....	\$3,000,000
(the total payable in any policy term)	

<u>Optional Coverages (apply only if checked)</u>
--

- | |
|--|
| <input type="checkbox"/> Employer's (Stop Gap) Liability <ul style="list-style-type: none"> • Provides General Liability and Auto Liability coverage to you (the insured organization) if a volunteer or employee alleges they were injured on the job and are entitled to sue the organization and seek damages beyond the benefits available under the applicable Workers' Compensation statute. • Needed when the insured's Workers' Compensation policy provided for your volunteers and/or employees does not contain Part Two — Employer's Liability. |
| <input type="checkbox"/> Owned Watercraft Liability (boats exceeding 100 horsepower) |



GENERAL LIABILITY

Coverage Highlights

Volunteers and Employees as Insureds

- Covers all volunteers (whether or not they are members of your organization) and employees are covered while acting on behalf of your organization.
- Other insureds include your officers, directors, commissioners or trustees.
- Also included are the owners of any property you commandeer.
- VFIS coverage is primary for all of the above insureds, not excess of any personal insurance that may apply.
- Your medical director (if any) is an insured for actions taken on your behalf, with these stipulations:
 - Coverage doesn't apply to liability arising from any physician's providing or failing to provide on-line medical direction or medical command via a telecommunications device, and
 - Hands-on treatment of a patient by a physician is excess of any medical malpractice insurance carried by the physician.

Blanket Additional Insureds

- Automatically covers any person or organization required by contract to be an additional insured, but only for their liability arising out of your premises or operations.
- The contract must be in effect before the injury or damage occurs.

Fellow Member Liability

- Covers your volunteers and employees should they accidentally injure a co-volunteer or co-employee while working on your behalf.
- Note that the protection applies to the *individual* against whom the claim is made, whether or not a claim is made against you (the insured organization).

"Good Samaritan" Liability

- Covers your volunteer members and employees for liability arising from actions on their own to render services at the scene of an emergency requiring immediate action.
- Applies to professional health care or any other services.
- To qualify as a "Good Samaritan", the individual must act independently of your organization or any other organization.

Unlimited Defense Costs

- The cost to defend you against covered claims is the responsibility of the company and will not erode your liability limits.

GENERAL LIABILITY

Coverage Highlights

Intentional Acts

- Provides liability protection if, in an attempt to save lives or protect property, your volunteers or employees intentionally cause bodily injury or property damage.

Example (bodily injury): A distraught relative of a heart attack victim must be restrained in order for you to administer care to the patient, and in the process the relative is injured.

Example (property damage): In order to gain access to a small fire in one apartment unit, a firefighter breaks down a door to a different unit that is not in imminent danger.

Pollution Liability

- Covers you for bodily injury or property damage arising out of a pollution incident resulting from any of the following:
 - emergency operations away from your premises,
 - training activities, or
 - water runoff from the cleaning of equipment.
- Covers you for bodily injury or property damage arising out of an asbestos incident resulting from either of the following:
 - emergency operations away from your premises, or
 - training activities away from your premises.

Liquor Liability

- Covers you for bodily injury or property damage arising out of the serving or selling of alcoholic beverages.
- If alcoholic beverages are sold, VFIS requires that you obtain the proper license or permit, comply with our liquor loss control recommendation, and pay the applicable premium charge.

Contractual Liability

- Covers you for the liability you agreed to assume of another party, either orally or in writing.
- The claim must be otherwise covered (not excluded).

Example: Farmer Brown agrees to allow a fire department to use his pasture to hold a flea market, as long as any injuries to the public are agreed to be the responsibility of the fire department and not of Farmer Brown.

GENERAL LIABILITY

Coverage Highlights

- Watercraft Liability**
- Automatic coverage for injury or damage arising from your use of the following:
 - non-owned boats,
 - owned boats that are not powered by motors,
 - owned boats that are powered by motors of not more than 100 horsepower, and
 - jet skis and waverunners regardless of horsepower.
- Fire Damage Legal Liability**
- Covers you for liability for fire damage to buildings your organization may rent or otherwise occupy with the permission of the owner.
 - A similar provision covers your liability for *other than fire damage* to buildings or contents rented or loaned to you for not more than 30 consecutive days.
- Damage to Property of Persons Receiving Services**
- Covers you for liability for a personal property loss suffered by a member of the public receiving services from you, provided the loss is caused by theft, physical damage or disappearance.
 - Subject to a \$100 deductible each occurrence.
- Example:** A patient transported by ambulance to the hospital notices shortly after arrival that his wallet and Rolex watch are missing; he files a claim against the ambulance squad alleging theft of the property.
- Expanded Aggregate Limit**
- The General Aggregate Limit shown in the schedule applies separately to:
 - each named insured (unless you have selected a \$10,000,000 aggregate limit), and
 - each location you own or rent.

MANAGEMENT LIABILITY

	<u>Limits</u>
Each Offense or Wrongful Act	\$1,000,000
Aggregate (the total payable in any policy term).....	\$3,000,000
Defense Expense for Injunctive Relief	\$25,000

"Claims made" basis

- This means that coverage is provided only for claims that are reported during the policy period, regardless of when the incident giving rise to a claim occurred. VFIS covers claims arising from incidents that occurred prior to the initial policy period as long as you had no reason to suspect that a claim might be presented as a result of the incident.
- If you are aware of any such incidents, be sure to report them to your agent immediately.

A signed and dated application is required before coverage can be bound.

"Occurrence" basis

- This means that coverage is provided only for claims arising out of incidents that occur during the policy period, regardless of when the claim is eventually reported.
- You should not purchase occurrence coverage unless:
 - You are currently insured on an occurrence basis, or
 - You are currently insured on a claims made basis and you have decided to purchase a supplemental extended reporting period from your current carrier.

Cyber Liability and Privacy Crisis Management Expense

- Cyber Liability protects you when claims are made against you for monetary damages arising out of an electronic information security event.
- Privacy Crisis Management Expense reimburses for expenses you incur as a result of a privacy crisis management event first occurring during the policy period. This first party coverage is intended to provide professional expertise in the identification and mitigation of a privacy breach while satisfying all Federal and State statutory requirements.

Cyber Liability

Each Event Limit: \$1,000,000 Each Electronic Information Security Event
 Retroactive Date: None

Privacy Crisis Management Expense

Each Event Limit: \$50,000 Each Privacy Event
 Aggregate Limit: \$50,000 Aggregate
 Retroactive Date: None
 Deductible: \$0 Each Privacy Event



MANAGEMENT LIABILITY

Coverage Highlights

Management Liability coverage protects you against claims for monetary damages arising out of:

- **Employment-related practices**, such as wrongful termination, failure to promote or sexual harassment.

Example: A paid firefighter is terminated in July of 1999, and she is unable to find other similar employment until January of 2001. At a trial held later that year, she is successful in proving that she was wrongfully terminated and is awarded lost wages for the eighteen months she was unemployed. The organization's liability for these wages would be covered; liability for *back wages*, overtime or similar damages required by law or regulation are the obligation of the organization and would not be covered. This coverage would provide you with the cost of your legal defense, and pay an award up to the limit of liability.

- Errors in the **administration of employee benefit plans**, such as Accident and Sickness coverage, Group Life or Workers' Compensation.

Example: A paramedic covered under an Accident & Sickness policy gives instructions to the squad's insurance administrator to name his daughter as his beneficiary. Following his death from an on-the-job traffic accident, his daughter learns that she is not entitled to any benefits under the policy because the change of beneficiary card was misplaced and never processed. She brings suit to recover the money she would have received had the change of beneficiary been handled properly. This coverage would provide you with the cost of your legal defense, and pay an award up to the limit of liability.

- Other **wrongful acts** not specifically excluded.

Example: A taxpayer group brings suit against their fire district and its commissioners, alleging the improper spending of public funds. They argue that the commissioners have wasted their tax money by purchasing a state-of-the-art aerial device for \$750,000 even though there are no structures in the district more than two stories tall. This coverage would provide you and your commissioners with the cost of your legal defense, and pay an award up to the limit of liability.

Example: Bids are solicited from outside contractors to build a new ambulance garage. The lowest bid is not accepted, even though it was made by a fully qualified contractor of good reputation. The contractor sues the ambulance district, arguing that his bid was rejected for no good reason and alleging favoritism in the awarding of the contracts. This coverage would provide you with the cost of your legal defense, and pay an award up to the limit of liability.

MANAGEMENT LIABILITY

Coverage Highlights

Defense Expense for Injunctive Relief

A plaintiff may sue your organization not for money but to require action of some type. They're seeking injunctive relief; they want your organization to do something or to stop doing something.

This automatic coverage will reimburse your organization up to \$25,000 for reasonable legal fees incurred in your defense.

Example: A person who was denied volunteer membership by you brings legal action to be admitted as a member.

Example: A resident seeks an injunction to stop the fire department's installation of a siren directly behind her house.

Outside Directorship Liability

- Automatically covers your volunteers or employees who choose to serve on the board of directors of an outside organization as long as that organization:
 - is not-for-profit, and
 - is related to the emergency services.
- Coverage is excess of any insurance.

Volunteers and Employees as Insureds

- Covers all volunteers (whether or not they are members of your organization) and employees while acting on behalf of your organization.
- Other insureds include your officers, directors, commissioners or trustees.
- Also included is your medical director (if any).
- VFIS coverage is primary for all of the above insureds, not excess of any personal insurance that may apply.

Unlimited Defense Costs

- The cost to defend you against covered claims is the responsibility of the company and will not erode your liability limits.

Blanket Additional Insureds

- Automatically covers any person or organization that may be liable for your employment practices, your administration of employee benefit plans or other wrongful acts, but only to the extent of that liability.

Expanded Aggregate Limit

- The Aggregate Limit shown in the schedule applies separately to each named insured (unless you have selected a \$10,000,000 aggregate limit).

MANAGEMENT LIABILITY

Cyber Liability and Privacy Crisis Management Expense Coverage Highlights

Cyber Liability

- Coverage applies to each electronic information security event which includes:
 - Transmission of malware from your computer system to a third party;
 - The inability of an authorized user to access your web site or your computer system because of a denial of service attack;
 - A personal identity event or corporate privacy event caused by information that is obtained or released directly from your computer system.

As used in this definition, a denial of service attack means an intentional attack on a web site or a computer network that prevents or slows down access to the web site or computer network.

Personal Identity Event or Corporate Privacy Event

- What is a personal identity event or corporate privacy event?
 - Unauthorized disclosure of or failure to protect identifiable or confidential corporate information from misappropriation;
 - The failure to disclose or warn of an actual or potential disclosure of misappropriation of personally identifiable or confidential corporate information;
 - Violation of any federal or state privacy statute pertaining to the disclosure or misappropriation of personally identifiable or confidential corporate information.

Privacy Crisis Management Expense Coverage

- Pays on behalf applicable reasonable and necessary fees because of a privacy event which includes:
 - To conduct a computer forensic analysis to determine the cause and extent of the privacy event;
 - Provide a crisis management review and advice by an approved independent crisis management or legal firm;
 - Notification to affected parties for printing, advertising, mailing of materials or other costs;
 - Travel expenses by directors and employees to mitigate damages;
 - Call center services for credit monitoring as well as identity theft education and assistance for affected individuals.
- Privacy crisis management expenses shall not include:
 - Compensation, fees, benefits or overhead of any insured or "employee" of any insured;
 - Costs or expenses that would have been incurred in the absence of the "privacy event";
 - Costs or expenses associated with upgrading, maintaining, improving, repairing or remediating any "computer system", procedures, services or property as a result of a "privacy event".

MANAGEMENT LIABILITY

Cyber Liability and Privacy Crisis Management Expense Coverage Highlights

Privacy Event

- What is a Privacy Event?
 - Unauthorized disclosure by you of personally identifiable or confidential corporate information or your failure to protect personally identifiable or confidential corporate information from misappropriation;
 - Failure to disclose or warn of an actual or potential disclosure or misappropriation of personally identifiable or confidential corporate information;
 - Violation of any federal or state privacy statute pertaining to the disclosure or misappropriation of personally identifiable or confidential corporate information.

Coverage Territory

For cyber liability and privacy crisis management expense coverage, the coverage territory means worldwide, but the event and suit must take place in the U.S., Puerto Rico or Canada.

EXCESS LIABILITY

Excess Liability coverage protects you with the following:

1. It provides excess coverage over your primary liability insurance stated on a schedule of underlying insurance.
2. The Excess Liability policy will automatically take the place of primary liability policies whose aggregate limits have been exhausted.

Policy Type: Excess Liability

	<u>Limits</u>
Each Occurrence	\$1,000,000
Annual Aggregate	\$2,000,000
Retained Limit on Uninsured / Self-Insured Exposures	\$0

Coverage Highlights

The following apply unless noted otherwise in this proposal:

- Liquor Liability** • Follows form with underlying coverages.
- Pollution Liability** • Follows form with underlying coverages.
- Management Liability** • Follows form with underlying coverages.
- Employer's Liability** • Follows form with underlying coverages.
- Unlimited Defense Costs** • The cost to defend you against covered claims is the responsibility of the company and will not erode your liability limits.
- Expanded Aggregate Limit** • The aggregate limit shown in the schedule applies separately to each location.



OTHER VFIS PRODUCTS

Accident & Sickness Coverage - provides "on duty" coverage for members, auxiliary members, junior members, members in training, officers, deputized by-standers, trustees and board members, and volunteers asked by the organization to help with non-emergency events. Coverage listed below is provided when a member performs any normal duty of the department, whether it is an emergency or not. Insurance coverage underwritten by National Union Fire Insurance Company of Pittsburgh, PA.

- Death Benefit
- Lump Sum Living Benefit
- Disability Income Benefit
- Medical Benefit

Group Term Life Insurance - available for all members which includes active, retired, volunteers, career or auxiliary members. Underwritten by AIG, American General. Coverage includes:

- 24-hour, On and Off-Duty Coverage
- Accidental Death and Dismemberment
- Guaranteed Issue Life Insurance for Any Age

Length of Service Award Program (LOSAP) - an incentive program to effectively retain existing volunteers, increase their level of participation and recruit new members. Life insurance underwritten by AIG Life Insurance Company and American Life Assurance Company of New York (Maine and New York). Group annuity contracts underwritten by Hartford Life Insurance Company. Coverage provided:

- 24-hour, On and Off Duty Death Benefit
- Monthly Income During Retirement Years
- Disability Benefit

PREMIUM SUMMARY
JEFFERSON COUNTY EMERGENCY SERVICES
DISTRICT #4 (TX) C62613

	<u>Premium</u>
Property.....	Not Requested
Crime	\$421
Portable Equipment.....	Not Requested
Automobile.....	\$253
General Liability.....	\$350
Management Liability	\$350
Excess Liability	\$750
Total Estimated Annual Premium	\$2,124



PROPOSAL NOTES

Crime

Note: Public Employee Dishonesty Blanket Bond coverage is requested. Please note this coverage form excludes the treasurer and anyone required by statute to be bonded (possibly board members). A Public Employee Dishonesty Position Schedule Bond may be used to cover excluded positions. A treasurer bond has been quoted.

Automobile

Note: Your Auto Liability quote is for hired and non-owned autos only.

Management Liability

Note: As respects Cyber Liability and Privacy Crisis Management Expense Coverage - We recommend that you put in place a Written Security and Privacy Policy. Attached is communiqué - Cyber Security - Data Breach Precautions.

Excess Liability

Note: Coverage is quoted excess of Auto Liability and General Liability and Management Liability.

General

Note: This quote requires that you submit copies of all written agreements, including mutual aid, to us for review. If you did not submit copies along with the factfinder, please include them with the order form.

Note: This quote does not include Fellow Member or Injury to Volunteers coverage.

Note: Management Liability coverage cannot be bound until a fully completed, signed and dated application is forwarded to VFIS.

STATE-SPECIFIC FRAUD WARNING NOTICES

Alabama Fraud Warning

Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or who knowingly presents false information in an application for insurance is guilty of a crime and may be subject to restitution fines or confinement in prison, or any combination thereof.

Arkansas Fraud Warning

Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information on an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

Colorado Fraud Warning

It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance, and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado Division of Insurance within the Department of Regulatory Agencies.

Delaware Fraud Warning

Any person who knowingly and with intent to defraud any insurance company or another person files an application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent act, which is a crime and may subject the person to criminal and civil penalties.

Florida Fraud Warning

Any person who knowingly and with intent to injure, defraud, or deceive any insurer files a statement of claim or an application containing any false, incomplete, or misleading information is guilty of a felony of the third degree.

Kansas Fraud Warning

Any person who commits a fraudulent insurance act is guilty of a crime and may be subject to restitution, fines and confinement in prison. A fraudulent insurance act means an act committed by any person who, knowingly and with intent to defraud, presents, causes to be presented or prepares with knowledge or belief that it will be presented to or by an insurer, purported insurer or insurance agent or broker, any written statement as part of, or in support of, an application for insurance, or the rating of an insurance policy, or a claim for payment or other benefit under an insurance policy, which such person knows to contain materially false information concerning any material fact thereto; or conceals, for the purpose of misleading, information concerning any fact material thereto.

Kentucky Fraud Warning

Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance containing any materially false information or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime.

Louisiana Fraud Warning

Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

Maine Fraud Warning

It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties may include imprisonment, fines or a denial of insurance benefits.

Maryland Fraud Warning

Any person who knowingly or willfully presents a false or fraudulent claim for payment of a loss or benefit or who knowingly and willfully presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

New Hampshire Statement of Residency

To procure automobile insurance, I hereby attest that I am, and each named insured is, a resident of the State of New Hampshire. I understand that if I falsely claim for myself or any named insured to be a resident of the State of New Hampshire, I am subject to prosecution, imprisonment of up to one year, a fine of \$2,000 and the denial of coverage for any loss, not occurring in New Hampshire, under the automobile insurance policy for which I am applying. I also understand that this statement will be relied upon in connection with future renewals of the automobile insurance policy for which I am applying, and that it is my responsibility to inform my insurance company before my next renewal after I or any named insured ceases to be a New Hampshire resident and that I will be subject to the penalties listed above if I fail to do so.

New Jersey Fraud Warning

Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.

New Mexico Fraud Warning

Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to civil fines and criminal penalties.

New York Fraud Warning

Auto: All applications for automobile insurance shall contain the following statement: Any person who knowingly makes or knowingly assists, abets, solicits or conspires with another to make a false report of the theft, destruction, damage or conversion of any motor vehicle to a law enforcement agency, the department of motor vehicles or an insurance company, commits a fraudulent insurance act, which is a crime, and shall also be subject to a civil penalty not to exceed five thousand dollars and the value of the subject motor vehicle or stated claim for each violation.

Fire Insurance: All applications for fire insurance shall contain the following statement: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance containing any false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime. The proposed insured affirms that the foregoing information is true and agrees that these applications shall constitute a part of any policy issued whether attached or not and that any willful concealment or misrepresentation of a material fact or circumstances shall be grounds to rescinding the insurance policy.

Other Types of Insurance: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime, and shall also be subject to a civil penalty not to exceed \$5,000 and the stated value of the claim for each such violation.

Ohio Fraud Warning

Any person who, with intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud.

Oklahoma Fraud Warning

WARNING: Any person who knowingly, and with intent to injure, defraud or deceive any insurer, makes any claim for the proceeds of an insurance policy containing any false, incomplete or misleading information is guilty of a felony.

Oregon Fraud Warning

Any person who knowingly and with intent to defraud or solicit another to defraud an insurer: (1) by submitting an application, or (2) by filing a claim containing a false statement as to any material fact, may be violating state law.

Pennsylvania Fraud Warning

All Types of Insurance: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

Motor Vehicle Insurance: Any person who knowingly and with intent to injure or defraud any insurer files an application or claim containing any false, incomplete or misleading information shall, upon conviction, be subject to imprisonment for up to seven years and payment of a fine of up to \$15,000.

Rhode Island Fraud Warning

All Types of Insurance: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

Property Insurance: Failure to disclose the existence of an arson conviction within the past ten (10) years of this application can result in a criminal penalty.

Tennessee Fraud Warning

It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits.

Vermont Fraud Warning

Any person who knowingly presents a false statement in an application for insurance may be guilty of a criminal offense and subject to penalties under state law.

Virginia Fraud Warning

It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines, and denial of insurance benefits.

Washington Fraud Warning

It is a crime to knowingly provide false, incomplete, or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines, and denial of insurance benefits.

West Virginia Fraud Warning

Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.