


CIS Coverage 101

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CIS Property/Casualty Director

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CIS Underwriting Manager



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Today's Agenda

1. Liability Coverages/Claims



10 minute break

3. Auto Physical Damage Coverage

2. Property Coverage Agreement



10 minute break

4. Workers' Compensation/Claims

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Agenda

- Claims
- CIS Liability Coverage Agreement
- CIS Excess Liability Coverage Agreement
- Coverage Overview
- What's Not Covered

Note: This is a brief overview of the CIS Liability Agreement. It is not intended to be a comprehensive review. Please refer to the CIS Liability Agreement if you have additional needs or interests.



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Top Loss P/L Loss Categories Over Last 5 Years

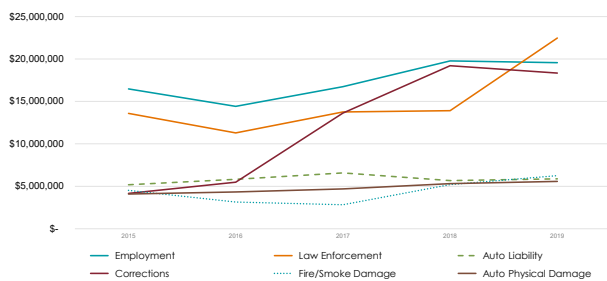
| Rank | Category | Coverage | Incurred (no IBNR) | % of Total |
|------|----------------------------------|----------|--------------------|------------|
| 1 | Law Enforcement | GL | 22,807,523 | 20.65% |
| 2 | Personnel & Employment Practices | GL | 19,620,609 | 17.76% |
| 3 | Jails | GL | 19,131,217 | 17.32% |
| 4 | Fire/Smoke Damage | PR | 6,259,086 | 5.67% |
| 5 | Auto Liability | AL | 5,891,741 | 5.33% |
| 6 | Auto Physical Damage | APD | 5,579,328 | 5.05% |
| 7 | Roadways/Walkways | GL | 3,910,450 | 3.54% |
| 8 | Collapse/Settling | PR | 3,288,047 | 2.98% |
| 9 | Wastewater | GL | 3,129,823 | 2.83% |
| 10 | Premises and Facilities | GL | 2,921,868 | 2.65% |
| 11 | Water | GL | 2,381,901 | 2.16% |
| 12 | Planning & Resource Management | GL | 2,055,908 | 1.86% |
| 13 | Regulation | GL | 1,261,165 | 1.14% |
| 14 | Utilities | GL | 1,067,279 | 0.97% |
| 15 | Permits | GL | 663,689 | 0.60% |
| | All Other Liability | GL | 2,743,833 | 2.48% |
| | All Other Property | PR | 7,752,183 | 7.02% |
| | Total | | \$ 110,465,650 | 100.00% |

Rank based on Incurred Total for Five fiscal years (2015 - 2019) at 12/31/19

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Top 6 Categories Trending

They represent 71.78% of all property and liability claim costs over the last 5 years.



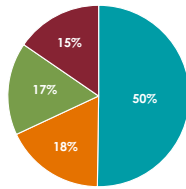
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Loss Category: Law Enforcement

135 Members/40%

- 3-year loss ratio: 91%
- 5-year loss ratio: 75%
- 10-year loss ratio: 78%

15 Claims over \$500k over last 10 years



Top 3 Claim Types

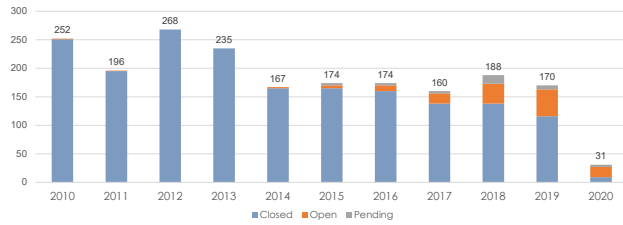
- Excessive force
- Intervention wrongful
- False arrest
- All Others



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Loss Category: Law Enforcement

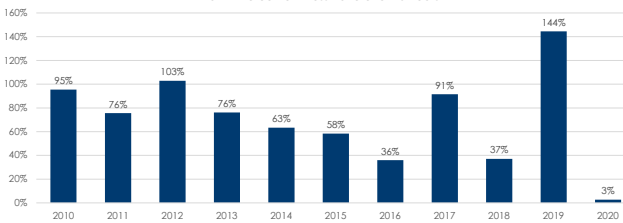
Number of Law Enforcement Claims over Last 5 Years



8

Loss Category: Law Enforcement

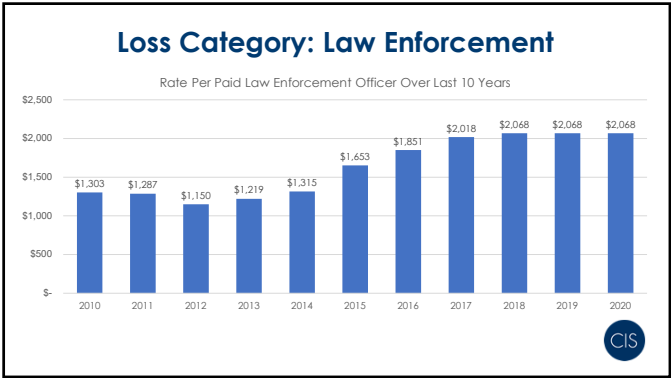
Law Enforcement Loss Ratio over 10 Years



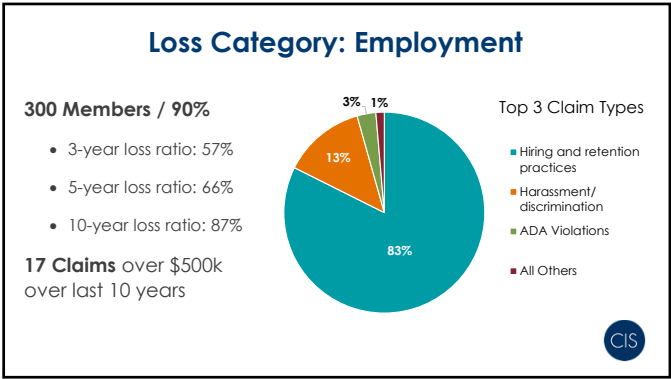
Incurred bases; no IBNR



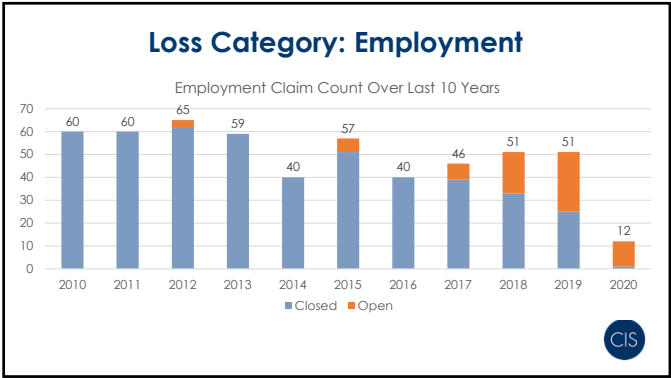
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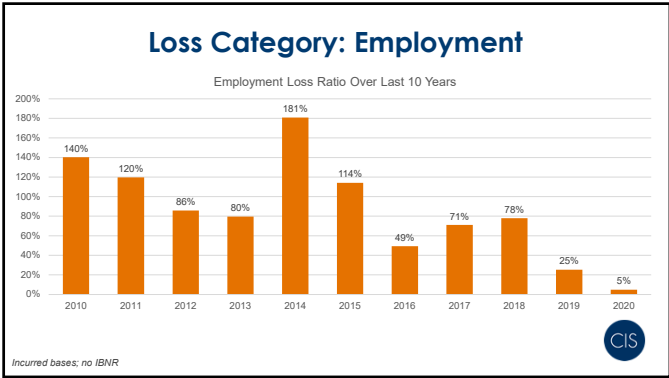
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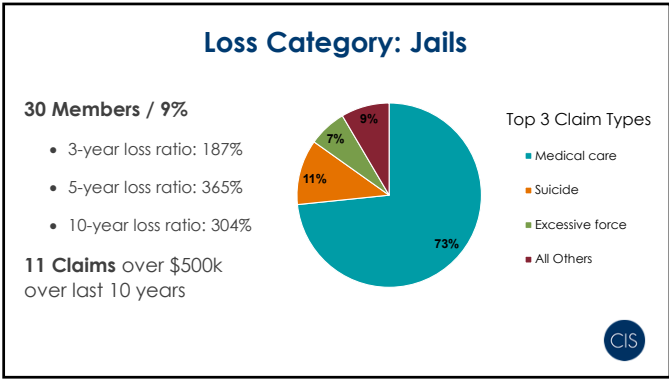
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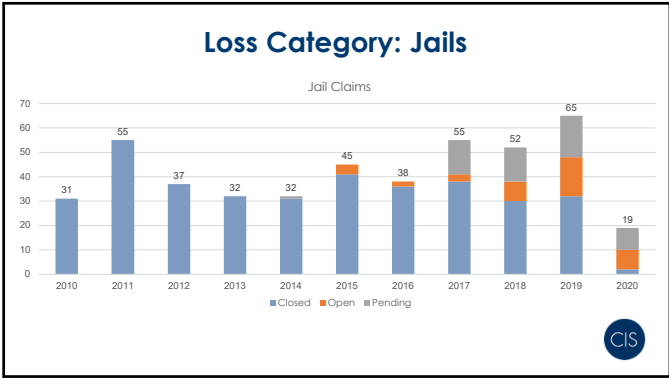
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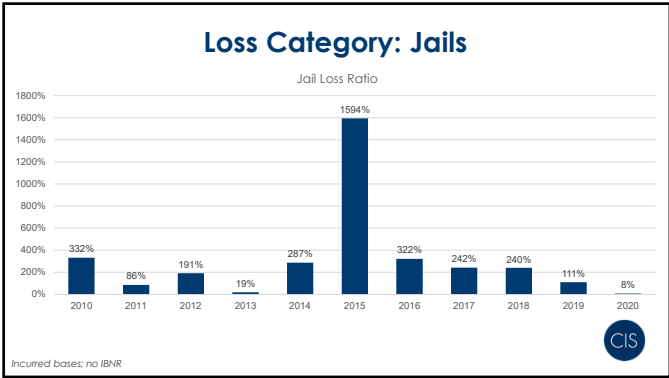
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CIS Liability Coverage Document

- Per Occurrence Limit \$200,000
- Annual Aggregate Limit \$600,000

CIS

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Excess CIS Liability Coverage Document

- Per Occurrence Limit \$4,800,000
- Annual Aggregate Limit \$14,400,000

Does not cover:

- F: Uninsured/Underinsured Motorists
- G: Ethics Coverage
- H: Limited Pollution Coverage
- I: Cyber
- J: Oregon Pay Equity Act (\$50,000 limit, \$10,000 deductible)

CIS

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Overview

- General Liability
- Premises
- Directors and Officers
- Employment Practices/ADA
- Professional
- Elected Officials
- Auto
- Employee Benefits
- Ethics Defense (\$7,500 pp/
\$15,000 pm)
- Police Liability
- Jails
- Firefighter Liability
- Cyber
- Limited Pollution
- Fairs
- Special Events
- Liquor Liability
- Transit (Buses)



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Section 1: Definitions

- **Damages:** Must be monetary damages. Include punitive damages. Excludes injunctions and breach of contract.
- **Member:** Named organization, officers, employees, agents, volunteers and additional member.
- **Additional member:** A Member agrees to indemnify and hold harmless, but excludes additional member's sole negligence.
- **Occurrence:** Incident, event, act, error or omission or a series of related incidents, events, acts, errors or omissions. If acts cover multiple coverage periods, coverage applies to **last** coverage period.



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Section 2: Coverages

- A:** Oregon Tort Claims Act (OTCA)
- B:** Federal Laws: Civil Rights, Age Discrimination, American with Disabilities (ADA), Fair Housing, Oregon Civil Rights, Family and Medical Leave.
- C:** Other states
- D:** Additional Member Coverage
- E:** Employee Benefits Related



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Section 2: Coverages Continued

F: Uninsured/Underinsured Motorists

G: Ethics Coverage

H: Limited Pollution Coverage

I: Cyber

J: Oregon Pay Equity Act (\$50,000 limit, \$10,000 deductible)



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Section 3: Deductibles

A. Conditional Employment Practices Deductible

Applies to all members if they do not **consult and follow advice** of CIS Pre-Loss Attorney

1st time: \$15,000

2nd time: \$30,000

3rd time: \$45,000

4th time: \$60,000



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Section 3: Deductibles Continued

B. Aggregate/Retropective

- Member reimburses CIS for the amount of deductible for all covered all losses during the policy period.
- Aggregate deductibles vary.
- Retro deductible: 60% minimum premium, 130% maximum premium

CIS Website: Alt Plan What-If



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Section 3: Deductibles Continued

C. Per Occurrence Deductible

- Members wanting to save the most money can choose a per occurrence deductible which applies to **each and every** claim.
 - For example, if a member selected a \$10,000 deductible it applies to every claim.
 - This is the most common deductible used by commercial insurance companies.



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Section 3: Deductibles Continued

D. Employment Participation Deductible

- Members contribute 10% of an employment claim up to \$10,000.
 - If another deductible also applies, it will be deducted from the claim prior to the 10% applied.
 - Pre-Loss deductibles are in addition to this deductible.



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Section 3: Deductibles Continued

E. Any Other Applicable Deductible

Pay Equity: \$10,000 Cyber: \$5,000

- Members contribute 10% of an employment claim up to \$10,000.
 - If another deductible also applies, it will be deducted from the claim prior to the 10% applied.
 - Pre-Loss deductibles are in addition to this deductible.



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Section 3: Deductibles Continued

F. Jail Medical Care Deductible

- Members contribute up to \$10,000 if medical care for an inmate was "not readily available."



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Section 4: Limits of Liability

A. Per Occurrence Limit

- Most CIS will pay for a single occurrence

B. Annual Aggregate Limit

- Most CIS will pay for all losses in the coverage period

C. Cost of Defense

- Defense cost in addition to, and does not erode, applicable limits of liability

D. Cyber has it's own limits



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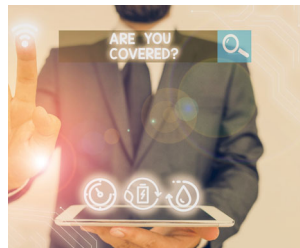
Section 5: Exclusions

A. Aircraft and airports (give back coverage for airport boards or commissions)

B. Watercraft, if there is other coverage in effect

C. Property of member

D. Workers' comp, unemployment, etc.



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Section 5: Exclusions Continued

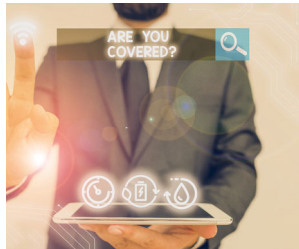
- E. Volunteers or inmates if workers' comp is provided
- F. Eminent domain, condemnation, etc.
- G. Hospital or nursing home
- H. Financing a hospital



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Section 5: Exclusions Continued

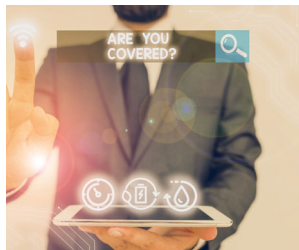
- I. Pollution, except due to covered autos or firefighting and provides \$50,000 for scheduled pesticides.
- J. Fungus, fungi, or spores, except sewer and plan review
- K. Asbestos
- L. Lead
- M & N. Nuclear



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Section 5: Exclusions Continued

- O. War
- P. Q. R. S. Employee Benefits related
- T. Stocks & Bond performance
- U. ERISA
- V. PERS
- W. Health coverage to retirees
- X. Railroads



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Section 5: Exclusions Continued

- Y. Failure to maintain insurance
- Z. Member profits for which they are not entitled or violation of any laws
- AA. Taxing authorities, non-payment of obligations
- BB. Canine for jail extraction



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Section 6: Conditions

- A. Duties of Member: Report claims and do nothing to prejudice the rights of CIS. Cooperate and assist. Do not make voluntary payments or assume liability.
- C. Subrogation: CIS can subrogate against wrongful parties.
- J: No stacking of limits



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Section 7: Ethics Coverage

- A. & B: \$7500 per person, \$15,000 per member in a coverage period.
- C: 30 days notice required
- D: CIS selects legal counsel
- F: No payment unless public officials prevails



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Section 8, 9, 10: Uninsured Motorist

Section 8: Compliance with financial security laws

Section 9: \$10,000 medical coverage for spouse or children in member vehicle

Section 10: Uninsured and underinsured motorist coverage



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Section 11: Limited Pollution

Third-party pollution coverage - accidental only.

Excluded:

- Underground storage tanks
- Landfill
- Asbestos
- Members property or property in care, custody, control
- Member knew or should have known

Limit: \$100,000



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Section 12: Cyber Security Expense Coverage

1. Notification cost
2. Third party liability
3. Penalties
4. Extortion
5. Impersonation fraud

Limit: \$50,000

Deductible: \$5,000



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Excess Cyber Liability



- All members obtain \$50,000 limit
- Excess limits available up to \$2,000,000
- Contact Tena for additional information



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What's Not Covered

- Unable to find a liability claim in the last two years that wasn't covered for the member
- Anyone in the room have a liability claim not covered by CIS?

Examples of non-covered claims.

1. No money damages
2. Planning and zoning (because no money damages)
3. Takings claim, eminent domain
4. PERS/retiree



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Contact Information

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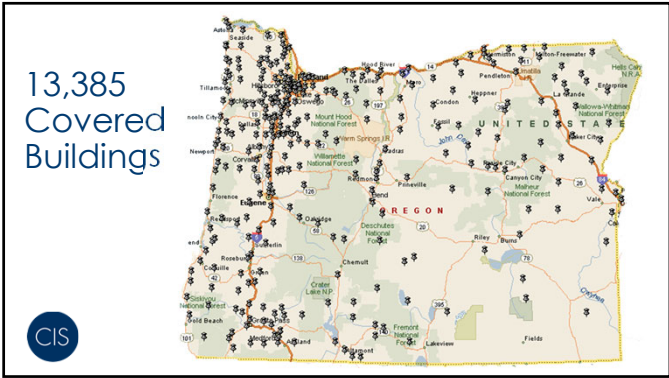
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Agenda

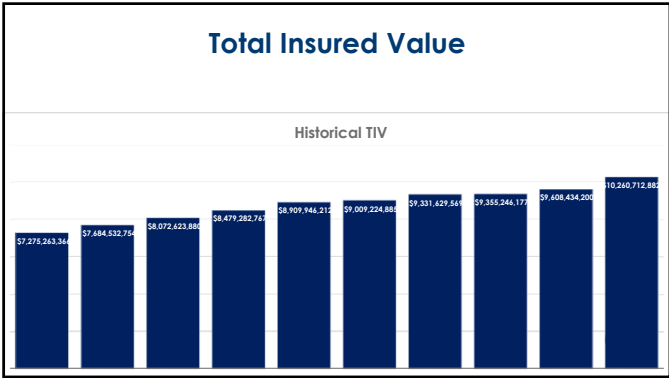
- Fun facts about CIS' property program
- Claims
- First things first
- Website
- Property Coverage Agreement (Sections 1-10)
- Crime
- Cyber

Note: This is a brief overview of the CIS Property Coverage Agreement. It is not intended to be a comprehensive review. Please refer to the CIS Property Coverage Agreement if you have additional needs or interests.

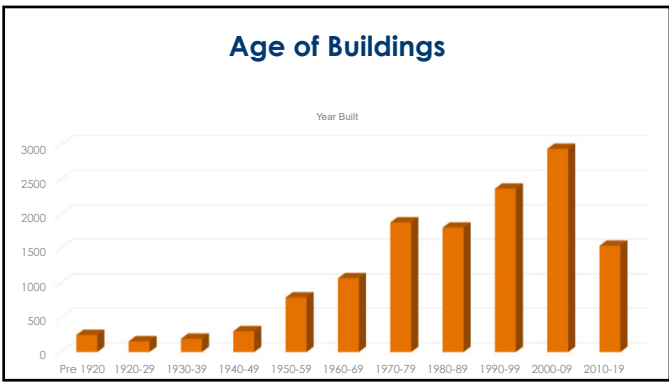
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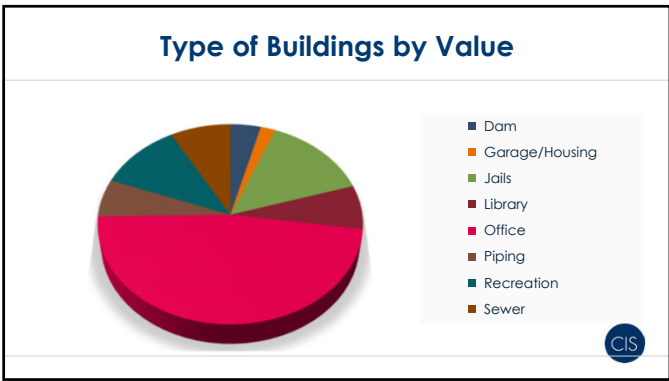
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Ermatinger House Coin Flip in 1845



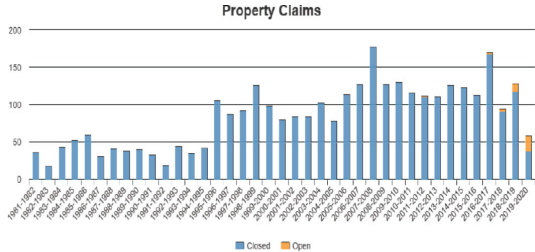
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Claims - Severity



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Claims - Frequency



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CIS Property Coverage Agreement Includes:

- Property Insurance
- Boiler and Machinery/Equipment Breakdown
- Builders' Risk (by endorsement)
- Crime
- Cyber (First Party)



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First Things First

SCHEDULE IT!

- Schedule with appropriate values – we trend and appraise scheduled buildings, contents and PIO
 - Newly acquired or renovated
 - Mobile equipment (ACV and RV)



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Invoices/Schedules/Documents Page

Website: cisoregon.org/Member/PropertyLiability/Reports

Special Events

Need Help?

If you need help with this page, email [Underwriting](#)

SELECT MEMBER

CITYCOUNTY INSURANCE SERVICES

Coverage Year

2019-2020

2018-2019

2017-2018

2016-2017

2015-2016

Schedules

Coverage Documents

Invoices

Additional Documents

Filter by

View

Email PDF

Schedules

Auto ID Cards

Auto Schedule

General Liability Schedule

GL Only Property Schedule

Member Contacts

Mobile Equipment Schedule

Property Schedule

WC Experience Rating Worksheet

WC Occupancy Profile

WC Payroll Estimate Form

CF

CF

CF

CF

CF

CF

CF

PDF

CF

CF

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Interim Changes Webpage

Website: cisoregon.org/member/propertyliability/interimchanges

Need Help?
 if you need help with this page click on the following

Information
 Instructions

SELECT SERVICE CITYCOUNTY INSURANCE SERVICES
 Auto Schedule Property Schedule

Current Schedule/Pending Changes (0) Completed Changes (0) **Please allow 45 days for processing.** Add

Show (2) - 1 entries
 Search:

| Actions / Change | Type | Delete | Auto # | Department | Year Built | Make | Model/Description | VIN | Comp. Ded. | Coll. Ded. | Eff. Date | Term. Date |
|-------------------------------------|------|--------------------------|--------|------------|------------|------|--|-----|------------|------------|-----------|------------|
| <input checked="" type="checkbox"/> | | <input type="checkbox"/> | 00001 | | 2019 | N/A | NON-OWNED AUTO LIABILITY COVERAGE ONLY | | \$0.000 | \$0.000 | 3/1/2019 | 3/1/2020 |
| <input checked="" type="checkbox"/> | | <input type="checkbox"/> | 00002 | | 2019 | N/A | NON-OWNED/LEASED AUTO COVERAGE ONLY | | \$0.000 | \$0.000 | 3/1/2019 | 3/1/2020 |

Showing 1 to 2 of 2 entries Previous Next

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Appraisals

- Performed by AssetWorks
- Reoccurring schedule of once every 5 years
- All new structures over \$100,000
- All existing structures over \$250,000
- Members may pay for other structures at \$100/structure



CIS

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Section 1 – Limits of Liability

- Value on CIS schedule (valuation determines recovery)
- Pooled limit \$600m for all loss or damage (including APD), except for Flood/Earthquake
- Pooled limit for Earthquake and Flood \$300m
- If limit breached, recovery is pro-rata basis

CIS

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Section 1 – Limit of Liability

- Flood and Earthquake limits by member
 - All members receive \$5 million of both earthquake and flood at no additional cost as a sublimit of property
 - Excess limits of both can be purchased
 - \$300 million in earthquake and flood limit is shared for both the sublimit and excess purchased coverages
 - Difference-in-Conditions (DIC) can be purchased with \$10 million dedicated limits (includes both earthquake and flood)



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Section 1 – Limit of Liability Continued

- Additional Coverages
 - Loss of Revenue - \$1,000,000
 - Extra Expense - \$1,000,000
 - Property in Transit - \$1,000,000
 - Equipment hired, rented or borrowed for less than 60 days - \$150,000
 - Crime coverage - \$50,000 (higher limits can be purchased)
 - Off-Premises Service Interruption - \$100,000
 - Miscellaneous Coverages (Fire Fighting) - \$50,000



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Section 1 – Limit of Liability Continued

- Additional Coverages
 - Personal property at unscheduled locations - \$15,000
 - Personal property of employees or volunteers - \$15,000
 - Temporary emergency shelter restoration - \$50,000
 - Police dogs (must be scheduled) - \$15,000 each
 - Comfort dogs – stated value
 - Restoration/reproduction of books, records, etc. - \$100,000
 - Electronic Data Restoration/Reproduction - \$250,000
 - Pollution cleanup - \$25,000
 - Unscheduled Fine Arts (owned by member) - \$100,000

Subject to the terms and conditions of the full Coverage Agreement



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Section 2 – Deductibles

- Earthquake Deductible \$25,000 (unless member has larger property deductible)
- Flood Deductible
 - \$25,000 except in SFHA
 - Special Flood Hazard Areas – Zones A & V
 - ☐ \$500,000 for buildings insurable by NFIP, whether purchased or not; structures **not** insurable by NFIP, \$100,000 or 5%, whichever is higher



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Section 2 – Deductibles Continued

- Vacant Buildings
 - \$10,000 unless a higher deductible is chosen on the CIS property schedule
 - ☐ Vacant for 90 days prior to loss or damage
 - ☐ 70% of square feet of building not used to conduct customary business



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Section 3 - Definitions



- **Building:** structure including permanently installed machinery and equipment...additions under construction and related materials ...within 1,000 ft. of structure



- **Contents:** personal property located in or within 1,000 ft. of described building...including member's use interest in fixtures, alterations...at non-owned locations occupied by member, provided improvements made at member's expense



- **Property in the Open (PIO):** outdoor fencing, gates, flag poles, light poles, handicap ramps, generators, park equipment



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Section 3 – Definitions Continued



- **Earthquake:** 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



- **Flood:** flood however caused, inundation, overflow of streams other bodies of water, tidal wave or tidal water, tsunami, or spray for any of the foregoing, all whether driven by wind or not, unless loss by another peril not otherwise excluded under this agreement ensues, then such ensuing loss shall not be deemed caused by flood



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Section 3 – Definitions Continued



- **Mobile Equipment:** property mobile in nature such as equipment, machinery, tools, snowmobiles, self-propelled four-wheeled vehicles such as ATVs and golf carts



- **Named Member or Member:** the entity named on the Declarations page and it's officers, employees and agents including volunteers, authorized to act on behalf of the Named Member



- **Occurrence:** the total or partial loss, by any peril or combination of perils covered against, arising out of a single event...earthquake, flood, volcanic action...occurring during each period of 72 consecutive hours



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Section 4 – Property and Interest Covered

- Real and personal property
 - Owned by member in which the member has an insurable interest
 - Held by member in storage for repairs or otherwise
 - Held in joint account with others, specifically member's legal liability
 - assumed under contract
 - ☐ Provided property has been scheduled on CIS property Schedule and CIS Mobile Equipment Schedule
- Newly acquired property – max provided under this provision is \$1m



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Section 5 and 6 – Territorial Limits/Perils

- Section 5
 - This coverage agreement covers loss occurring anywhere in the world
- Section 6
 - Covers against all direct physical loss or damage except as excluded



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Section 7 – Property Excluded

- Coverage does not apply to
 - Land or land values; growing crops
 - Animals (except police and comfort/therapy animals as defined in this agreement)
 - Aircraft
 - Landscaping, berms, dikes, ditches, lagoons, sidewalks, trails, paths and similar improvements to real property unless scheduled
 - Watercraft insured elsewhere or over 28 ft in length
 - Money and securities (except as provided in crime coverage – Section 10)
 - Overhead transmission and distribution lines and supporting structures other than on or within 1000 ft of scheduled premises



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Section 8 – Perils Excluded

- War
- Nuclear reaction
- Loss to steam boilers, steam pipes, steam turbines caused by explosion, rupture or bursting (covered under Equipment Breakdown)
- Loss or damage due to vermin, termites or other insects, contamination, rust wear and tear, gradual deterioration, inherent vice, unless ensuing loss not excluded
- Loss or damage due to fungus, wet or dry rot or bacteria
- Loss or damage due to faulty workmanship



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Section 8 – Perils Excluded Continued

- Loss or damage by normal settling, cracking or shrinkage
- Mere disappearance or shortage
- Pollution
- Expenses, fines, penalties incurred by any government agency or authority in connection to pollution from any cause
- Asbestos
- Damage to electronic data, hardware or software not otherwise covered in section 4.S
- Artificially generated electrical current including electrical arcing that disturbs electrical devices....but if fire ensues, we will cover fire damage



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Section 8 – Perils Excluded Continued

- Loss or damage caused directly or indirectly by discharge, dispersal, seepage of any pathogenic or poisonous or chemical materials, except if both 1) and 2) apply
 1. Material are normally kept or brought to the premises by you
 2. Escape is accidental and not the result of a willful or malicious act



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Section 9 – Valuation and Basis of Recovery

- **Guaranteed Replacement Value (GRV):** premium replacement coverage; no cap (except flood or earthquake catastrophe); only given on appraised structures; some appraised structures exempt from GRV (bridges, docks, towers, etc.)
- **Replacement Value (RV):** 110% of scheduled value
- **Historical Replacement Value (HRV):** 110% of scheduled value (must have historical appraisal to qualify for this valuation)



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Section 9 – Valuation... Continued

- **Functional Replacement Value (FRV):** 120% of scheduled value; automatically given on structures 1940 and older with standard appraisal
- **Actual Cash Value (ACV):** replacement minus depreciation; 80% co-insurance clause (or Market Value – whichever is lower – change in 20-21)
- **Debris Removal Only (DBO):** \$50,000 of debris removal coverage for buildings not to be rebuilt; provided by endorsement



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Section 9 - Valuation... Continued

- Debris Removal
 - Expenses incurred in removal of debris of damaged/ destroyed covered property
 - Cost to cleanup...necessary as result of physical loss/damage
 - 25% of damaged scheduled property value (building, contents, and PIO)
- Loss of Revenue & Rental Value
 - Actual loss of revenue sustained
 - Total anticipated gross rental income of covered structure
 - Limit \$1,000,000



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Section 10 – Crime Coverage

\$50,000 Limit (Higher limits may be purchased)

The trust will pay member for loss sustained to money and securities caused by

- Theft or forgery by any officer, employee or agent
- Disappearance or destruction from member premises or depository chute or safe
- Disappearance or destruction outside the member premises while being conveyed by an officer, employee or agent of the member or armored vehicle



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Section 10 – Crime Coverage (continued)

- Forgery or alteration of a check or draft
- Through the use of a computer
- Faithful performance of duties
- Fraudulent instructions



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Cyber – First Party

Property Coverage

Electronic Data
Direct damage to hardware
and software
\$250,000 limit
\$10,000 deductible

Fraudulent Instruction

Crime \$50,000
Excess Crime \$250,000
Excess Cyber Liability
\$1,000,000
Must purchase excess crime
and excess cyber to obtain
a limit up to a \$1M




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Other Important Clauses

- Loss Payee (allowed by Certificate of Coverage)
- Code Upgrades - \$5,000,000 limit
- Waiver of Subrogation
- Notice of loss




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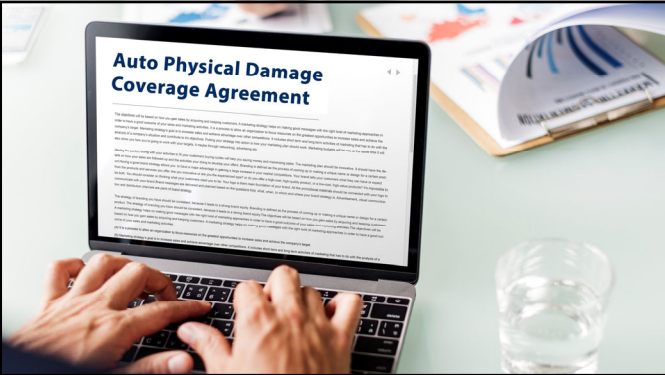


Contact Information

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Agenda

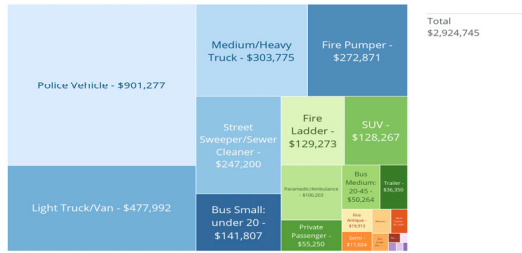
- Claims
- Auto Physical Damage (APD) coverage agreement
 - Sections 1 through 7
 - <https://www.cisoregon.org/Member/PropertyLiability/Reports>
- Parting thoughts

Note: This is a brief overview of the CIS Auto Physical Damage (APD) coverage agreement. It is not intended to be a comprehensive review. Please refer to the CIS APD coverage agreement if you have additional needs or interests.



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5-year Claims Analysis by Type



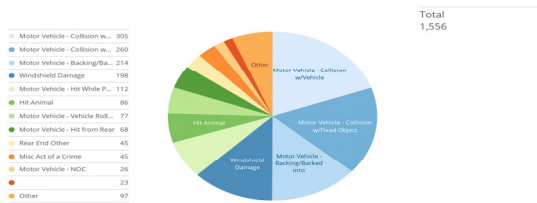
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5-year Claims Analysis by Cause



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5-year Claims Analysis by Cause



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Section 1 - Definitions

- Auto means land motor vehicle, trailer, or semi-trailer and permanently attached equipment (with appropriate equipment code) such as toolboxes, cranes, hoists, winches, radios, etc.
- Loose gear means equipment carried in or on an emergency vehicle
- Loss means direct and accidental damage
- Permanently attached equipment means equipment which is welded, bolted or permanently screwed to the vehicle
- Occurrence means total or partial loss by any peril covered against arising out of a single event



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Section 2 – Autos Covered

- Autos scheduled on the CIS Auto Schedule for which comp and collision have been selected
- Autos rented, borrowed or leased for less than 60 days and with a value of less than \$100,000



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Section 2 – Autos Covered Continued

- Equipment codes
 - Add "B" code for police and fire vehicles adds \$10k in permanently attached equipment value and \$10k in loose gear carried in the vehicle
 - If this value is not enough, a value should be added to the mobile equipment schedule
 - Add other codes to vehicles if appropriate
 - ☐ Special equipment; utility box; flat bed; dump box; garbage package; sewer cleaning equipment; wheel chair lift; crane; air compressor; utility bucket, etc.



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Section 3 – Where Coverage Applies

- USA, it's territories or possessions, Puerto Rico or Canada **or**
- While the **covered** auto is being transported between any of these places



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Section 4 – What Damage is Covered

- Comprehensive
 - For any cause, except excluded or collision with another object or overturn
 - ☐ Glass breakage
 - ☐ Collision with bird or animal
 - ☐ Falling object or missile
- Collision
 - Damage caused by collision with another object or its overturn



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Section 5 - Exclusions

- Wear and tear
- Blowouts/punctures of tires or other road damage
- War
- Radioactive contamination
- Explosion of nuclear weapon or its consequences
- Loss to sound producing equipment not permanently installed



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Section 6 - Valuation and Basis of Recovery

- Trust will pay to repair or replace auto using actual cash value of auto at the time of loss
- Autos that are 6 model years old or less; private passenger or commercial light truck; of 10k gross vehicle weight or less; if a total loss are valued at replacement value up to a maximum of \$29,000
- Autos more than 35-years old at the time of loss, trust will pay the lesser of ACV, cost of repairing, cost of replacing, or dollar amount shown on CIS Auto Schedule under Reported Value
- Deductible applies
- Glass damage can be elected to be repaired with no deductible applied if deductible is \$500 or less



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Section 7 - Conditions

- Member's duties after an accident or loss
 - Promptly notify
 - Cooperate with investigation
 - Immediately send any notice of legal papers received in connection with loss
 - Permit inspection and appraisal of damage
 - Do what is necessary to protect from further loss
 - Submit proof of loss when required
 - Promptly notify police if auto or any of its equipment is stolen



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Section 7 – Conditions Continued

- Subrogation
 - We have the right to recover from third party any damages we are entitled to
- Cancelling coverage during coverage period
 - 60 days notice
 - Trust can cancel for non-payment with written notice of not less than 10 days
 - Cancellation or non-renewal requires 60 days notice to member
- No legal action against the trust until full compliance with all terms



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Section 7 – Conditions Continued

- Trust may inspect property and operations at any time
- Terms may not be changed or waived except by amendment issued by trust
- Member's rights and duties may not be assigned without written consent of trust
- No benefit to bailee
- Appraisal – if member and trust fail to agree to amount of loss either may demand an appraisal
- Loss payable and additional member can be issued to parties with interest in the auto



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Section 7 – Conditions Continued

- Maximum Aggregate Loss Provisions
 - \$600m with exception of earthquake and flood for all personal property
 - Flood and earthquake maximum for each member is \$5m, unless excess is purchased
 - Maximum pool limit for earthquake and flood is \$300m




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Parting Thoughts




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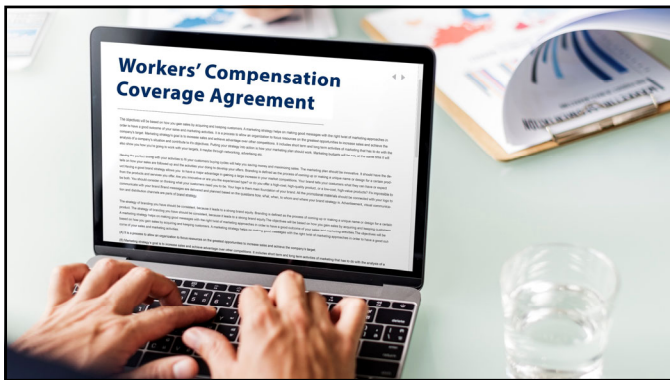


Contact Information

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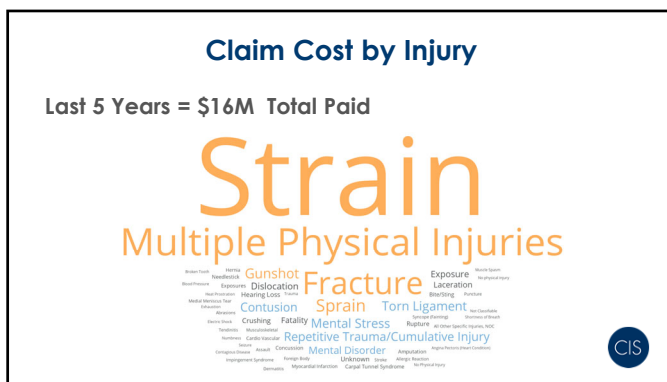
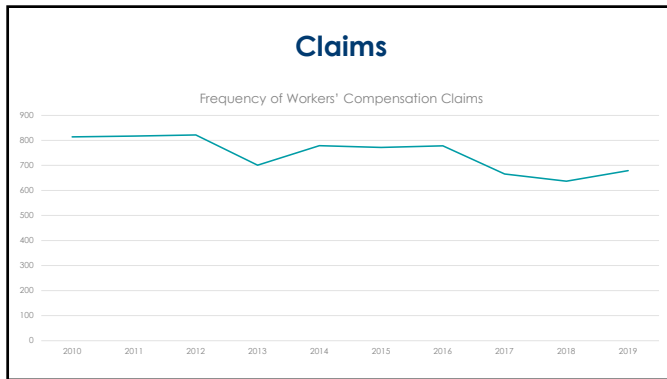
Agenda

- Claims
- CIS Coverage Overview
- Endorsements

Note: This is a brief overview of the CIS WC Coverage Agreement. It is not intended to be a comprehensive review. Please refer to the CIS WC Coverage Agreement if you have additional needs or interests.

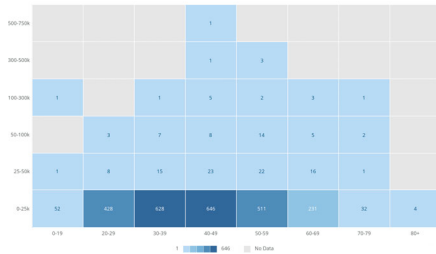


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Claims by Age of Employee

Last 5 Years = 3K Claims



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Section 1: General Section

- Agreement includes the WC Coverage Agreement, Notice of Election Form, and Payroll Estimate
- Definitions
- Coverage Locations – members approved workplaces



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Section 2: Coverage A

- (1) Bodily injury by accident occurs during the agreement period; and
- (2) Bodily injury by disease is caused or aggravated by the conditions of employment.
- (3) Legal obligations under ORS 656 and ORS 654
- (4) Defend proceedings or suits against the Member



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Section 2: Coverage A

- (1) Bodily injury by accident occurs during the agreement period; **and**
- (2) Bodily injury by disease is caused or aggravated by the conditions of employment. The injured employee's last day of last exposure to the conditions causing or aggravating such bodily injury by disease must occur during the agreement period.



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Section 2: Coverage A Continued

- (5) Reasonable expenses incurred at the **Trust's** request, including loss of earnings;
- (6) Premiums for bonds to release attachments and for appeal bonds in bond amounts up to the amount payable under this coverage;
- (7) Litigation costs awarded against the **Member**;
- (8) Interest on a judgment as required by law until the **Trust** offers the amount due under this insurance; and
- (9) Expenses the **Trust** incurs.



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Section 3: Coverage B

Employer's Liability Coverage

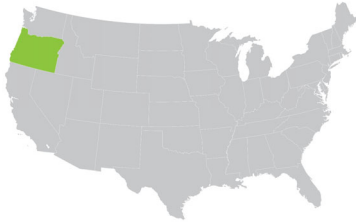
- If the **Member** is sued, by an injured (including disease) employee for actions or inactions of the **Member**.
- Limit: \$3,000,000
- Note: The Liability Coverage Agreement offers \$6,000,000 if purchased.



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Section 4: Other States Coverage

If temporally employed outside of Oregon, this policy covers the workers' compensation law of that state.



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Section 5: Member Duties

- Promptly provide CIS notice
- Cooperate with CIS
- CIS has subrogation rights
- Don't make voluntary payments



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Section 6: Contributions

- Final contributions are based on actual (not estimated) payroll
- Member must make available finance records as requested and is subject to payroll audits



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Section 7: Conditions

- CIS may inspect members workplaces
- Cancellation requires 30 days notice
- CIS must give members 60 days notice for coverage changes



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Section 8: Volunteers

- Members must pass resolution by governing body
 - (1) Description of specific volunteer classes to be covered
 - (2) Identifies an assumed wage to be the basis for benefits and contribution computation
- Maintain of rosters of active volunteers
- Workers' compensation the exclusive remedy



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Endorsements

- A. Jones Act Coverage Endorsement
- B. Terrorism Risk Insurance Extension Act Endorsement
- C. Family Lodging: Annual Limit Per Person \$3,000
- D. Critical Incident Mental Health: Annual Limit Per Member of \$5,000
- E. Mediation Coverage: Annual Limit Per Member of \$1,500



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Jones Act Coverage

- All references to Employer Liability Coverage shall include employees engaged in incidental operations in the state of Oregon subject to liability under the Merchant Marine Act of 1920, known as the Jones Act
- Any coverage provided under such Act shall be subject to a maximum limit of \$1,000,000 each occurrence
- **Covers:** masters and members of a US flagged vessel



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Terrorism Endorsement

Provides for terrorism coverage and reimbursement from the Terrorism Risk Insurance Act of 2002



CIS

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Family Lodging

The **Trust** will reimburse hotel charges up to \$3,000 for direct family members of an injured employee with an accepted claim if hospitalization is required for the injured employee **over 75 miles** away from their home.

Note: Direct family means spouse/domestic partner, parent, and children

CIS

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Critical Incident Mental Health

- The **Trust** will reimburse a Member up to an annual per member limit of \$5,000 for a work-related critical incident in which a Member obtains mental health counseling for staff
- Mental health must be provided by a licensed mental health professional
- A critical incident involves a significant event which causes dramatic emotional distress with staff



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Mediation Coverage

- The **Trust** will reimburse a Member up to an annual per member limit of \$1,500 for a professional Mediator to mediate disputes in the Member's workplace
- The dispute must be significant to cause emotional anxiety in the workplace



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Contact Information

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