



cis property/casualty trust
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2019-20 Auto Physical Damage Coverage

CIS TRUST

AUTO PHYSICAL DAMAGE COVERAGE AGREEMENT

*Various provisions of this agreement restrict coverage. Read the entire coverage agreement carefully to determine rights, duties, and what is and what is not covered. Words or phrases that appear in **bold-faced** type have special meaning as found in Section 1, Definitions, and elsewhere in this coverage agreement.*

In accordance with and subject to the City County Insurance Services Declaration and Agreement of Trust (herein "**Trust Agreement**") and the Bylaws and Rules of the **Trust**, and in consideration of the contribution for which this coverage agreement is written, the **Trust** will pay the **Member** for physical **loss** of or damage to the **Member's** covered **autos** in accordance with the following terms and conditions:

1. DEFINITIONS

- A. "**Named Member**" or "**Member**" means the entity named on the declarations page and its officers, employees and agents including volunteers, authorized to act on behalf of the **Named Member**, all acting within the scope of their employment or duties whether arising out of a governmental or proprietary function.
- B. "**Auto(s)**" means a land motor vehicle, trailer or semi-trailer and if the auto is designated with the appropriate Equipment Code as described on the current CIS Auto Schedule, its **permanently attached equipment** such as tool boxes, cranes, hoists, "cherry pickers," winches, radios, and light bars. "**Auto**" also includes miscellaneous hand tools or equipment assigned to covered land motor vehicles, trailers or semi-trailers if the **auto** is designated with Equipment Code "B", "S", or "T" on the current CIS Auto Schedule.
 - (1) Equipment Code B: Police/Fire/Emergency Equipment valued at a maximum of \$10,000.
 - (2) Equipment Code S: Miscellaneous Hand Tools and Equipment valued at a maximum of \$1,500.
 - (3) Equipment Code T: Miscellaneous Hand Tools and Equipment valued at a maximum of \$2,500.
- C. "**Loose Gear**" means equipment carried in or on emergency vehicles and incidental to the **auto's** intended use. It does not include **permanently attached equipment**. It does not include equipment which is not specific to and which, when not in use, does not reside in or on the covered **auto**. **Loose Gear** does include equipment used with permanently installed features in the covered **auto**, for example a laptop computer used with a computer docking station permanently installed in the covered **auto**.
- D. "**Loss**" means direct and accidental damage or loss.
- E. "**Permanently Attached Equipment**" means equipment which is welded, bolted, or permanently screwed to the dashboard or any other location on the body of the covered **auto**. Equipment inserted on permanently installed slide brackets, with or without the use of set screws or other tension fasteners, including portable gear carried in or on the

covered auto shall not be construed as permanently attached.

- F. **"Trust Agreement"** means City County Insurance Services Agreement and Declarations of Administrative Trust.
- G. **"Trust"** means the City County Insurance Service Trust as further described in the **Trust Agreement**.
- H. **"Occurrence"** means the total or partial loss, by any peril or combination of perils covered against, arising out of a single event. When the term applies to loss or losses from windstorm, riot, riot attending a strike, civil commotion, **earthquake** or **flood**, it shall be held to include those losses occurring or commencing during a period of 72 consecutive hours. When filing proof of loss, the **Member** may elect the moment at which the 72-hour period shall be deemed to have commenced. Such 72-hour period will not be restricted or limited by the expiration of this coverage agreement provided that the first damage by windstorm, riot, riot attending a strike, civil commotion, **earthquake** or **flood** occurs prior to the date and time of the expiration of this coverage agreement.
- I. **"Earthquake"** means earth movement, including but not limited to earthquake, landslide, mudflow, earth sinking, earth rising or shifting, or volcanic eruption unless loss by another peril not otherwise excluded under this coverage agreement ensues, then such ensuing loss shall not be deemed caused by **earthquake**.
- J. **"Flood"** means flood however caused, inundation, overflow of streams or other bodies of water, tidal wave or tidal water, tsunami, or spray from any of the foregoing, all whether driven by wind or not, unless loss by another peril not otherwise excluded under this coverage agreement ensues, then such ensuing loss shall not be deemed caused by **flood**.

2. WHICH AUTOS ARE COVERED

The following described **autos** are covered **autos**:

- A. **Autos** which are shown on the current CIS Auto Schedule and for which a collision or comprehensive coverage contribution assessment has been charged and paid.
- B. **Autos** with an actual cash value less than \$100,000 which are rented, leased, or borrowed by the **Member** for a term of less than 60 days. Except that coverage for rented, leased, or borrowed autos does not apply to autos owned by the **Member**.
- C. **Autos** acquired after coverage begins under this coverage agreement if:
 - (1) The **auto** is a replacement for an **auto** described as a covered **auto** in 2A., or;
 - (2) The **auto** is an additional **auto** purchased or leased by the **Member**, and the **Trust** is notified not later than thirty (30) days after the expiration of the coverage period noted on the declarations page that the **Member** wants the **Trust** to cover it under this coverage agreement, and;
 - (3) The **Member** pays the appropriate contribution for coverage of such **auto** during the current coverage period or within thirty (30) days of receipt of the **Trust** invoice for adding such coverage, whichever is longer.

3. WHERE AND WHEN THIS COVERAGE AGREEMENT APPLIES

The **Trust** covers **losses** which occur during the period beginning and ending at 12:01 AM on the dates shown as the Coverage Period in the declarations:

- A. In the United States of America, its territories or possessions, Puerto Rico or Canada; or,
- B. While the covered **auto** is being transported between any of these places.

4. WHAT DAMAGE IS COVERED

The **Trust** will pay for loss to a covered **auto** under:

- A. Comprehensive Coverage. From any cause except as excluded and except the covered **auto's** collision with another object or its overturn.
- B. Collision Coverage. Caused by the covered **auto's** collision with another object or its overturn.

5. EXCLUSIONS

This coverage does not apply to:

- A. Wear and tear, freezing, mechanical or electrical breakdown unless caused by other **loss** covered by this coverage agreement.
- B. Blowouts, punctures or other road damage to tires unless incidental to an otherwise covered **loss** to the **auto**.
- C. **Loss** caused by declared or undeclared war or insurrection or any of their consequences.
- D. **Loss** caused by the explosion of a nuclear weapon or its consequences.
- E. **Loss** caused by radioactive contamination.
- F. **Loss** to tape decks or other sound reproducing equipment not permanently installed in a covered **auto**.
- G. **Loss** to tapes, records or other sound reproducing devices designed for use with sound reproducing equipment.
- H. **Loss** to any sound receiving equipment designed for use as a citizens' band radio, two-way mobile radio or telephone or scanning monitor receiver, including its antennas and other accessories. This exclusion does not apply to **autos** designated with Equipment Code "A", "B," or "C" on the current CIS Auto Schedule.

6. VALUATION AND BASIS OF RECOVERY

- A. At the **Trust's** option the **Trust** may:

- (1) Pay for the repair or replacement of the damaged or stolen **auto**, or
 - (2) Return the stolen property, at the **Trust** expense. If returned, the **Trust** will pay for any damage that results to the **auto** from the theft.
- B. Except as provided under C. below, the most the **Trust** will pay for **loss** is the smaller of the following amounts:
- (1) The actual cash value of the damaged or stolen **auto** at the time of **loss**.
 - (2) The cost of repairing the damaged or stolen **auto**.
 - (3) The cost of replacing the damaged or stolen **auto** with another **auto** of like kind or quality.
- C. If the **auto** is owned by and registered to the named member, and is a private passenger car or a light commercial truck with a gross vehicle weight not exceeding 10,000 pounds, and is not more than 6 (six) model years old at the time of **loss** (a model year being deemed to begin on October 1 of each preceding year), and provided a larger payment would not apply under 6B above, the **Trust** will pay the smaller of the following amounts for the private passenger car or light commercial truck only and exclusive of any attached equipment whether identified by inclusion of an Equipment Code or not:
- (1) The cost to replace such damaged or stolen private passenger car or light commercial truck at the time of loss without deduction for depreciation.
 - (2) The cost of repairing the damaged or stolen private passenger car or light commercial truck.
 - (3) \$29,000 (Twenty-Nine Thousand Dollars).
 - (4) In lieu of such payment, if the cost to repair the vehicle damage is within 90 percent of the actual cash value of the vehicle, the Member may request that the Trust pay the actual cash value of the damaged private passenger car or light commercial truck.
- D. If the **auto** is more than thirty-five (35) model years old at the time of **loss** (a model year being deemed to begin on October 1, of each preceding year), the **Trust** will pay the smaller of the following amounts:
- (1) The actual cash value of the damaged or stolen **auto** at the time of **loss**.
 - (2) The cost of repairing the damaged or stolen **auto**.
 - (3) The cost of replacing the damaged or stolen **auto** with another **auto** of like kind or quality.
 - (4) The dollar amount shown as the **auto's** value on the current CIS Auto Schedule.
- E. For each covered **auto**, the **Trust's** obligation to pay for, repair, return or replace damaged or stolen property will be reduced by the applicable deductible shown on the declarations page of this coverage agreement. Any comprehensive coverage deductible shown in the

declarations does not apply to **loss** caused by fire or lightning.

F. If a covered **auto** has Equipment Code "B", "S", or "T" designated on the current CIS Auto Schedule the following applies:

- (1) For **autos** with Equipment Codes "S" or "T", miscellaneous tools and equipment are covered while used with the **auto** for their actual cash value at the time of the **loss**, up to a maximum of \$1,500 for Code "S" or \$2,500 for Code "T."
- (2) For **autos** with Equipment Code "B", **loose gear** is covered at the actual cash value of the equipment at the time of the **loss**, up to a maximum of \$10,000.
- (3) If the **loss** or damage to equipment included under Equipment Codes "B", "S", or "T" is incidental to other covered **loss** or damage to the **auto**, the otherwise applicable deductible will apply to the entire **loss**. If **loss** or damage to **loose gear** is not incidental to other vehicle damage, the **auto's** collision deductible will apply regardless of the cause of **loss**.

G. If the **Member** carries comprehensive coverage on the damaged **auto**, the **Trust** will pay for the following under comprehensive coverage:

- (1) Glass breakage.
- (2) **Loss** caused by collision with a bird or animal.
- (3) **Loss** caused by falling object or missiles.

However, the **Member** has the option of having **auto** glass breakage caused by collision or overturn considered a **loss** under collision coverage.

If the **Member** elects to have covered **auto** glass damage repaired rather than replaced, the **Trust** will pay the cost of repair without application of the comprehensive deductible, provided the applicable deductible is \$500 or less.

7. CONDITIONS

The coverage provided by this coverage agreement is subject to the following conditions:

A. **Member's** Duties after Accident or **Loss**.

- (1) The **Member** must promptly notify the **Trust** of any **loss**. The **Member** must tell the **Trust** how, when and where the **loss** happened.
- (2) Additionally, the **Member** must:
 - a. cooperate with the **Trust** in the investigation or settlement of any **loss**. The **Member** shall not voluntarily make any payment, assume any obligation or incur any expense except as provided in this coverage agreement.
 - b. immediately send the **Trust** copies of any notices or legal papers received in connection with the **loss**.

- c. permit the **Trust** to inspect and appraise the damaged property before its repair or disposition.
- d. do what is reasonably necessary after **loss** at the **Trust's** expense to protect the covered **auto** from further **loss**.
- e. submit a proof of **loss** when required by the **Trust**.
- f. promptly notify the police if the covered **auto** or any of its equipment is stolen.

B. Subrogation.

If any **Member**, person or organization to or for whom the **Trust** made payments under this coverage agreement has rights to recover damages from another, those rights are transferred to the **Trust**. That **Member**, person or organization must do everything necessary to secure the **Trust's** rights and must do nothing after the **loss** to impair them.

C. Canceling This Coverage Agreement During the Coverage Period.

- (1) The **Member** may cancel coverage by giving the **Trust** written notice not less than 60 days prior to the date cancellation is to take effect.
- (2) The **Trust** may cancel the **Member's** coverage for nonpayment of any contribution due. Such cancellation shall be by written notice not less than 10 days prior to the date cancellation is to take effect. Cancellation or non-renewal for any other reason set forth in the Bylaws of CIS shall require 60 days written notice. Proof of mailing of any notice to the **Member's** last address known to the **Trust** shall be sufficient proof of notice.
- (3) If this coverage agreement is canceled, the **Member** may be entitled to a contribution refund. However, making or offering to make the refund is not a condition of cancellation. The refund, if any, will be computed pro rata.

D. Legal Action Against the **Trust**.

No legal action may be brought against the **Trust** until there has been full compliance with all the terms of this coverage agreement.

E. Inspection.

At the **Trust's** option the **Trust** may inspect the **Member's** property and operations at any time. By the **Trust's** right to inspect or by the **Trust's** making any inspection, the **Trust** makes no representation that **Member's** property or operations are safe, not harmful to health or comply with any law, rule or regulation.

F. Changes.

This coverage agreement contains all the agreements between **Member** and the **Trust** regarding this coverage. Its terms may not be changed or waived except by amendment issued by the **Trust** pursuant to the Bylaws of CIS. If a change requires a contribution adjustment, the **Trust** will adjust the contribution as of the effective date of change.

G. Transfer of the **Member's** Interest in This Coverage Agreement.

Member's rights and duties under this coverage agreement may not be assigned without the **Trust's** written consent.

H. No Benefit to Bailee.

The **Trust** will not recognize any assignment or grant any coverage for the benefit of any person or organization holding, storing or transporting property for a fee.

I. Appraisal.

- (1) If the **Member** and the **Trust** fail to agree as to the amount of **loss**, either may demand an appraisal of the **loss**. In such event, the **Member** and the **Trust** shall each select a competent appraiser, and the appraisers shall select a competent and disinterested umpire. The appraisers shall state separately the actual cash value and the amount of **loss**, and, failing to agree, shall submit their differences to the umpire. An award in writing of any two shall determine the amount of **loss**. The **Member** and the **Trust** shall each pay the chosen appraiser and shall bear equally the other expenses of the appraisal and umpire.
- (2) The **Trust** shall not be held to have waived any of the **Trust's** rights by any act relating to appraisal.

J. Loss Payable and Additional Member.

The **Trust** may issue Certificates of Coverage under this coverage agreement to parties, other than the **Member**, having an interest in this coverage subject to the following provisions:

- (1) Certificates issued to such other parties as evidence of coverage shall not constitute additional coverage.
- (2) This coverage agreement shall extend to and cover the full insurable interest in the property covered hereby of such other parties to whom certificates have been or will be issued and to the extent of their insurable interest such parties shall be considered as additional **members**.

K. Maximum Aggregate Loss Provisions.

- (1) Except for **losses** caused by **earthquake** and **flood**, the limit of liability for all **losses** to **property** covered by the **Trust**, the most the **Trust** will pay under **property** coverage for any one **occurrence** for all members is \$600,000,000 for all **loss** or damage covered by the **Trust** under both this coverage agreement and under the **Trust** Property Coverage agreement at the time of **loss**. If more than one **Trust Member** suffers **loss** or damage during an **occurrence**, and the total covered damage for all **Members** exceeds the **Trust's** \$600,000,000 coverage limit, **Members** making claims shall be compensated for their **loss** or damage on a pro-rata basis, determined by comparing the dollar amount of covered damage suffered by each **Member** to the dollar amount of covered damage for all **Members** during the **occurrence**. Such determination shall be made based upon all claims reported within the 30-day period following the date damage is first reported to the **Trust** by any member. Claims reported more than 30 days after the first report

date of the **occurrence** will be calculated based upon damage done and funds remaining to reach the **Trust's occurrence** maximum limit.

- (2) With respect to the peril of **earthquake**, the aggregate limit of liability for all **property losses** resulting from one or more **occurrences** during the coverage year shown on the Declarations page is \$5,000,000 for all **loss** or damage covered by the **Trust** under both this coverage agreement and under the **Trust** Property Coverage agreement at the time of **loss**, unless a higher **property earthquake** coverage limit is specifically provided by endorsement to the **named member's Trust** Property Coverage Agreement.

The most the **Trust** will pay under this coverage during any one coverage year for all **Members' property** damage is \$300,000,000 for all **loss** or damage covered by the **Trust** under both this coverage agreement and under the **Trust** Property Coverage agreement at the time of **loss**, regardless of the number of **earthquakes** during the coverage period and regardless of the number of **Members** or covered parties seeking coverage.

If more than one **Trust Member** suffers **loss** or damage during an **earthquake**, and the total covered damage for all **Members** exceeds the **Trust's** \$300,000,000 coverage limit stated above, **Members** making claims shall be compensated for their **loss** or damage on a pro-rata basis, determined by comparing the dollar amount of covered damage suffered by each **Member** to the dollar amount of covered damage for all **Members** during the **earthquake**. Such determination shall be made based upon all claims reported within the 30-day period following the date **earthquake** damage is first reported to the **Trust** by any **Member**. Claims reported more than 30 days after the first report date of the **earthquake** will be calculated based upon damage done and funds remaining to reach the **earthquake** maximum limit.

- (3) With respect to the peril of **flood**, the aggregate limit of liability for all **property losses** resulting from one or more **occurrences** during the coverage year shown on the Declarations page is \$5,000,000 for all **loss** or damage covered by the **Trust** under both this coverage agreement and under the **Trust** Property Coverage agreement at the time of **loss**, unless a higher **property flood** coverage limit is specifically provided by endorsement to the **named member's Trust** Property Coverage Agreement.

The most the **Trust** will pay under this coverage during any one coverage year for all **Members' property** damage is \$300,000,000 for all **loss** or damage covered by the **Trust** under both this coverage agreement and under the **Trust** Property Coverage agreement at the time of **loss**, regardless of the number of floods during the coverage period and regardless of the number of **Members** or covered parties seeking coverage.

If more than one **Trust Member** suffers **loss** or damage during a **flood**, and the total covered damage for all **Members** exceeds the **Trust's** \$300,000,000 coverage limit stated above, **Members** making claims shall be compensated for their **loss** or damage on a pro-rata basis, determined by comparing the dollar amount of covered damage suffered by each **Member** to the dollar amount of covered damage for all **Members** during the **flood**. Such determination shall be made based upon all claims reported within the 30-day period following the date **flood** damage is first reported to the **Trust** by any **Member**. Claims reported more

than 30 days after the first report date of the **flood** will be calculated based upon damage done and funds remaining to reach the **flood** maximum limit.

- (4) As used in this section the term "**Property**" means all real **property** and personal **property** which the **Member** has included for coverage under the **Trust** Auto Physical Damage Agreement and the **Trust** Property Coverage Agreement at the time of **loss**.



Patrick Priest
Executive Director, CIS