

WHATCOM COUNTY CONTRACT INFORMATION SHEET

Whatcom County Contract No.
202605024

Originating Department:	85 - Health
Division:	8550 - Human Services
Program:	855040 - Housing Program
Contract or Grant Administrator:	Eric Chambers
Contractor's / Agency Name:	Lake Whatcom Residential Treatment Center

Type of contract:	Standard Contract for Services	
Is this a new contract ? Yes	If not, is this an amendment or renewal to an existing contract? Yes/No	If amendment or renewal (per W.C.C. 3.08.11(a)), original contract # :
Is this a grant agreement? No	If yes, grantor agency contract numbers:	ALN: <i>Complete ALN field if contract involves direct federal grants/cooperative agreements or pass-through federal funds</i>
Is this contract grant-funded ? Yes	If yes, Whatcom County grant contract number(s): 202605002	
Is this contract the result of an RFP or Bid Process ? No	If yes, RFP and Bid number(s):	Federal reimbursement? No
Procurement Method:	Other - (Explain) WCC 3.08.060(I)	
Council review requirements & exemptions:	Required - Contract/bid exceeds \$75,000	

Fund:	1853	Original Contract Amount (if amendment) :	
Cost Center:	18538527	This Amendment Amount (if applicable):	
Object Account:	7190	Total Contract Amount:	3,087,940

Contract term ends: May 31, 2031

Contract routing (please initial & date):

Prepared by:	ekc 03/31/2026	Contractor signed:	5/27/2026
Contractor review:		Executive review:	FW 5/27/2026
Attorney signoff:	jcw 05/11/2026	Council approval, if necessary:	05/26/2026
AS Finance review:	dmk 05/12/2026		AB#: AB2026-393
IT review (if related):	n/a	Executive signed	5/27/2026



Memorandum

TO: Satpal Sidhu, County Executive
FROM: Champ Thomaskutty, Director
RE: Lake Whatcom Residential Treatment Center – Lincoln Street Studios Contract
DATE: MAY 12, 2026

Attached is a contract between Whatcom County and Lake Whatcom Residential Treatment Center (LWRTC) for your review and signature.

■ Background and Purpose

The purpose of this contract is to expand safe, stable, and appropriate housing options for individuals with behavioral health needs in Whatcom County. When complete, the Lincoln Street Studios (the "Project") will add thirty-seven (37) units of permanent, supportive housing that promotes recovery, community integration, and improved health outcomes. Of these units, eleven (11) will be reserved for the exclusive use by members of the Trueblood Settlement Class ("Trueblood Class Members") for a period of twenty-five (25) years.

Trueblood Class Members are those identified in A.B. ex rel. Trueblood v Washington State Department of Social & Health Services (DSHS) as having their constitutional rights violated as pretrial criminal detainees when DSHS failed to provide timely court-ordered competency evaluations and restorative services and includes all persons who are now, or will be in the future, charged with a crime in Washington and: (i) who are ordered by a court to receive competency evaluation or restoration services through DSHS; (ii) who are waiting in jail for those services; and (iii) for whom DSHS receives the court order. Fines levied against DSHS by the Court established a settlement fund to be used to keep individuals from becoming Class Members and to redress the harm caused by DSHS's inaction.

Whatcom County applied for, and was subsequently awarded funds from the settlement fund for the purpose of supporting the Lincoln Street Studios Project. This Project was selected based on LWRTC's unique experience providing supportive housing for adults with behavioral health needs.

For the avoidance of doubt, the Project and underlying Property, are owned by the Lake Whatcom Center Foundation. The Lake Whatcom Residential Treatment Center is the manager of the Foundation. All instances which refer to "Lake Whatcom Residential Treatment Center", "LWRTC" or the "Contractor", shall, as applicable, refer to the Contractor causing the Foundation to achieve the same.

■ Funding Amount and Source

Funding for this contract, in an amount not to exceed \$3,087,940 is provided by Whatcom County Contract #202605002. Council authorization is required per WCC 3.08.100, as funding for this contract exceeds \$75,000. Council appropriated funding on April 28, 2026 in 18538527.7190 for this expenditure.



- **Differences from Previous Contracts**

This is a new contract, but LWRTC completed other capital work supported by the County under contract #202502013. LWRTC completed this work on schedule, within budget, and within scope.

Please contact Eric Chambers at 360-778-6199 or EKChambe@co.whatcom.wa.us if you have any questions.

Encl.

Whatcom County Contract Number:

202605024

CONTRACT FOR SERVICES
Between Whatcom County and Lake Whatcom Residential Treatment Center

Lake Whatcom Residential Treatment Center, hereinafter called **Contractor** and Whatcom County, hereinafter referred to as **County**, agree and contract as set forth in this Agreement, including:

Recitals, p. 3
General Conditions, pp. 4 to 13,
Additional Conditions, pp. 14 to 17,
Exhibit A (Scope of Work), pp. 18 to 23,
Exhibit B (Compensation), pp. 24 to 26,
Exhibit C (Certificate of Insurance)
Exhibit D (Deed of Trust)
Exhibit E (Restrictive Covenant)
Exhibit F (Certification of the Availability of Funds to Complete the Project).
Exhibit G (Intent to Enter the Evergreen Sustainable Development Standards)
Exhibit H (Certification of the Payment and Reporting of Prevailing Wages)

Copies of these items are attached hereto and incorporated herein by this reference as if fully set forth herein.

The term of this Agreement shall commence on May 27, 2026, and shall, unless terminated or renewed as elsewhere provided in the Agreement, terminate on May 31, 2031.

The general purpose or objective of this Agreement is to support the development of 37 units of affordable rentals for adults with behavioral health needs, including 11 units dedicated to Trueblood Class Members, as more fully and definitively described in Exhibit A hereto. The language of Exhibit A controls in case of any conflict between it and that provided here.

The maximum consideration for the initial term of this agreement or for any renewal term authorized herein (if applicable) shall not exceed \$3,087,940. The Contract Number, set forth above, shall be included on all billings or correspondence in connection therewith.

Contractor acknowledges and by signing this contract agrees that the Indemnification provisions set forth in Paragraphs 11.1, 21.1, 30.1, 31.2, 32.1, 34.2, and 34.3, if included, are totally and fully part of this contract and have been mutually negotiated by the parties.

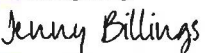
Each person signing this Contract represents and warrants that he or she is duly authorized and has legal capacity to execute and deliver this Contract.

IN WITNESS WHEREOF, the parties have executed this Agreement on: 5/27/2026

CONTRACTOR:

Lake Whatcom Residential Treatment Center
3600 Meridian Street
Bellingham, WA 98225

Each signatory below to this Contract warrants that he/she is the authorized agent of the respective party; and that he/she has the authority to enter into the contract and to bind the party thereto.

DocuSigned by:

3A2F82F4480D32B
Jenny Billings, CEO
5/27/2026
Date

WHATCOM COUNTY:

Recommended for Approval:

Signed by: Gregory Iturria 5/27/2026
DC72D5139E9A449
Greg Iturria, Financial Services Manager Date

Signed by: Champ Thomaskutty 5/27/2026
86C1A6E83483428
Champ Thomaskutty, Director Date
Whatcom County Health and Community Services

Approved as to form:

Signed by: Janelle Wilson 5/27/2026
CE1A5B5C36B438
Janelle C. Wilson, Civil Deputy Prosecutor Date

Approved:

Accepted for Whatcom County:

DocuSigned by: Satpal Singh Sidhu 5/27/2026
119267C10B664E3
By: Satpal Singh Sidhu, Whatcom County Executive Date

CONTRACTOR INFORMATION:

Lake Whatcom Residential Treatment Center

3600 Meridian Street
Bellingham, WA 98225

Jenny.Billings@lwrtc.org

RECITALS

WHEREAS, in A.B. ex rel. Trueblood v Washington State Department of Social & Health Services (DSHS), the court found DSHS violated the constitutional rights of pretrial criminal detainees in cities and county jails by failing to provide them timely court-ordered competency evaluations and restorative services; and

WHEREAS, individuals whose rights were violated pursuant to DSHS inactions are henceforth referred to as Trueblood Class Members; and

WHEREAS, DSHS was ordered to distribute over \$80 million in fines to diversion programs to keep individuals from becoming Trueblood Class Members and to redress the harm created by DSHS's inaction, through the Trueblood Diversion Workgroup; and

WHEREAS, the Trueblood Diversion Workgroup issued a Request for Proposal title, Trueblood Diversion Request for Proposal on May 3, 2004; and

WHEREAS, Whatcom County, a home rule charter county organized under the laws of the State of Washington, submitted a response to the RFP identifying Lake Whatcom Residential Treatment Center, as a key partner and subcontractor; and

WHEREAS, Lake Whatcom Residential Treatment Center, acting as an Agent of Lake Whatcom Center Foundation, was selected as a partner for their experience and ability to serve this specialized population, and in accordance with WCC 3.08.060 (I); and

WHEREAS, on October 15, 2025, the Honorable Marsha J. Pechman, through the United States District Court Western District of Washington at Seattle, signed Order #14-cv-01178-MJP granting Whatcom County \$3,603,879 in response to the County's proposal; and

WHEREAS, the Trueblood Diversion Workgroup named Disabilities Rights Washington, a Washington nonprofit corporation, as the administrator for this award; and

WHEREAS, the Seattle Foundation, is acting as fiscal sponsor to Disabilities Rights Washington, a Washington nonprofit cooperation, pursuant to its legal representation of class members for A.B. ex rel. Trueblood v. Washington State Department of Social & Health Services; and

WHEREAS, the Seattle Foundation entered into an agreement with Whatcom County (Contract #202605002) for the purposes of funding eleven (11) units of housing in the Lake Whatcom Residential Treatment Center's Lincoln Street Studios development, for the exclusive use of Trueblood Class Members; and

WHEREAS, the Lincoln Street Studios will be a newly built thirty-seven (37) unit long-term affordable rental complex in the City of Bellingham for individuals with behavioral health needs; and

WHEREAS, funding also provides support for Whatcom County Department of Health and Community Services staff to provide project management and operational support for the administration of this award; and

WHEREAS, the Parties desire to enter into this Agreement to establish the terms and conditions under which the County will provide grant funding to Lake Whatcom Residential Treatment Center for their Lincoln Street Studios project;

NOW, THEREFORE, in consideration of the mutual covenants, terms, and conditions set forth herein, and for other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledges, the parties agree as follows:

GENERAL CONDITIONS**Series 00-09: Provisions Related to Scope and Nature of Services****0.1 Scope of Services:**

The Contractor agrees to provide to the County services and any materials as set forth in the project narrative identified as Exhibit "A", during the agreement period. No material, labor, or facilities will be furnished by the County, unless otherwise provided for in the Agreement.

Series 10-19: Provisions Related to Term and Termination**10.1 Term:**

Services provided by Contractor prior to or after the term of this contract shall be performed at the expense of Contractor and are not compensable under this contract unless both parties hereto agree to such provision in writing. The term of this Agreement may be extended by mutual agreement of the parties; provided, however, that the Agreement is in writing and signed by both parties.

10.2 Extension:

The duration of this Agreement may be extended by mutual written consent of the parties, for a period of up to one year, and for a total of no longer than three years.

11.1 Termination for Default:

If the Contractor defaults by failing to perform any of the obligations of the contract or becomes insolvent or is declared bankrupt or commits any act of bankruptcy or insolvency or makes an assignment for the benefit of creditors, the County may, by depositing written notice to the Contractor in the U.S. mail, first class postage prepaid, terminate the contract, and at the County's option, obtain performance of the work elsewhere. Termination shall be effective upon Contractor's receipt of the written notice, or within three (3) days of the mailing of the notice, whichever occurs first. If the contract is terminated for default, the Contractor shall not be entitled to receive any further payments under the contract until all work called for has been fully performed. Any extra cost or damage to the County resulting from such default(s) shall be deducted from any money due or coming due to the Contractor. The Contractor shall bear any extra expenses incurred by the County in completing the work, including all increased costs for completing the work, and all damage sustained, or which may be sustained by the County by reason of such default.

11.2 Termination for Reduction in Funding:

In the event that funding from State, Federal or other sources is withdrawn, reduced, or limited in any way after the effective date of this Agreement, and prior to its normal completion, the County may summarily terminate this Agreement as to the funds withdrawn, reduced, or limited, notwithstanding any other termination provisions of this Agreement. If the level of funding withdrawn, reduced or limited is so great that the County deems that the continuation of the programs covered by this Agreement is no longer in the best interest of the County, the County may summarily terminate this Agreement in whole, notwithstanding any other termination provisions of this Agreement. Termination under this section shall be effective upon receipt of written notice as specified herein, or within three days of the mailing of the notice, whichever occurs first.

11.3 Termination for Public Convenience:

The County may terminate the Agreement in whole or in part whenever the County determines, in its sole discretion, that such termination is in the interests of the County. Whenever the Agreement is terminated in accordance with this paragraph, the Contractor shall be entitled to payment for actual work performed at unit contract prices for completed items of work. An equitable adjustment in the contract price for partially completed items of work will be made, but such adjustment shall not include provision for loss of anticipated profit on deleted or uncompleted work. Termination of this Agreement by the County at any time during the term, whether for default or convenience, shall not constitute breach of contract by the County.

Series 20-29: Provisions Related to Consideration and Payments

20.1 Accounting and Payment for Contractor Services:

Payment to the Contractor for services rendered under this Agreement shall be as set forth in Exhibit "B." Where Exhibit "B" requires payments by the County, payment shall be based upon written claims supported, unless otherwise provided in Exhibit "B," by documentation of units of work actually performed and amounts earned, including, where appropriate, the actual number of days worked each month, total number of hours for the month, and the total dollar payment requested, so as to comply with municipal auditing requirements.

Unless specifically stated in Exhibit "B" or approved in writing in advance by the official executing this Agreement for the County or his designee (hereinafter referred to as the "Administrative Officer") the County will not reimburse the Contractor for any costs or expenses incurred by the Contractor in the performance of this contract. Where required, the County shall, upon receipt of appropriate documentation, compensate the Contractor, no more often than monthly, in accordance with the County's customary procedures, pursuant to the fee schedule set forth in Exhibit "B."

21.1 Taxes:

The Contractor understands and acknowledges that the County will not withhold Federal or State income taxes. Where required by State or Federal law, the Contractor authorizes the County to withhold for any taxes other than income taxes (i.e., Medicare). All compensation received by the Contractor will be reported to the Internal Revenue Service at the end of the calendar year in accordance with the applicable IRS regulations. It is the responsibility of the Contractor to make the necessary estimated tax payments throughout the year, if any, and the Contractor is solely liable for any tax obligation arising from the Contractor's performance of this Agreement. The Contractor hereby agrees to indemnify the County against any demand to pay taxes arising from the Contractor's failure to pay taxes on compensation earned pursuant to this Agreement.

The County will pay sales and use taxes imposed on goods or services acquired hereunder as required by law. The Contractor must pay all other taxes, including, but not limited to, Business and Occupation Tax, taxes based on the Contractor's gross or net income, or personal property to which the County does not hold title. The County is exempt from Federal Excise Tax.

22.1 Withholding Payment:

In the event the County's Administrative Officer determines that the Contractor has failed to perform any obligation under this Agreement within the times set forth in this Agreement, then the County may withhold from amounts otherwise due and payable to Contractor the amount determined by the County as necessary to cure the default, until the Administrative Officer determines that such failure to perform has been cured. Withholding under this clause shall not be deemed a breach entitling Contractor to termination or damages, provided that the County promptly gives notice in writing to the Contractor of the nature of the default or failure to perform, and in no case more than 10 days after it determines to withhold amounts otherwise due. A determination of the Administrative Officer set forth in a notice to the Contractor of the action required and/or the amount required to cure any alleged failure to perform shall be deemed conclusive, except to the extent that the Contractor acts within the times and in strict accord with the provisions of the Disputes clause of this Agreement. The County may act in accordance with any determination of the Administrative Officer which has become conclusive under this clause, without prejudice to any other remedy under the Agreement, to take all or any of the following actions: (1) cure any failure or default, (2) to pay any amount so required to be paid and to charge the same to the account of the Contractor, (3) to set off any amount so paid or incurred from amounts due or to become due the Contractor. In the event the Contractor obtains relief upon a claim under the Disputes clause, no penalty or damages shall accrue to Contractor by reason of good faith withholding by the County under this clause.

23.1 Labor Standards:

The Contractor agrees to comply with all applicable state and federal requirements, including but not limited to those pertaining to payment of wages and working conditions, in accordance with RCW 39.12.040, the Prevailing Wage Act; the Americans with Disabilities Act of 1990; the Davis-Bacon Act; and the Contract Work Hours and Safety Standards Act providing for weekly payment of prevailing wages, minimum overtime pay, and providing that no laborer or mechanic shall be required to work in surroundings or under conditions which are unsanitary, hazardous, or dangerous to health and safety as determined by regulations promulgated by the Federal Secretary of Labor and the State of Washington.

Series 30-39: Provisions Related to Administration of Agreement

30.1 Independent Contractor:

In providing services under this Contract, the Contractor is an independent contractor, and neither it nor its officers, agents, or employees are employees of the County for any purpose. The Contractor shall be responsible for all federal and/or state

tax, industrial insurance, and Social Security liability that may result from the performance of and compensation for these services and shall make no claim of career service or civil service rights which may accrue to a County employee under state or local law.

The County assumes no responsibility for the payment of any compensation, wages, benefits, or taxes, by, or on behalf of the Contractor, its employees, and/or others by reason of this Contract.

The Contractor shall protect, indemnify, defend, and save harmless the County, its officers, agents, and employees from and against any and all claims, costs, and/or losses whatsoever occurring or resulting from (1) the Contractor's failure to pay any such compensation, wages, benefits, or taxes, and/or (2) the supplying to the Contractor of work, services, materials, or supplies by Contractor employees or other suppliers in connection with or support of the performance of this Contract.

30.2 Assignment and Subcontracting:

The performance of all activities contemplated by this agreement shall be accomplished by the Contractor. No portion of this contract may be assigned or subcontracted to any other individual, firm or entity without the express and prior written approval of the County.

30.3 No Guarantee of Employment:

The performance of all or part of this contract by the Contractor shall not operate to vest any employment rights whatsoever and shall not be deemed to guarantee any employment of the Contractor or any employee of the Contractor or any subcontractor or any employee of any subcontractor by the County at the present time or in the future.

31.1 Ownership of Items Produced and Public Records Act:

All writings, programs, data, public records or other materials prepared by the Contractor and/or its consultants or subcontractors, in connection with performance of this Agreement, shall be the sole and absolute property of the County. If the Contractor creates any copyrightable materials or invents any patentable property, the Contractor may copyright or patent the same, but the County retains a royalty-free, nonexclusive and irrevocable license to reproduce, publish, recover, or otherwise use the materials or property and to authorize other governments to use the same for state or local governmental purposes. Contractor further agrees to make research, notes, and other work products produced in the performance of this Agreement available to the County upon request.

Ownership. Any and all data, writings, programs, public records, reports, analyses, documents, photographs, pamphlets, plans, specifications, surveys, films or any other materials created, prepared, produced, constructed, assembled, made, performed or otherwise produced by the Contractor or the Contractor's subcontractors or consultants for delivery to the County under this Contract shall be the sole and absolute property of the County. Such property shall constitute "work made for hire" as defined by the U.S. Copyright Act of 1976, 17 U.S.C. § 101, and the ownership of the copyright and any other intellectual property rights in such property shall vest in the County at the time of its creation. Ownership of the intellectual property includes the right to copyright, patent, and register, and the ability to transfer these rights. Material which the Contractor uses to perform this Contract but is not created, prepared, constructed, assembled, made, performed or otherwise produced for or paid for by the County is owned by the Contractor and is not "work made for hire" within the terms of this Agreement.

Public Records Act. This Contract and all records associated with this Contract shall be available for inspection and copying by the public where required by the Public Records Act, Chapter 42.56 RCW (the "Act"). To the extent that public records then in the custody of the Contractor are needed for the County to respond to a request under the Act, as determined by the County, the Contractor agrees to make them promptly available to the County at no cost to the County. If the Contractor considers any portion of any record provided to the County under this Agreement, whether in electronic or hard copy form, to be protected from disclosure under law, the Contractor shall clearly identify any specific information that it claims to be confidential or proprietary. If the County receives a request under the Act to inspect or copy the information so identified by the Contractor and the County determines that release of the information is required by the Act or otherwise appropriate, the County's sole obligations shall be to notify the Contractor (a) of the request and (b) of the date that such information will be released to the requester unless the Contractor obtains a court order to enjoin that disclosure pursuant to RCW 42.56.540. If the Contractor fails to timely obtain a court order enjoining disclosure, the County will release the requested information on the date specified.

The County has, and by this section assumes, no obligation on behalf of the Contractor to claim any exemption from disclosure under the Act. The County shall not be liable to the Contractor for releasing records not clearly identified by the Contractor as confidential or proprietary. The County shall not be liable to the Contractor for any records that the County releases in compliance with this section or in compliance with an order of a court of competent jurisdiction.

The Contractor shall be liable to the requester for any and all fees, costs, penalties or damages imposed or alleged as a result of the Contractor's failure to provide adequate or timely records.

This provision and the obligations it establishes shall remain in effect after the expiration of this contract.

31.2 **Patent/Copyright Infringement:**

Contractor will defend and indemnify the County from any claimed action, cause or demand brought against the County, to the extent such action is based on the claim that information supplied by the Contractor infringes any patent or copyright. The Contractor will pay those costs and damages attributable to any such claims that are finally awarded against the County in any action. Such defense and payments are conditioned upon the following:

- A. The Contractor shall be notified promptly in writing by the County of any notice of such claim.
- B. Contractor shall have the right, hereunder, at its option and expense, to obtain for the County the right to continue using the information, in the event such claim of infringement, is made, provided no reduction in performance or loss results to the County.

32.1 **Confidentiality:**

The Contractor, its employees, subcontractors, and their employees shall maintain the confidentiality of all information provided by the County or acquired by the Contractor in performance of this Agreement, except upon the prior written consent of the County or an order entered by a court after having acquired jurisdiction over the County. Contractor shall immediately give to the County notice of any judicial proceeding seeking disclosure of such information. Contractor shall indemnify and hold harmless the County, its officials, agents or employees from all loss or expense, including, but not limited to, settlements, judgments, setoffs, attorneys' fees and costs resulting from Contractor's breach of this provision.

33.1 **Right to Review:**

This contract is subject to review by any Federal, State or County auditor. The County or its designee shall have the right to review and monitor the financial and service components of this program by whatever means are deemed expedient by the Administrative Officer or by the County Auditor's Office. Such review may occur with or without notice and may include, but is not limited to, on-site inspection by County agents or employees, inspection of all records or other materials which the County deems pertinent to the Agreement and its performance, and any and all communications with or evaluations by service recipients under this Agreement. The Contractor shall preserve and maintain all financial records and records relating to the performance of work under this Agreement for three (3) years after contract termination, and shall make them available for such review, within Whatcom County, State of Washington, upon request. Contractor also agrees to notify the Administrative Officer in advance of any inspections, audits, or program review by any individual, agency, or governmental unit whose purpose is to review the services provided within the terms of this Agreement. If no advance notice is given to the Contractor, then the Contractor agrees to notify the Administrative Officer as soon as it is practical.

34.1 **Insurance:**

The Contractor shall, at its own expense, obtain and continuously maintain the following insurance coverage for the duration of this contract, which shall include insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Contractor, its agents, representatives, subcontractors or employees. All insurers providing such insurance shall have an A.M. Best Rating of not less than A- (or otherwise be acceptable to the County) and be licensed to do business in the State of Washington and admitted by the Washington State Insurance Commissioner. Coverage limits shall be the minimum limits identified in this Contract or the coverage limits provided or available under the policies maintained by the Contractor without regard to this Contract, whichever are greater.

1. Commercial General Liability

Property Damage	\$500,000.00, per occurrence
General Liability & bodily injury	\$1,000,000.00, per occurrence
Annual Aggregate	\$2,000,000.00

At least as broad as ISO form CG 00 01 or the equivalent, which coverage shall include personal injury, bodily injury and property damage for Premises Operations, Products and Completed Operations, Personal/Advertising Injury, Contractual Liability, Independent Contractor Liability, medical payments and Stop Gap/Employer's Liability. Coverage shall not exclude or contain sub-limits less than the minimum limits required, unless approved in writing by the County.

2. Business Automobile Liability

\$1,000,000.00 Minimum, per occurrence
 \$2,000,000.00 Minimum, Annual Aggregate

Contractor shall provide auto liability coverage for owned, non-owned and hired autos using ISO Business Auto Coverage form CA 00 01 or the exact equivalent with a limit of no less than \$1,000,000 per accident. If Contractor owns no vehicles this requirement may be met through a non-owned auto Endorsement to the CGL policy.

3. Additional Insurance Requirements and Provisions

- a. All insurance policies shall provide coverage on an occurrence basis.
- b. Additional Insureds. Whatcom County, its departments, elected and appointed officials, employees, agents and volunteers shall be included as additional insureds on Contractor's and Contractor's subcontractors' insurance policies by way of endorsement for the full available limits of insurance required in this contract or maintained by the Contractor and subcontractor, whichever is greater.
- c. Primary and Non-contributory Insurance. Contractor shall provide primary insurance coverage and the County's insurance shall be non-contributory. Any insurance, self-insured retention, deductible, risk retention or insurance pooling maintained or participated in by the County shall be excess and non-contributory to Contractor's insurance.
- d. Waiver of Subrogation. The insurance policy shall provide a waiver of subrogation with respect to each insurance policy maintained under this Contract. When required by an insurer, or if a policy condition does not permit Contractor to enter into a pre-loss agreement to waive subrogation without an endorsement, then Contractor agrees to notify the insurer and obtain such endorsement. This requirement shall not apply to any policy which includes a condition expressly prohibiting waiver of subrogation by the insured or which voids coverage should the Contractor enter into such a waiver of subrogation on a pre-loss basis.
- e. Review of and Revision of Policy Provisions. Upon request, the Contractor shall provide a full and complete certified copy of all requested insurance policies to the County. The County reserves the right, but not the obligation, to revise any insurance requirement, including but not limited to limits, coverages and endorsements, or to reject any insurance policies which fail to meet the requirements of this Contract. Additionally, the County reserves the right, but not the obligation, to review and reject any proposed insurer providing coverage based upon the insurer's financial condition or licensing status in Washington.
- f. Verification of Coverage/Certificates and Endorsements. The Contractor shall furnish the County with a certificate of insurance and endorsements required by this contract. The certificates and endorsements for each policy shall be signed by a person authorized by the insurer to bind coverage on its behalf. The certificate and endorsements for each insurance policy are to be on forms approved by the County prior to commencement of activities associated with the contract. The certificate and endorsements, and renewals thereof, shall be attached hereto as Exhibit "C". If Exhibit C is not attached, the Contractor must submit the certificate and endorsements required in this contract to the County prior to the commencement of any work on the contracted project. A certificate alone is insufficient proof of the required insurance; endorsements must be included with the certificate. The certificate of insurance must reflect the insurance required in this contract, including appropriate limits, insurance coverage dates, per occurrence, and in the description of operations, include the County project, Whatcom County, its departments, officials, employees, agents and volunteers as additional insureds, primary, non-contributory, and waiver of subrogation.
- g. The County must be notified immediately in writing of any cancellation of the policy, exhaustion of aggregate limits, notice of intent not to renew insurance coverage, expiration of policy or change in insurer carrier. Contractor shall always provide the County with a current copy of the certificate and endorsements throughout the duration of the contract.
- h. No Limitation on Liability. The insurance maintained under this Contract shall not in any manner limit the liability or qualify the liabilities or obligations of the Contractor to the coverage provided by such insurance, or otherwise limit the County's recourse to any remedy available at law or equity.
- i. Payment Conditioned on Insurance and Failure to Maintain Insurance. Compensation and/or payments due to the Contractor under this Contract are expressly conditioned upon the Contractor's compliance with all insurance requirements. Failure on the part of the Contractor to maintain the insurance as required shall

constitute a material breach of contract. Payment to the Contractor may be suspended in the event of non-compliance, upon which the County may, after giving five business days' notice to the Contractor to correct the breach, immediately terminate the contract or, at its discretion, procure or renew such insurance and pay any and all premiums in connection therewith, with any sums so expended to be repaid to the County on demand or offset against funds due the Contractor. Upon receipt of evidence of Contractor's compliance, payments not otherwise subject to withholding or set-off will be released to the Contractor.

- j. **Workers' Compensation.** The Contractor shall maintain Workers' Compensation coverage as required under the Washington State Industrial Insurance Act, RCW Title 51, for all Contractors' employees, agents and volunteers eligible for such coverage under the Industrial Insurance Act.
- k. **Failure of the Contractor to take out and/or maintain required insurance** shall not relieve the Contractor or subcontractors from any liability under the contract, nor shall the insurance requirements be construed to conflict with or otherwise limit the obligations concerning indemnification. The County does not waive any insurance requirements even in the event the certificate or endorsements provided by the Contractor were insufficient or inadequate proof of coverage but not objected to by the County. The County's failure to confirm adequate proof of insurance requirements does not constitute a waiver of the Contractor's insurance requirements under this Contract.
- l. **Availability of Contractor Limits.** If the Contractor maintains higher insurance limits than the minimums shown above, the County shall be insured for the full available limits, including Excess or Umbrella liability maintained by the Contractor, irrespective of whether such limits maintained by the Contractor are greater than those required by this contract or whether any certificate furnished to the County evidences limits of liability lower than those maintained by the Contractor.
- m. **Insurance for Subcontractors.** If the Contractor subcontracts (if permitted in the contract) any portion of this Contract, the Contractor shall include all subcontractors as insureds under its policies or shall require separate certificates of insurance and policy endorsements from each subcontractor. Insurance coverages by subcontractors must comply with the insurance requirements of the Contractor in this contract and shall be subject to all of the requirements stated herein, including naming the County as additional insured.
- n. **The Contractor agrees Contractor's insurance obligation shall survive the completion or termination of this Contract for a minimum period of three years.**

34.3 **Defense & Indemnity Agreement:**

To the fullest extent permitted by law, the Contractor agrees to indemnify, defend and hold the County and its departments, elected and appointed officials, employees, agents and volunteers, harmless from and against any and all claims, damages, losses and expenses, including but not limited to court costs, attorney's fees, and alternative dispute resolution costs, for any personal injury, for any bodily injury, sickness, disease, or death and for any damage to or destruction of any property (including the loss of use resulting therefrom) which: 1) are caused in whole or in part by any error, act or omission, negligent or otherwise, of the Contractor, its employees, agents or volunteers or Contractor's subcontractors and their employees, agents or volunteers; or 2) directly or indirectly arise out of or occur in connection with performance of this Contract or 3) are based upon the Contractor's or its subcontractors' use of, presence upon, or proximity to the property of the County. This indemnification obligation of the Contractor shall not apply in the limited circumstance where the claim, damage, loss, or expense is caused by the sole negligence of the County.

Should a court of competent jurisdiction determine that this contract is subject to RCW 4.24.115, then in the event of concurrent negligence of the Contractor, its subcontractors, employees or agents, and the County, its employees or agents, this indemnification obligation of the Contractor shall be valid and enforceable only to the extent of the negligence of the Contractor, its subcontractors, employees, and agents. This indemnification obligation of the Contractor shall not be limited in any way by the Washington State Industrial Insurance Act, RCW Title 51, or by application of any other workmen's compensation act, disability benefit act or other employee benefit act, and the Contractor hereby expressly waives any immunity afforded by such acts.

It is further provided that no liability shall attach to the County by reason of entering into this contract, except as expressly provided herein. The parties specifically agree that this Contract is for the benefit of the parties only and this Contract shall create no rights in any third party. The County reserves the right, but not the obligation, to participate in the defense

of any claim, damages, losses, or expenses, and such participation shall not constitute a waiver of Contractor's indemnity obligations under this Agreement.

In the event the Contractor enters into subcontracts to the extent allowed under this Contract, the Contractor's subcontractors shall indemnify the County on a basis equal to or exceeding Contractor's indemnity obligations to the County. The Contractor shall pay all attorney's fees and expenses incurred by the County in establishing and enforcing the County's rights under this indemnification provision, whether or not suit was instituted.

The Contractor agrees all Contractor's indemnity obligations shall survive the completion, expiration or termination of this Agreement. The foregoing indemnification obligations of the Contractor are a material inducement to County to enter into this Agreement and are reflected in the Contractor's compensation.

By signing this contract, the Contractor acknowledges that it has freely negotiated and agreed to the indemnification requirements to defend, indemnify and hold harmless the County from all claims and suits including those brought against the County by the Contractor's own employees, arising from this contract.

35.1 Non-Discrimination in Employment:

The County's policy is to provide equal opportunity in all terms, conditions and privileges of employment for all qualified applicants and employees without regard to race, color, creed, religion, national origin, sex, sexual orientation (including gender identity), age, marital status, disability, or veteran status. The Contractor shall comply with all laws prohibiting discrimination against any employee or applicant for employment on the grounds of race, color, creed, religion, national origin, sex, sexual orientation (including gender identity), age, marital status, disability, political affiliation, or veteran status, except where such constitutes a bona fide occupational qualification.

Furthermore, in those cases in which the Contractor is governed by such laws, the Contractor shall take affirmative action to insure that applicants are employed, and treated during employment, without regard to their race, color, creed, religion, national origin, sex, age, marital status, sexual orientation (including gender identity), disability, or veteran status, except where such constitutes a bona fide occupational qualification. Such action shall include, but not be limited to: advertising, hiring, promotions, layoffs or terminations, rate of pay or other forms of compensation benefits, selection for training including apprenticeship, and participation in recreational and educational activities. In all solicitations or advertisements for employees placed by them or on their behalf, the Contractor shall state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.

The foregoing provisions shall also be binding upon any subcontractor, provided that the foregoing provision shall not apply to contracts or subcontractors for standard commercial supplies or raw materials, or to sole proprietorships with no employees.

35.2 Non-Discrimination in Client Services:

The Contractor shall not discriminate on the grounds of race, color, creed, religion, national origin, sex, age, marital status, sexual orientation (including gender identity), disability, or veteran status; or deny an individual or business any service or benefits under this Agreement unless otherwise allowed by applicable law; or subject an individual or business to segregation or separate treatment in any manner related to his/her/its receipt any service or services or other benefits provided under this Agreement unless otherwise allowed by applicable law; or deny an individual or business an opportunity to participate in any program provided by this Agreement unless otherwise allowed by applicable law.

36.1 Waiver of Noncompetition:

Contractor irrevocably waives any existing rights which it may have, by contract or otherwise, to require another person or corporation to refrain from submitting a proposal to or performing work or providing supplies to the County, and contractor further promises that it will not in the future, directly or indirectly, induce or solicit any person or corporation to refrain from submitting a bid or proposal to or from performing work or providing supplies to the County.

36.2 Conflict of Interest:

If at any time prior to commencement of, or during the term of this Agreement, Contractor or any of its employees involved in the performance of this Agreement shall have or develop an interest in the subject matter of this Agreement that is potentially in conflict with the County's interest, then Contractor shall immediately notify the County of the same. The notification of the County shall be made with sufficient specificity to enable the County to make an informed judgment as to whether or not the County's interest may be compromised in any manner by the existence of the conflict, actual or potential. Thereafter, the County may require the Contractor to take reasonable steps to remove the conflict of interest. The County may also terminate this contract according to the provisions herein for termination.

37.1 Administration of Contract:

This Agreement shall be subject to all laws, rules, and regulations of the United States of America, the State of Washington, and political subdivisions of the State of Washington. The Contractor also agrees to comply with applicable federal, state, county or municipal standards for licensing, certification and operation of facilities and programs, and accreditation and licensing of individuals.

The County hereby appoints, and the Contractor hereby accepts, the Whatcom County Executive, and his or her designee, as the County's representative, hereinafter referred to as the Administrative Officer, for the purposes of administering the provisions of this Agreement, including the County's right to receive and act on all reports and documents, and any auditing performed by the County related to this Agreement. The Administrative Officer for purposes of this agreement is:

Eric Chambers, Special Project Manager
Whatcom County Health and Community Services

37.2 Notice:

Any notices or communications required or permitted to be given by this Contract must be (i) given in writing and (ii) personally delivered or mailed, by prepaid, certified mail or overnight courier, or transmitted by electronic mail transmission (including PDF), to the party to whom such notice or communication is directed, to the mailing address or regularly-monitored electronic mail address of such party as follows:

To: Whatcom County Health and Community Services

Eric Chambers, Special Projects Manager
509 Girard Street
Bellingham, WA, 98225
EKChambe@co.whatcom.wa.us

To: Lake Whatcom Residential and Treatment Center

Jenny Billings, CEO
3600 Meridian Street
Bellingham, WA 98225
Jenny.Billins@lwrtc.org

Any such notice or communication shall be deemed to have been given on (i) the day such notice or communication is personally delivered, (ii) three (3) days after such notice or communication is mailed by prepaid certified or registered mail, (iii) one (1) working day after such notice or communication is sent by overnight courier, or (iv) the day such notice or communication is sent electronically, provided that the sender has received a confirmation of such electronic transmission. A party may, for purposes of this Agreement, change his, her or its address, email address or the person to whom a notice or other communication is marked to the attention of, by giving notice of such change to the other party pursuant to this Section.

37.3 If agreed by the parties, this Contract may be executed by Email transmission and PDF signature and Email transmission and PDF signature shall constitute an original for all purposes.

38.1 Certification of Public Works Contractor's Status under State Law:

If applicable, Contractor certifies that it has fully met the responsibility criteria required of public works contractors under RCW 39.04.350 (1), which include: (a) having a certificate of registration in compliance with RCW 18.27; (b) having a current state unified business identifier number; (c) if applicable, having industrial insurance coverage for its employees working in Washington as required in Title 51 RCW, an employment security department number as required in Title 50 RCW, and a state excise tax registration number as required in Title 82 RCW; and (d) not being disqualified from bidding on any public works contract under RCW 39.06.010 or 39.12.065 (3).

38.2 Certification Regarding Federal Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions:

If applicable, the Contractor further certifies, by executing this contract, that neither it nor its principles is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or Agency.

The Contractor also agrees that it shall not knowingly enter into any lower tier covered transactions (a transaction between the Contractor and any other person) with a person who is proposed for debarment, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, and the Contractor agrees to include this

clause titled "Certification Regarding Federal Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transaction" without modification, in all lower tier covered transactions and in all solicitations for lower tier transactions.

The "Excluded Parties List System in the System for Award Management (SAM) website is available to research this information at WWW.SAM.GOV. Contractor shall immediately notify Whatcom County if, during the term of this Contract, Contractor becomes debarred.

Series 40-49: Provisions Related to Interpretation of Agreement and Resolution of Disputes

40.1 Modifications:

Either party may request changes in the Agreement. Any and all agreed modifications, to be valid and binding upon either party, shall be in writing and signed by both of the parties.

40.2 Contractor Commitments, Warranties and Representations:

Any written commitment received from the Contractor concerning this Agreement shall be binding upon the Contractor, unless otherwise specifically provided herein with reference to this paragraph. Failure of the Contractor to fulfill such a commitment shall render the Contractor liable for damages to the County. A commitment includes, but is not limited to, any representation made prior to execution of this Agreement, whether or not incorporated elsewhere herein by reference, as to performance of services or equipment, prices or options for future acquisition to remain in effect for a fixed period, or warranties.

41.1 Severability:

If any term or condition of this contract or the application thereof to any person(s) or circumstances is held invalid, such invalidity shall not affect other terms, conditions or applications which can be given effect without the invalid term, condition or application. To this end, the terms and conditions of this contract are declared severable.

41.2 Waiver:

Waiver of any breach or condition of this contract shall not be deemed a waiver of any prior or subsequent breach. No term or condition of this contract shall be held to be waived, modified or deleted except by an instrument, in writing, signed by the parties hereto. The failure of the County to insist upon strict performance of any of the covenants and agreements of this Agreement, or to exercise any option herein conferred in any one or more instances, shall not be construed to be a waiver or relinquishment of any such, or any other covenants or agreements, but the same shall be and remain in full force and effect.

42.1 Disputes:

a. General:

Differences between the Contractor and the County, arising under and by virtue of the Contract Documents, shall be brought to the attention of the County at the earliest possible time in order that such matters may be settled or other appropriate action promptly taken. Except for such objections as are made of record in the manner hereinafter specified and within the time limits stated, the records, orders, rulings, instructions, and decisions of the Administrative Officer shall be final and conclusive.

b. Notice of Potential Claims:

The Contractor shall not be entitled to additional compensation which otherwise may be payable, or to extension of time for (1) any act or failure to act by the Administrative Officer or the County, or (2) the happening of any event or occurrence, unless the Contractor has given the County a written Notice of Potential Claim within ten (10) days of the commencement of the act, failure, or event giving rise to the claim, and before final payment by the County. The written Notice of Potential Claim shall set forth the reasons for which the Contractor believes additional compensation or extension of time is due, the nature of the cost involved, and insofar as possible, the amount of the potential claim. Contractor shall keep full and complete daily records of the work performed, labor and material used, and all costs and additional time claimed to be additional.

c. Detailed Claim:

The Contractor shall not be entitled to claim any such additional compensation, or extension of time, unless within thirty (30) days of the accomplishment of the portion of the work from which the claim arose, and before final payment by the County, the Contractor has given the County a detailed written statement of each element of cost or other compensation requested and of all elements of additional time required, and copies of any supporting documents evidencing the amount or the extension of time claimed to be due.

d. Arbitration:

Other than claims for injunctive relief, temporary restraining order, or other provisional remedy to preserve the status quo or prevent irreparable harm, brought by a party hereto (which may be brought either in court or pursuant to this arbitration provision), and consistent with the provisions hereinabove, any claim, dispute or controversy between the parties under, arising out of, or related to this Contract or otherwise, including issues of specific performance, shall be determined by arbitration in Bellingham, Washington, under the applicable American Arbitration Association (AAA) rules in effect on the date hereof, as modified by this Agreement. There shall be one arbitrator selected by the parties within ten (10) days of the arbitration demand, or if not, by the AAA or any other group having similar credentials. Any issue about whether a claim is covered by this Contract shall be determined by the arbitrator. The arbitrator shall apply substantive law and may award injunctive relief, equitable relief (including specific performance), or any other remedy available from a judge but shall not have the power to award punitive damages. Each Party shall pay all their own costs, attorney fees and expenses of arbitration and the parties shall share equally in the Arbitrator's fees and costs. The decision of the arbitrator shall be final and binding and an order confirming the award or judgment upon the award may be entered in any court having jurisdiction. The parties agree that the decision of the arbitrator shall be the sole and exclusive remedy between them regarding any dispute presented or pled before the arbitrator. At the request of either party made not later than forty-five (45) days after the arbitration demand, the parties agree to submit the dispute to nonbinding mediation, which shall not delay the arbitration hearing date; provided, that either party may decline to mediate and proceed with arbitration.

Any arbitration proceeding commenced to enforce or interpret this Contract shall be brought within six years after the initial occurrence giving rise to the claim, dispute, or issue for which arbitration is commenced, regardless of the date of discovery or whether the claim, dispute, or issue was continuing in nature. Claims, disputes, or issues arising more than six years prior to a written request or demand for arbitration issued under this Contract are not subject to arbitration.

- e. The parties may agree in writing signed by both parties that a claim or dispute may be brought in Whatcom County Superior Court rather than mediation or arbitration.

Unless otherwise specified herein, this Contract shall be governed by the laws of Whatcom County and the State of Washington.

43.1 Venue and Choice of Law:

In the event that any litigation should arise concerning the construction or interpretation of any of the terms of this Agreement, the venue of such action of litigation shall be in the courts of the State of Washington in and for the County of Whatcom. This Agreement shall be governed by the laws of the State of Washington.

44.1 Survival:

The provisions of paragraphs 11.1, 11.2, 11.3, 21.1, 22.1, 30.1, 31.1, 31.2, 32.1, 33.1, 34.2, 34.3, 36.1, 40.2, 41.2, 42.1, and 43.1, if utilized, shall survive, notwithstanding the termination or invalidity of this Agreement for any reason.

45.1 Entire Agreement:

This written Agreement, comprised of the writings signed or otherwise identified and attached hereto, represents the entire Agreement between the parties and supersedes any prior oral statements, discussions or understandings between the parties.

ADDITIONAL CONDITIONS

1) Execution of the Project

Contractor shall execute the Project, as Described in Exhibit A (Scope of Work), promptly, diligently, and in a workmanlike manner, consistent with industry standards and practices. Contractor shall ensure that all materials and workmanship are of high quality and suitable for their intended purposes. Contractor shall comply with all applicable laws, regulations, and codes in the performance of the work.

2) Certification of Funds and Performance Measures

Release of funds under this Agreement is contingent upon the Contractor certifying that it has expended or has access to funds from non-Trueblood sources through a binding agreement to the extent necessary to provide and complete the Project as set forth in Exhibit F (Certification of the Availability of Funds to Complete the Project). Such non-Trueblood sources may consist of a combination of any of the following:

- a) Eligible Project expenditures prior to the execution of this Agreement,
- b) Cash dedicated to the Project,
- c) Funds available through a letter of credit or other binding loan commitment(s),
- d) Pledges from foundations or corporations or other federal, state, or local governments,
- e) Pledges from individual donors,
- f) In-kind contributions subject to County approval.

The Contractor shall maintain records sufficient to evidence that it has access to or has expended funds from such non-Trueblood sources and shall make such records available to the County or designee's for review upon request.

The release of funds under this Agreement is also contingent upon the Contractor certifying that it has a vested title to or interest in the real property necessary for the Project.

3) Restriction to use by Trueblood Class Members

During the twenty-five (25) year commitment period, the Contractor shall not allow any use of the eleven (11) units funded under this agreement to be used by any party other than Trueblood Class members nor for any purpose other than for providing housing and related residential support services for Trueblood Class Members intended to prevent contact with the criminal system. This restriction shall be expressly included in this Agreement as Exhibit E (Restrictive Use Covenant). The Restrictive Use Covenant shall be recorded in the real property records of Whatcom County in the State of Washington and shall be a covenant running with the land on which the Trueblood Housing Units are located ("the Property"). The restrictive covenant shall be binding on the Contractor and any subsequent purchaser, mortgagee, lender, lessee, or any other person have any right, title, or interest in the Property, so long as the Covenant shall remain in effect.

The restrictive covenant shall survive the expiration or termination of this Agreement and shall list both Whatcom County and the Seattle Foundation as grantees. LWRTC shall provide a copy of the recorded covenant within ten (10) business days of recording.

Prior to the termination of this Agreement, the Contractor agrees to amend the restrictive covenant to remove the Seattle Foundation as a grantee and add the State of Washington or a mutually agreed upon alternative as grantee.

4) Deed of Trust

The Property will be secured by a Deed of Trust listing Whatcom County and the Seattle Foundation as grantees. The term of the Deed of Trust shall remain in full force for the entire commitment period of twenty-five (25) years. Upon expiration of the commitment period and satisfaction of all other Agreement terms and conditions, Whatcom County, upon written request, will take appropriate action to reconvey the Deed of Trust.

LWRTC shall provide a copy of the recorded deed within ten (10) business days of recording.

Prior to the termination of this Agreement, the Contractor agrees to amend the Deed of Trust to remove the Seattle Foundation as a grantee and add the State of Washington or a mutually agreed upon alternative as grantee.

5) Additional Insurance Requirements

In addition to the requirements found in Section 34.1, above, the following additional coverage is required:

- a) Extended coverage lender's policy of title insurance naming, Whatcom County and the Seattle Foundation, and its assignees and successors including, without limitation, the State of Washington, as the insured party, insuring the lien position of the Deed of Trust in the amount not less than the amount of this agreement.
 - b) Property insurance on a replacement costs basis including loss or damage by fire or other such risks, loss or damage from leakage or sprinkler systems, if applicable, and loss or damage by explosion of steam boilers, pressure vessels, oil or gasoline storage tanks or similar apparatus, if applicable.
 - c) Fidelity insurance for every officer, director, employee, or agent who is authorized to act on behalf of the Contractor for the purposes of receiving and depositing funds into program accounts or issuing financial documents, checks or other instruments of payment for program costs. The amount of fidelity insurance shall be \$2,000,000 or the highest planned reimbursement for the Agreement term, whichever is lower and shall list Whatcom County and the Seattle Foundation as beneficiaries. Fidelity insurance must remain in full force and effect from the start of this agreement until (i) the construction is completed, (ii) the County's financial obligations have been fulfilled, and (iii) the County has issued and the Seattle Foundation has approved a Closeout Certification Form. Fidelity insurance must be issued on either a loss sustained basis or loss discovered basis. If on a loss discovered basis, the policy must extend at least 6 months beyond the Seattle Foundation's acceptance of the County-submitted Closeout Certification Form.
 - d) "All-Risk" Builder's Risk Insurance including vandalism and malicious mischief covering improvements in place and all material and equipment at the job site furnished under contract, but excluding contractor's, subcontractor's and construction manager's tools and equipment and property owned by the contractor's or subcontractor's employees.
 - e) The Contractor is responsible for ensuring the general contractor and applicable subcontractors carries Worker's Compensation insurance in compliance with Title 51 of the Revised Code of Washington.
 - f) The Contractor is responsible for ensuring the general contractor, if not covered by other insurance, carries Pollution Legal Liability insurance and/or Asbestos Legal Liability and/or Errors and Omissions (if the project involves environmental hazards) with limits of no less than \$1,000,000 per occurrence or claim and \$2,000,000 in aggregate.
 - g) The insurance required shall be issued by an insurance company authorized to do business within the State of Washington. Except as otherwise set forth in this Section, each insurance policy shall name "Whatcom County, the Seattle Foundation, DRW, the Court Monitor, their agents, officers, and employees" as additional insureds on all policies. All policies shall be primary to any other valid and collectable insurance. The Contractor shall instruct the insurers to give the County 30 calendar days' advance notice of any insurance cancellation or modification.
- 6) Change in Ownership and Change in Use
- a) Contractor understands and agrees that any and all real property or facilities owned by the Contractor that are constructed, renovated, or otherwise improved by the Contractor using *Trueblood* funds under this Agreement shall be held and used by the Contractor for the purpose or purposes stated elsewhere in this Agreement for the Commitment Period.
 - b) This provision shall not be construed to prohibit the Contractor from selling any property or properties described in this Section, provided, however, that any such sale shall be subject to prior review and approval by the County and the Seattle Foundation and that all proceeds from such sale shall be applied to the purchase price of a different facility or facilities of equal or greater value than the original facility and that any such new facility or facilities will be used for the purpose or purposes and subject to the conditions stated elsewhere in this Agreement.
 - c) In the event the Contractor is found to be out of compliance with this Section, the Contractor shall repay to the County, the principal amount of the funds disbursed under the Agreement, along with interest of five percent (5%) per annum. This repayment is in addition to any other remedies available at law or in equity.
- 7) Historical and Cultural Artifacts:
- Prior to approval and disbursement of any funds awarded under this Agreement, the Contractor shall complete a review under Section 106 of the National Historic Preservation Act, if applicable. Contractor agrees that the Contractor is legally and financially responsible for compliance with all laws, regulations, and agreements related to the preservation of historical or cultural resources and agrees to hold harmless the County, the Seattle Foundation, Disability Rights Washington, and the Court Monitor in relation to any claim related to such historical or cultural resources discovered, disturbed, or damaged as a result of the Project funded by this Agreement.

In addition to the requirements set forth in this Agreement, Contractor shall, in accordance with Governor's Executive Order 21-02 as applicable, coordinate with the Washington State Department of Archaeology and Historic Preservation (DAHP), including any recommended consultation with any affected tribe(s), during Project design and prior to construction to determine the existence of any tribal cultural resources affected by Project. The Contractor agrees to avoid, minimize, or mitigate impacts to the cultural resource as a continuing prerequisite to receipt of funds under this Grant Agreement.

The Contractor agrees that, unless the Contractor is proceeding under an approved historical and cultural monitoring plan or other memorandum of agreement, if historical or cultural artifacts are discovered during construction, the Contractor shall immediately stop construction and notify the local historical preservation officer and the State's historical preservation officer at DAHP, and the County. If human remains are uncovered, the Contractor shall report the presence and location of the remains to the coroner and local enforcement immediately, then contact DAHP and the concerned tribe's cultural staff or committee.

In addition to the requirements set forth in this Agreement, the Contractor agrees to comply with RCW 27.44 regarding Indian Graves and Records, RCW 27.53 regarding Archaeological Sites and Resources, RCW 68.60 regarding Abandoned and Historic Cemeteries and Historic Graves, and WAC 25-48 regarding Archaeological Excavation and Removal Permits.

In the event that the Contractor finds it necessary to amend the Project described in Exhibit A (Scope of Work), the Contractor may be required to re-comply with Section 106 of the National Historic Preservation Act.

The Contractor shall require this provision to be contained in all subgrants/subcontracts for work or services related to the Project described in Exhibit A (Scope of Work).

8) County Inspection and Audit Rights:

The County retains the right to inspect and audit LWRTC records related to the Project's Trueblood Class Member exclusive use requirements at any time during the compliance period. This right survives this Agreement and is extended to the Seattle Foundation and their designees and successors, the assigned Court Monitor or designee, and Disability Rights Washington or designee. Such inspection and audit rights include, but are not limited to:

- a) Access to Records: The County may review leases and documents used to verify Trueblood Class Member Status.
- b) Onsite Inspection: The County may conduct site visits to verify unit occupancy and unit condition, with reasonable advanced notice to occupants.
- c) Occupant Contact: The County may contact occupants directly to verify compliance.
- d) Third-Party Verification: The County may engage third-party auditors or consultants to verify compliance.

9) Cooperation with County Inspections and Audit Activities:

LWRTC shall cooperate with all County audit and inspection activities and shall provide any requested documentation within fifteen (15) business days of written request.

10) Non-Compliance and Remedies:

Failure to maintain restrictive use of the eleven (11) units as described herein shall constitute a material breach of this Agreement. In the event of non-compliance, the County may:

- a) Withhold Future Payments: If any grant funds remain unpaid, the County may withhold payment until compliance is restored.
- b) Require Corrective Action: The County may require LWRTC to take specific corrective actions within a timeframe determined by the County to restore compliance.
- c) Exercise Repayment Rights: The County may require repayment of Grant funds if LWRTC fails to cure non-compliance within sixty (60) days of written notice.
- d) Direct Enforcement: The County may exercise enforcement rights under the Restrictive Use Covenant or the Deed of Trust, including seeking specific performance, injunctive relief, or other equitable remedies.
- e) Third-Party Beneficiary Rights: The County may enforce restrictive use requirements directly as a third-party beneficiary if LWRTC fails to exercise its enforcement rights.

11) County Recognition:

The Contractor shall ensure recognition of the role of the County in providing financial assistance through this Agreement. All activities, facilities and items utilized pursuant to this Agreement shall be prominently labeled as to funding source. In addition, the Contractor will include a reference to the support provided herein in all publications made possible with funds made available under this Agreement. The Contractor shall post a Project Funding Sign at the Project construction site(s). Sign graphics shall be approved by the County and shall be installed at the commencement of work on the site through Project completion and occupancy.

12) Cooperation with County Marketing and Communication:

Contractor agrees to work collaboratively with the County when communicating about the project with the media and special events associated with the project, including press releases, media interviews, open houses, tours, and similar events.

EXHIBIT "A"
(SCOPE OF WORK)

I. Background and Purpose

The purpose of this contract is to expand safe, stable, and appropriate housing options for individuals with behavioral health needs in Whatcom County. When complete, the Lincoln Street Studios (the "Project") will add thirty-seven (37) units of permanent, supportive housing that promotes recovery, community integration, and improved health outcomes. Of these units, eleven (11) will be reserved for the exclusive use by members of the Trueblood Settlement Class ("Trueblood Class Members") for a period of twenty-five (25) years.

Trueblood Class Members are those identified in A.B. ex rel. Trueblood v Washington State Department of Social & Health Services (DSHS) as having their constitutional rights violated as pretrial criminal detainees when DSHS failed to provide timely court-ordered competency evaluations and restorative services and includes all persons who are now, or will be in the future, charged with a crime in Washington and: (i) who are ordered by a court to receive competency evaluation or restoration services through DSHS; (ii) who are waiting in jail for those services; and (iii) for whom DSHS receives the court order. Fines levied against DSHS by the Court established a settlement fund to be used to keep individuals from becoming Class Members and to redress the harm caused by DSHS's inaction.

Whatcom County applied for, and was subsequently awarded funds from the settlement fund for the purpose of supporting the Lincoln Street Studios Project. This Project was selected based on LWRTC's unique experience providing supportive housing for adults with behavioral health needs.

For the avoidance of doubt, the Project and underlying Property, are owned by the Lake Whatcom Center Foundation. The Lake Whatcom Residential Treatment Center is the manager of the Foundation. All instances which refer to "Lake Whatcom Residential Treatment Center", "LWRTC" or the "Contractor", shall, as applicable, refer to the Contractor causing the Foundation to achieve the same.

II. Definitions

1. **"Commitment Period"** means twenty-five (25) years after the later of: (i) final payment of funds to the Contractor under this Agreement; or (ii) the date when the Contractor secures all applicable licenses and certifications to operate the facility and when the facility is made useable to the public for the purpose approved by this agreement.
2. **"Court Monitor"** shall mean Danna Mauch, PhD, Court Monitor under the Trueblood case, or designee as assigned by the United States District Court Western District of Washington at Seattle.
3. **"County"** means Whatcom County, a home-rule charter county in Washington State.
4. **"DRW"** shall mean Disability Rights Washington, a Washington State nonprofit corporation.
5. **"Project"** is the Lincoln Street Studios located at 1436 and 1440 Lincoln Street, Bellingham, WA 98225.

The parcel numbers of this property are: 380329-061064-0000 PID 73145 and 383029-061056-0000 PID 73145

Legal Description:

PARCEL A (PID #73146):

LOTS 8 AND 9, BLOCK 24, PLAT OF YORK ADDITION TO NEW WHATCOM, RECORDED IN VOLUME 1 OF PLATS, PAGE 52, RECORDS OF WHATCOM COUNTY, WASHINGTON.

SITUATE IN WHATCOM COUNTY, WASHINGTON.

PARCEL B (PID #73145):

LOTS 10 AND 11, BLOCK 24, PLAT OF YORK ADDITION TO NEW WHATCOM, RECORDED IN VOLUME 1 OF PLATS, PAGE 52, RECORDS OF WHATCOM COUNTY, WASHINGTON.

SITUATE IN WHATCOM COUNTY, WASHINGTON.

6. **"Trueblood Class Member"** means all persons who are now, or will be in the future, charged with a crime in Washington and: (i) who are ordered by a court to receive competency evaluation or restoration services through DSHS; (ii) who are waiting in jail for those services; and (iii) for whom DSHS receives the court order.

III. Statement of Work

1. The **County** is responsible for: (i) providing funding for the Project as described in Exhibit B, and throughout this agreement, (ii) for the administration of this agreement, (iii) for monitoring that the funds are used in accordance with all program requirements, and (iv) for monitoring the terms of the Restrictive Use Covenant and Deed of Trust.
2. In addition to the requirements listed in the Scope of Work, Additional Program Requirements, and Reporting Requirements, the **Contractor** is responsible for the following administrative task:
 - a) Knowing and meeting all applicable state, county, and city laws, ordinances, codes, and terms herein, necessary to complete the Project with fidelity, including, but not limited to:
 - i) Obtaining all required permits and inspections,
 - ii) *As applicable*, completing all required special assessments including, but not limited to, (i) State Environmental Policy Act (SEPA), (ii) Healthy Environments for All (HEAL), and (iii) Cultural Resource Survey (DAHP)
 - b) Maintain a recordkeeping system sufficient to comply with all monitoring activities identified in this agreement including, but not limited to:
 - i) Financial records including any audits,
 - ii) Performance reports including any permits and inspections,
 - iii) Applications, leases, evictions, and documentation used to verify Trueblood Class Member Status,
 - iv) Program policies and procedures including revisions for the life of the project.

3. Project Scope of Work

The work outlined in this agreement will occur in two phases: capital and operations.

During the Capital Phase, which begins when all parties receive a fully executed agreement, the Contractor will construct or cause to be constructed a thirty-eight (38) unit studio apartment complex of which thirty-seven (37) unit will be reserved for affordable housing and one (1) will be used for an onsite manager, designed and built to

Washington Evergreen Sustainable Development Standards, at 1436 and 1440 Lincoln Street, Bellingham WA 98225.

- a) Compliance with the Law: Units shall be constructed in compliance with all applicable laws, ordinances, codes, and other terms herein.
- b) Compliance with Public Works Requirements: The Contractor must comply with all public works requirements. Public works is governed by RCW 39.04 and other state statutes. Public Works is defined by RCW 39.04.010 to generally include all work, construction, alteration, repair, or improvement other than ordinary maintenance, executed at the cost of the state or of any municipality, or which is by law a lien or charge on any property herein.

The statute excludes "ordinary maintenance," which is generally defined in WAC 296-127-010(7)(b)(iii) (as may be amended) as either (1) work not performed by contract and that is performed on a regularly scheduled basis (e.g., daily, weekly, monthly, seasonally, semi-annually, but at least once per year), to service, check, or replace items that are not broken; or (2) work not performed by contract that is not regularly scheduled but is required to maintain an asset so that repair does not become necessary.

The Contractor shall conduct all work funded under this contract in compliance with and pursuant to the provisions of RCW 39.04, including but not limited to competitive bidding requirements, prevailing wages, retainage and performance and payment bonds.

Upon request of the County, the Contractor shall provide documentation that confirms the Contractor's compliance with the requirements of RCW 39.04 and other state statutes concerning Public Works requirements.

The Contractor shall comply in all aspects with the requirements of RCW 60.28.011 or other law applicable to it, including, but not limited to, the provisions thereof, to the extent applicable to the Contractor, which require the holding of certain amounts of payments to be made to contractors working and the deposit of such amounts in an escrow account, or as otherwise may be held, pursuant to authorized under RCW 60.28.011.

- c) Retainage: The Contractor shall comply in all aspects with the requirements of RCW 60.28.011 or other law applicable to it, including, but not limited to, the provisions thereof, to the extent applicable to the Contractor, which requires the holding of certain amounts of payments to be made to contractors working and the deposit of such amounts in an escrow account, or as otherwise may be held, pursuant to authorization under RCW 60.28.011.
- d) Project Schedule: Activities associated with the Capital Phase of the Project shall be completed no later than June 30, 2027. The Project schedule is as follows:

i) Site Control:	Completed
ii) Due Diligence and permitting:	Completed
iii) Construction Start:	June 2026, or sooner
iv) Substantial Completion:	May 2027, or sooner
v) Capital Phase Closeout:	June 2027, or sooner
- e) Capital Phase Closeout: At completion of the capital portion of the Project, the Contractor shall have incurred all eligible and reimbursable costs under this Agreement, the County will have paid all reimbursable costs with the exception of any retainage, and the Contractor shall have furnished to the County all required close-out documents including:
 - i) Financial records verifying costs;
 - ii) All filed Intents to Pay Prevailing Wages and Affidavits of Wages Paid;
 - iii) All housing and property inspections;
 - iv) Certificate of Occupancy;

- v) Lease and rent schedules;
- vi) Operating manuals or policies and procedures.

The Capital Phase ends, and the Operations Phase begins, when the construction is completed and LWRTC received a Certificate of Occupancy for the Property. During the Operation Phase, LWRTC shall establish procedures for the lease-up and ongoing occupancy of eleven (11) units reserved for Trueblood Class Members, in accordance with this agreement. The eleven (11) units need not remain the same for the life of the project insofar as all units are comparable in size, quality, and amenities.

- f) Governing Laws: The Contractor shall ensure that all leasing practices, tenant selection criteria and occupancy policies are applied in a non-discriminatory manner and comply with all applicable laws, including but not limited to:

- i) Fair Housing Act codified as 42 U.S.C. §§ 3601-3631
- ii) Washington Law Against Discrimination as codified in RCW 49.60
- iii) Residential Landlord-Tenant Act as codified in RCW 59.18

Separate screening procedures may be applied to restrictive units where required by this Agreement, provided such procedures are documented and consistently applied.

- g) Eligibility Verification: The Contractor shall coordinate with the County-designated contract manager, designated referral organizations, and others as determined by the County, to ensure applicants applying for tenancy in one of the eleven (11) restricted units, meets eligibility criteria. In addition, the Contractor will:

- i) Maintain a log of all referrals received;
- ii) Provide written notification of denials, approvals, and conditional approvals.

- h) Establishing Rents: The County will use the Washington State Housing Finance Commission (WSHFC) schedule of maximum rents and income levels served for Whatcom County, available at <http://www.wshfc.org/limits/map.asp>. In the event that the WSHFC ceases publication of rents caps, Whatcom County will either establish a maximum rent and income levels and publish annually or identify a suitable alternative.

- i) Rent Increase: All units in the Project, including units reserved for Trueblood Class Members, are income restricted to insure long-term affordability. If rent limits rise, in accordance with Section c, above, the rent may increase based on the terms of the lease and/or applicable landlord-tenant laws.
- j) Over-Income Tenants: Tenants of the Project who are income-eligible at the time of their initial occupancy are not required to be relocated when their incomes exceed the restrictions of their unit. However, such over-income tenants are subject to separate mandatory or optional rent increases, or both, as follows: (1) If a tenant's income surpasses 140% of the maximum income limit for the unit, the Contractor must charge the maximum restricted rent for that unit, and (2) If a tenant's income surpasses 65% of median income, the Contractor has the option of raising the rent to a level up to 30% of the tenant's income at the following year's income certification, regardless of the maximum restricted rent.

- k) Tenant Protection: The following tenant protections apply to this Project:

- i) Leases: Tenants must be offered written leases for a period of not less than one (1) year, unless by mutual agreement between the tenant and Contractor, a shorter period is specified.
- ii) Verification of Trueblood Class Member Status: The Contractor shall verify eligible of Trueblood Class Member status prior to signing a lease for any of the eleven (11) restricted units. The eleven (11) units need not remain the same for the life of the project insofar as all units are comparable in size, quality, and amenities.
- iii) Termination of Tenancy: The Contractor may not terminate the tenancy or refuse to renew the lease of a tenant of rental housing assisted with County funds, except for serious or repeated violation of the

terms and conditions of the lease; for violation of applicable Federal, State, or local law; or for other good cause. Good cause does not include an increase in the tenant's income. To terminate or refuse to renew tenancy, the Contractor must serve written notice upon the tenant specifying the grounds for the action at least 30 days before the termination of tenancy. If a Trueblood Class Member leaves the Lincoln Street Studios, the Contractor shall make reasonable efforts to assist the tenant in transitioning to other appropriate housing.

- l) Temporary Departures to Seek More Intensive Services. In the case of a temporary departure by a Trueblood Class Member in order to participate in more intensive, treatment services, the Contractor will hold the unit for up to ninety (90) days to support housing stability. In these cases, the Contractor will not collect rent from the Trueblood Class Member unless otherwise provided by law. In such cases the Contract shall:
 - i) Apply for up to sixty (60) days of coverage through the State of Washington for Trueblood Class Members receiving state-funded rental vouchers and up to thirty (30) days funding from the County's Trueblood Rental Assistance Program.
 - ii) For Trueblood Class Members who do not receive a state rental voucher, the Contractor shall apply for up to ninety (90) days of coverage from the County's Trueblood Rental Assistance Program.
- m) Supportive Services: Trueblood Class Members shall have access to the same supportive services as other tenants in the Lincoln Street Studios including, but not limited to:
 - i) Behavioral health case management and treatment;
 - ii) Health care case management;
 - iii) Housing stability support
 - iv) Legal and system navigation support
 - v) Life skills and employment support;
 - vi) Benefit and income support;
 - vii) Co-occurring substance use disorder treatment;
 - viii) Peer support.
- n) Final Closeout: Upon expiration of the restrictive use period, the County will complete a final closeout on the Project. At this time the County will extinguish the Restrictive Use Covenant and the Deed of Trust will be reconveyed to the Lake Whatcom Residential Treatment Center or its successors.

IV. Reporting Requirements

- 1) Quarterly Reports During the Capital Phase: Clear communication is essential for Project success. During the Capital Phase, the Contractor shall provide quarterly progress reports to the County's Contract Administrator. At a minimum, quarterly reports must include:
 - a) Progress and milestones achieved;
 - b) Outline of plan for the coming quarter;
 - c) Any problems experienced and solutions enacted or proposed.
- 2) Reporting Significant Events: In addition to quarterly reports, the Contractor shall communicate with the County's Contract Administrator within 48 hours, when either an event occurs that could substantially threaten the scope, budget, or schedule, or any other event of unusual and/or significant nature that occurs whether directly or indirectly related to the project, including, but not limited to, serious injuries or deaths, major fire or explosions, major environmental release, evacuations, major vandalism or property damage, or any event that requires total work stoppage for more than 48 hours. These reports shall include a description of the chain of events, personnel involved, response, and any other pertinent information.

- 3) Annual Certification: Beginning on the first anniversaries of the issuance of the Certificate of Occupancy, and annually thereafter for the entirety of the restrictive use period, the Contract shall provide an Annual Certification which includes, at a minimum:
- a) Conformation that all eleven (11) units remain subject to the restrictions as required in this Agreement and the Restrictive Use Covenant.
 - b) The status of each unit (occupied, vacant and available for lease, temporary vacant)
 - c) Rents per unit;
 - d) Any material changes to the lease, operating manual, or applicable policies or procedures;
 - e) Updated contact information for LWRTC staff responsible for program compliance.
 - f) This Agreement number.

The Annual Certification shall be submitted electronically to:

Eric Chambers, Special Projects Manager
EKChambe@co.whatcom.wa.us

In the event that the person listed above is no longer available the Annual Certification shall be submitted by mail to:

Director
Whatcom County Health and Community Services
509 Girard Street
Bellingham, WA 98229

EXHIBIT "B"
(COMPENSATION)

Budget and Source of Funding: The source of funding for this contract, in an amount not to exceed \$3,087,940, is the Seattle Foundation Trueblood Grant Fund (18538527.7190). The budget for this contract is as follows:

¹ Cost Description	Documents Required with Each Invoice	Budget
² Development Hard Costs	• Invoice for eligible expenses • Intent to pay prevailing wage documentation • Competitive bidding documents ⁴	\$2,835,006
³ Project Soft Costs	• Invoice for eligible expenses • Competitive bidding documents ⁴	\$122,934
Developer fee	• Invoice for eligible expenses	\$50,000
Capitalized Reserve	• Invoice for eligible expenses	\$80,000
TOTAL		\$3,087,940

¹ Allowable costs are restricted to the development of 37 units of affordable rentals associated with Lake Whatcom Residential Treatment Center, as more fully and definitively described herein.

² Hard Costs include new building construction including sales tax and equipment and furnishings necessary to achieve occupancy.

³ Soft Costs include architectural and engineering services, project management and project management consultation, and required special inspections and commissioning.

⁴ Competitive bidding documents include copies of any RFP/RFQ documentation, documentation of public notices, and a summary of bids received, and any additional document that demonstrates a fair and competitive bidding process.

Contractor's Invoicing Contact Information:	
Name	Jenny Billings, Executive Director
Phone	360-398-5017
Email	Jenny.Billings@lwrtc.org

Refer to Exhibits B.1 and B.2 for additional invoicing requirements and information.

EXHIBIT "B.1" – Invoicing – General Requirements

1. When applicable, the contractor may transfer funds among budget line items in an amount not to exceed 10% of the line item budget. Line item changes that exceed 10% must be pre-approved by the County Contract Administrator, prior to invoicing.
2. When applicable, indirect costs and fringe benefit cost rates may not exceed the amount indicated in Exhibit B or the Contractor's federally approved indirect cost rate.
3. The Contractor shall submit invoices indicating the County-assigned contract number to:
HL-BusinessOffice@co.whatcom.wa.us and EKChambe@co.whatcom.wa.us.
4. The Contractor shall submit itemized invoices on a monthly basis in a format approved by the County and by the 15th of the month, following the month of service, except for January and July where the same is due by the 10th of the month.
5. When applicable, the Contractor will utilize grant funding sources in the order of their expiration date as indicated by the County, prior to spending local funding sources, when no funding restrictions prevent doing so.
6. The contractor shall submit the required invoice documentation identified in Exhibit B.
 - a. The County reserves the right to request additional documentation in order to determine eligible costs. Additional documentation must be received within 10 business days of the County's request.
 - b. When applicable, if GL reports for personnel reimbursement do not specify position titles, additional documentation must be provided that includes staff name and position title.
 - c. When applicable, mileage will be reimbursed at the current GSA rate (www.gsa.gov). Reimbursement requests for mileage must include:
 1. Name of staff member
 2. Date of travel
 3. Starting address (including zip code) and ending address (including zip code)
 4. Number of miles traveled
 - d. When applicable, travel and/or training expenses will be reimbursed as follows:
 1. Lodging and meal costs for training are not to exceed the current GSA rate (www.gsa.gov), specific to location.
 2. Ground transportation, coach airfare and ferries will be reimbursed at cost when accompanied by receipts.
 3. Reimbursement requests for allowable travel and/or training must include:
 - a. Name of staff member
 - b. Dates of travel
 - c. Starting point and destination
 - d. Brief description of purpose
 - e. Receipts for registration fees or other documentation of professional training expenses.
 - f. Receipts for meals are not required.
7. Payment by the County will be considered timely if it is made within 30 days of the receipt and acceptance of billing information from the Contractor.
8. The County may withhold payment of an invoice if the Contractor submits it or the required invoice documentation, more than 30 days after the month of services performed and/or the expiration of this contract.
9. Invoices must include the following statement, with an authorized signature and date: **I certify that the materials have been furnished, the services rendered, or the labor performed as described on this invoice.**
10. Duplication of billed costs or payments for service: The Contractor shall not bill the County for services performed or provided under this contract, and the County shall not pay the Contractor, if the Contractor has been or will be paid by any other source, including grants, for those costs used to perform or provide the services in this contract. The Contractor is responsible for any audit exceptions or disallowed amounts paid as a result of this contract.

EXHIBIT "B.2" – Invoice Preparation Checklist for Vendors

The County intends to pay you promptly. Below is a checklist to ensure your payment will be processed quickly. Provide this to the best person in your company for ensuring invoice quality control.

- ☐ Send the invoices to the correct address:
HL-BusinessOffice@co.whatcom.wa.us and EKChambe@co.whatcom.wa.us.
- ☐ Submit invoices monthly, or as otherwise indicated in your contract.

Verify that:

- ☐ invoices include the following statement with an authorized signature and date: **I certify that the materials have been furnished, the services rendered, or the labor performed as described on this invoice.**
- ☐ the time period for services performed is clearly stated and within the contract term beginning and end dates. Also verify any other dates identified in the contract, such as annual funding allocations;
- ☐ invoice items have not been previously billed or paid, given the time period for which services were performed;
- ☐ enough money remains on the contract and any amendments to pay the invoice;
- ☐ the invoice is organized by task and budget line item as shown in Exhibit B;
- ☐ the Overhead or Indirect Rate costs match the most current approved rate sheet;
- ☐ the direct charges on the invoice are allowable by contract. Eliminate unallowable costs.
- ☐ personnel named are explicitly allowed for within the contract and the Labor Rates match the most current approved rate sheet;
- ☐ back-up documentation matches what is required as stated in Exhibit B and B.1;
- ☐ contract number is referenced on the invoice;
- ☐ any pre-authorizations or relevant communication with the County Contract Administrator is included; and
- ☐ Check the math.

Whatcom County will not reimburse for:

- Alcohol or tobacco products;
- Traveling Business or First Class; or
- Indirect expenses exceeding 10% except as approved in an indirect or overhead rate agreement.

EXHIBIT "C"
(CERTIFICATE OF INSURANCE)



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

5/20/2026

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Hub International Northwest LLC 3125 Howe Pl, Suite 201 Bellingham WA 98226	CONTACT NAME: PHONE (A/C, No, Ext): 360-647-9000 FAX (A/C, No): 360-734-8496 E-MAIL ADDRESS: now.bellinghaminfo@hubinternational.com
INSURER(S) AFFORDING COVERAGE	
INSURER A: Mental Health Risk Retention Group Inc	
INSURER B: Scottsdale Insurance Company	
INSURER C: Selective Insurance Company of New York	
INSURER D: QBE Specialty Insurance	
INSURER E:	
INSURER F:	

INSURED LAKEWHA-01
 Lake Whatcom Residential and Treatment Center
 Treatment Center
 3600 Meridian St
 Bellingham WA 98225

COVERAGES **CERTIFICATE NUMBER: 1848315281** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	☒ COMMERCIAL GENERAL LIABILITY CLAIMS-MADE ☒ OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: ☒ POLICY ☐ PROJECT ☐ LOC OTHER:	Y	Y	COP0002284	1/27/2026	1/27/2027	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$300,000 MED EXP (Any one person) \$5,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$2,000,000 PRODUCTS - COMP/OP AGG \$2,000,000 \$
C	☒ AUTOMOBILE LIABILITY ☒ ANY AUTO OWNED AUTOS ONLY ☐ SCHEDULED AUTOS ☒ HIRED AUTOS ONLY ☒ NON-OWNED AUTOS ONLY			S2708896 00	1/27/2026	1/27/2027	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
B	☒ UMBRELLA LIAB ☒ OCCUR ☐ EXCESS LIAB ☐ CLAIMS-MADE DED ☐ RETENTION \$			XLS1229435	1/27/2026	1/27/2027	EACH OCCURRENCE \$2,000,000 AGGREGATE \$2,000,000 \$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) ☐ Y/N If yes, describe under DESCRIPTION OF OPERATIONS below		N/A	COP0002284	1/27/2026	1/27/2027	PER STATUTE ☒ OTHER ☐ WA Stop Gap E.L. EACH ACCIDENT \$1,000,000 E.L. DISEASE - EA EMPLOYEE \$1,000,000 E.L. DISEASE - POLICY LIMIT \$1,000,000
A D	Professional Liability Cyber Liability	Y		COP0002284 CED-P001-2508028925-00	1/27/2026 5/5/2026	1/27/2027 5/5/2027	Each Claim/Aggregate 1 mill/2 mill Each Claim/Aggregate 1 mill/1 mill

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Per forms and conditions: WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US form CG 24 04 05 09; ADDITIONAL INSURED—DESIGNATED PERSON OR ORGANIZATION INCLUDING PRIMARY NONCONTRIBUTORY CONDITION form CCL-580-CGL (06-24).

CCL-GLS-100s(6-13) EXCLUSION-CONTRACTORS AND SUBCONTRACTORS CCL-GLS-278s (1-06) - INJURY TO WORKER EXCLUSION CG 21 49 09 99 - TOTAL POLLUTION EXCLUSION ENDORSEMENT 1436 Lincoln Street Bellingham, WA 98229. Form CG 2100 07 98 - EXCLUSION - ALL HAZARDS IN CONNECTION WITH DESIGNATED PREMISES, is hereby added to the Policy, per attached:

Re: 2026 Funding Agreement - Lincoln Street project. Certificate holder is additional insured per forms and conditions.

CERTIFICATE HOLDER

CANCELLATION

Whatcom County
 509 Girard St
 Bellingham WA 98225

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Howlin D. S. [Signature]

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Mental Health Risk Retention Group

**ENDORSEMENT
NO.**

ATTACHED TO AND FORMING A PART OF POLICY NUMBER	ENDORSEMENT EFFECTIVE DATE (12:01 A.M. STANDARD TIME)	NAMED INSURED	AGENT NO.
COP0002284	01/27/2026	Lake Whatcom Residential & Treatment Center	Negley Associates

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED—DESIGNATED PERSON OR ORGANIZATION INCLUDING PRIMARY NONCONTRIBUTORY CONDITION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s)
City of Bellingham, 210 Lottie St., Bellingham, WA 98225
Whatcom County, 509 Girard St., Bellingham, WA 98225
Washington State Department of Commerce 1011 Plum St. SE, Olympia, WA 98504
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. **SECTION II—WHO IS AN INSURED** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury," "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

1. In the performance of your ongoing operations; or
2. In connection with your premises owned by or rented to you.

However, there is no coverage for the person(s) or organization(s) shown in the Schedule for its sole acts or omissions.

B. Coverage does not apply for any additional insured under this policy unless the liability of such additional insured arises from acts or omissions of the Named Insured while the Named Insured is performing services directly for such additional insured.

This insurance does not apply to the sole acts, errors or omissions of the additional insured.

C. Coverage for the additional insured listed in this endorsement will apply only when a claim or "suit" for "bodily injury" or "property damage" or "personal and advertising injury" is also made and continuously maintained against the Named Insured for the Named Insured's acts or omissions or the acts or omissions of those acting on behalf of the Named Insured which give rise to the liability of the additional insured.

D. The following Condition is added:

Coverage is afforded to the person(s) or organization(s) indicated in the Schedule above on a primary, noncontributory or primary and noncontributory basis when and as agreed to in writing in a contract or agreement between you and the person(s) or organization(s) indicated in the Schedule above.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

All other terms and conditions remain as stated in the policy.

POLICY NUMBER COP0002284

COMMERCIAL GENERAL LIABILITY
CG 24 04 05 09

WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

SCHEDULE

Name Of Person Or Organization

City of Bellingham
Community Development Division
210 Lottie Street
Bellingham, WA 98225

Whatcom County
509 Girard St.
Bellingham, WA 98225

Washington State Department of Commerce
1011 Plum St. SE
Olympia, WA 98504

The following is added to Paragraph **8. Transfer Of Rights Of Recovery Against Others To Us** of **Section IV – Conditions**:

We waive any right of recovery we may have against the person or organization shown in the Schedule above because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a contract with that person or organization and included in the "products-completed operations hazard". This waiver applies only to the person or organization shown in the Schedule above.



NOTICE:

This contract is registered and delivered as a surplus line coverage under the insurance code of the state of Washington, Title 48RCW. It is not protected by any Washington state guaranty association law.

Declarations

Date: 05/06/2026

This insurance provides coverage for Claim Expenses within the Limits of Insurance. The Limits of Insurance will be reduced by and may be exhausted by payment of Claim Expenses. Once the Limits of Insurance are exhausted, the Insurer shall not be obligated to pay any further amounts under this policy.

Solely with respect to liability coverages under this policy, this policy provides coverage on a claims-made basis and applies only to claims first made against the Insured during the Policy Period or any applicable Extended Reporting Period. Claims must be reported to the Insurer as set forth in the policy. Claim Expenses are included in the Policy Limit of Insurance, will erode, and may exhaust the Policy Limit of Insurance.

Please read this policy carefully.

Named Insured and Address	Named Insured: Lake Whatcom Residential and Treatment Center DBA: Street Address: 3600 Meridian St City, State, ZIP Code: Bellingham, Washington 98225
Broker of Record	Broker Firm: Specialty Program Group LLC Street, City, State, ZIP: 300 Connell Drive, Suite 3000, Berkley Heights, New Jersey 07922

Insurers and Quota Share Percentage			
Insurer	Policy Number	Percentage	Aggregate Limit
QBE Specialty Insurance Company	CED-P001-2508028925-00	50 %	\$500,000
Certain Underwriters at Lloyd's led by Lloyd's Syndicate 510	CED-P001-2508028925-00	50 %	\$500,000

Each quota share **Insurer's** liabilities to you under this policy are several and not joint and are limited solely to the extent of their individual quota share percentages. The quota share **Insurers** are not responsible for the obligations of any other quota share **Insurer**, who regardless of reason does not satisfy all or part of its obligation. None of the quota share **Insurers** has a duty to pay before any of the other quota share **Insurers**.

Policy Form	ConvergeElements™ Cyber Insurance Policy, CCE 1001 (ed 12.2024)		
Policy Number	CED-P001-2508028925-00		
Policy Period	Inception Date: 05/05/2026		
	Expiration Date: 05/05/2027		
	(12:01 A.M. standard time at the Named Insured Address noted above)		
Retroactive Date	Network Security & Privacy Liability	Full prior acts	
	Regulatory Proceedings	Full prior acts	
	PCI-DSS Events	Full prior acts	



ConvergeElements™ Cyber Insurance Policy

	Media Event Liability Endorsement	Full prior acts
First Inception Date		05/05/2026
Policy Premium		\$2,913.00
Minimum Earned Premium (Percent of Total Policy Premium)	N/A	Affinity Advisory Technology Fee: \$175. Broker Fee: \$150.00
Terrorism Premium for Certified Acts of Terrorism	\$0	Surplus Lines Tax: \$66.26 Stamping Office Fee: \$9.94
Policy Fee	\$250.00	
Total Charges		\$3,163.00
Choice of Law		Washington

Coverage under this policy is provided only for those coverages for which a Limit of Insurance appears below. If no Limit of Insurance is shown for a Coverage part, such Coverage is not provided by this policy. The Policy Limit of Insurance is the most the Insurer will pay regardless of the number of Coverage parts purchased.

Policy Limit of Insurance	\$1,000,000 Aggregate			
Claims Made Liability Coverage	LIMIT OF INSURANCE		RETENTION	
☒ Network Security & Privacy Liability	\$1,000,000	Aggregate	\$5,000	Each claim
☒ Regulatory Action	\$1,000,000	Aggregate	\$5,000	Each claim
☒ PCI-DSS Loss	\$1,000,000	Aggregate	\$5,000	Each claim
☒ Media Event Liability Endorsement	\$1,000,000	Aggregate	\$5,000	Each claim
First Party Coverage	LIMIT OF INSURANCE		RETENTION	
☒ Incident Response	\$1,000,000	Aggregate	\$5,000	Each event
☒ Post Incident Remediation	\$25,000	Aggregate	\$5,000	Each event
☒ Pre Claim Mitigation	\$25,000	Aggregate	\$5,000	Each event
☒ Cyber Extortion	\$1,000,000	Aggregate	\$5,000	Each event
☒ Criminal Reward	\$25,000	Aggregate	\$0	Each event
☒ Digital Asset Recovery	\$1,000,000	Aggregate	\$5,000	Each event
☒ Bricked Equipment Replacement	\$1,000,000	Aggregate	\$5,000	Each event
☒ Cyber Crime	\$250,000	Aggregate for all cyber crime coverage	\$5,000	Each event
☒ Social Engineering	\$250,000	Aggregate	\$5,000	Each event
☒ Telecom Fraud	\$250,000	Aggregate	\$5,000	Each event
☒ Invoice Manipulation	\$250,000	Aggregate	\$5,000	Each event

☒ Cryptojacking	\$250,000	Aggregate	\$5,000	Each event
☒ Computer Fraud	\$250,000	Aggregate	\$5,000	Each event
☒ Funds Transfer Fraud	\$250,000	Aggregate	\$5,000	Each event
First Party - Loss of Business Income Coverages	LIMIT OF INSURANCE		RETENTION	
☒ Business Interruption	\$1,000,000	Aggregate	\$5,000	Each event
Waiting period			6	number of hours
Period of restoration			365	number of days
☒ Contingent Business Interruption	\$1,000,000	Aggregate	\$5,000	Each event
Waiting period			6	number of hours
Period of restoration			365	number of days
☒ Reputational Harm	\$1,000,000	Aggregate	\$5,000	Each event
Waiting period			14	number of days
Period of restoration			365	number of days
☒ Proof of Loss	\$25,000	Aggregate	\$5,000	Each event

This contract is registered and delivered as a surplus line coverage under the insurance code of the state of Washington, Title 48 RCW. It is not protected by any Washington state guaranty association law. Surplus Lines Broker: Specialty Program Group LLC



Optional Extended Reporting Period

Year	Percentage of Policy Premium
Year 1	100%
Year 2	150%
Year 3	200%



Notice of a Claim

Send Notice of Claims or Events to:	24 Hour Hotline
Converge Inc.	Phone Number: 800-807-9027
Address: 165 Broadway, 23rd Floor	E-Mail address: firstnoticeofloss@convergeins.com
City, State, Zip: New York, NY 10009	Vendor List: www.eriskhub.com/converge
Claims Phone Number: 800-807-9027	
Claims E-Mail: firstnoticeofloss@convergeins.com	
Send All Other Notices to:	
Converge Inc.	Phone Number: 800-553-7690
Address: 165 Broadway, 23rd Floor	E-Mail Address: info@convergeins.com
City, State, Zip: New York, NY 10006	



Signatures

In witness whereof, the Insurer has caused this Policy to be executed, but it shall not be valid unless also signed by a duly authorized representative of the Insurer.

A handwritten signature in black ink, appearing to read 'Julie Wood', written over a horizontal line.

Signature 1

Name: Julie Wood

Title: President

A handwritten signature in black ink, appearing to read 'Mark Pasko', written over a horizontal line.

Signature 2

Name: Mark Pasko

Title: Secretary

Schedule of Forms and Endorsements

Policyholder Notices and Policy Form

Title	Form Number
Surplus Lines Notice	SLN 1000 WA (ed 12/2023)
Declarations	CCE 1000.QS.(ed 01.2026)
U.S. Treasury Department's Office of Foreign Assets Control (OFAC)	CCE PHN OFAC (ed 11.2023)
POLICYHOLDER NOTICE PANEL OF AUTHORIZED PROVIDERS AND CYBER RISK MANAGEMENT SERVICES	CCE PHN RMS (ed 06.2023)
Notice of Terrorism Insurance Coverage	CCE PHN TRIA (ed 10.2023)
Notice to Policyholders Complaints	CCM.PHN.CW (ed 01.2026)
QBE NORTH AMERICA NOTICE OF PRIVACY POLICIES AND PRACTICES	UND 24 56 09 25
ConvergeElements™ Cyber Insurance Policy Form	CCE 1001 (ed 12.2024)

Endorsements

Number	Title	Form Number
1	Additional Privacy Event Expenses - Outside the Limit	CCE 1039 (ed 12.2023)
2	Artificial Intelligence (AI) Endorsement	CCE 1051 (ed 07.2024)
3	Cancellation and NonRenewal Amendatory	CCM 100 WA (ed 06.2023)
4	CONTINGENT BODILY INJURY AND PROPERTY DAMAGE ENDORSEMENT	CCE 1022 (ed 06.2023)
5	CONTINGENT BUSINESS INTERRUPTION FOR NON-IT PROVIDERS	CCE 1009 (ed 06.2023)
6	Converge Cyber Enhancement Endorsement	CCE 1081 (ed 01.2026)
7	Cyber Crime Definition of Loss Amendatory	CCE 1035 (ed 07.2023)
8	Media Event Liability Endorsement	CCE 1002 (ed 01.2026)
9	Quota Share Endorsement for Primary Cyber	CCE 1071 (ed 10.2024)
10	SERVICE OF PROCESS ENDORSEMENT	CCE 1033 (ed 03.2026)
11	SERVICE OF SUIT CLAUSE (U.S.A.)	CCE 1123 (ed 11.2025)
12	State Fraud Statement	CCM 200 WA (ed 06.2023)
13	CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM	CCE 1084 (ed 12.2024)
14	WAR EXCLUSION AMENDATORY	CCE 1113 (ed 01.2026)
15	Schedule of Additional Insured Endorsement	CCE 1034 ed 09.2023

Notice to Policyholders**U.S. Treasury Department's Office of Foreign Assets Control (OFAC)**

No coverage is provided by this Notice, nor can it be construed to replace any provisions of your policy (including its endorsements). If there is any conflict between this Notice and your policy (including its endorsements), the provisions of your policy (including its endorsements) shall prevail.

This Notice provides information concerning possible impact on your insurance coverage due to directives issued by OFAC and possibly by the U.S. Department of State . **Please read this Notice carefully.**

The Office of Foreign Assets Control (OFAC) administers and enforces economic and trade sanctions policy based on Presidential declarations of "national emergency". OFAC has identified and listed numerous:

- Foreign agents;
- Front organizations;
- Terrorists;
- Terrorist organizations; and
- Narcotics traffickers; as "Specially Designated Nationals and Blocked Persons". This list can be located on the United States Treasury's website – <http://www.treas.gov/ofac>.

In accordance with OFAC regulations, or any applicable regulation promulgated by the U.S. Department of State, if it is determined that you and any other insured, or any person or entity claiming the benefits of this insurance has violated U.S. sanctions law or is a Specially Designated National and Blocked Person, as identified by OFAC, this insurance will be considered a blocked or frozen contract and all provisions of this insurance are immediately subject to OFAC. When an insurance policy is considered to be such a blocked or frozen contract, no payments nor premium refunds may be made without authorization from OFAC. Other limitations on the premiums and payments also apply.

Notice to Policyholders

POLICYHOLDER NOTICE PANEL OF AUTHORIZED PROVIDERS AND CYBER RISK MANAGEMENT SERVICES

Authorized Providers Panel

The policyholder may notify Converge of an incident or potential claim via our 24-hour hotline or by email at:

FirstNoticeofLoss@Convergeins.com

To assist with the investigation and evaluation of an **Event**, the policyholder will have access to our panel of **Authorized Providers** at <https://core.convergeins.com>. Our panel includes incident response experts specializing in the areas of privacy regulations for breach response requirements, notification and call center services, credit and identity monitoring, computer forensics, and other services included in the definition of **Incident Response and Recovery Expenses**. Our **Authorized Providers** panel does not include legal service providers appointed by the **Insurer** to defend or respond to a **Claim**.

Cyber Risk Management Services

When an **Event** occurs, time is of the essence. Having a breach response plan in place with access to third-party resources you need can help you efficiently and cost-effectively respond to and recover from the **Event**.

As a ConvergeElements(tm) Cyber Insurance policyholder, you will receive complimentary access to the following services:

- Virtual CISO: Consultative services delivered by Cybersecurity and Incident Response experts. Policyholders may be eligible for configuration reviews and recommendations on key controls including MFA, EDR, Backup + Recovery and more. To request a meeting please send a request via email to vciso@convergeins.com
- eRiskHub Portal, powered by NetDiligence(r) provides tools and resources to help policyholders understand their exposures, establish a response plan, and minimize the effects of an **Event**. To register for access to eRiskHub portal:
 - Go to <http://core.convergeins.com/> and click on the Register button.
 - Complete the New User Registration form in the center of the webpage.
 - Your access code is **607726**.
 - Once you've completed registration, you can log in immediately.
- Incident Response Planning: provides access to incident response templates, plans and playbooks. These tools are accessible via eRiskHub under the incident response planning section.

**NOTICE OF TERRORISM INSURANCE COVERAGE**

You are hereby notified that under the Terrorism Risk Insurance Act, as amended, you have the right to purchase insurance coverage for losses resulting from acts of terrorism. As defined in Section 102(1) of the Act: The term "act of terrorism" means any act or acts that are certified by the Secretary of the Treasury—in consultation with the Secretary of Homeland Security, and the Attorney General of the United States—to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion

YOU SHOULD KNOW THAT WHERE COVERAGE IS PROVIDED BY THIS POLICY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM, SUCH LOSSES MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. HOWEVER, YOUR POLICY MAY CONTAIN OTHER EXCLUSIONS WHICH MIGHT AFFECT YOUR COVERAGE, SUCH AS AN EXCLUSION FOR NUCLEAR EVENTS. UNDER THE FORMULA, THE UNITED STATES GOVERNMENT GENERALLY REIMBURSES 80% BEGINNING ON JANUARY 1, 2020, OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURANCE COMPANY PROVIDING THE COVERAGE. THE PREMIUM CHARGED FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS THAT MAY BE COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS A \$100 BILLION CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT AS WELL AS INSURERS' LIABILITY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM WHEN THE AMOUNT OF SUCH LOSSES IN ANY ONE CALENDAR YEAR EXCEEDS \$100 BILLION. IF THE AGGREGATE INSURED LOSSES FOR ALL INSURERS EXCEED \$100 BILLION, YOUR COVERAGE MAY BE REDUCED.

The Insurer will provide you with terrorism coverage for a premium of \$0.



NOTICE TO POLICYHOLDERS COMPLAINTS

This Notice does not form a part of your insurance contract. No coverage is provided by this Notice, nor can it be construed to replace any provisions of your policy (including its endorsements). If there is any conflict between this Notice and your policy (including its endorsements), the provisions of your policy (including its endorsements) shall prevail.

IMPORTANT NOTICE TO ALL POLICYHOLDERS:

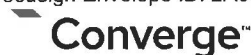
If you have an inquiry, need to obtain information about coverage, or need assistance in resolving a complaint, please contact us at:

QBE Specialty Insurance Company

55 Water Street
New York, NY 10041
Toll Free: (877) 772-6771

Converge Inc.

165 Broadway, 23rd Floor
New York, NY 10006
Phone: 1(800)-553-7690
Email: info@convergeins.com



QBE NORTH AMERICA

NOTICE OF PRIVACY POLICIES AND PRACTICES

Updated September 2025

Financial services companies, including insurers like QBE, collect personal information about policyholders, claimants, and others when we provide insurance services and conduct business. This notice describes how QBE collects, shares, and protects your "nonpublic personal information."

Nonpublic personal information means information about an individual that is linkable to a natural person. It can include personal identifiers, sensitive and nonsensitive personal information, or information collected for commercial transactions or policies. The types of nonpublic personal information that QBE may collect are listed below. Information that QBE actually collects about you will depend on the type of policy you have.

Categories of Nonpublic Personal Information Collected	Sources of Nonpublic Personal Information Collected
Personal identifiers – Name, address, social security number, date of birth, passport number, vehicle license plate number, unique personal identifier, online identifier, IP address, email address, account name, phone number, signature, etc.	Directly from you – We collect personal information that you provide to us through insurance quotes, claims, or policy requests; or from data you input into our website(s) or other applications;
Personal characteristics – Gender, demographics, marital status, family member/dependent status	
Sensitive personal information – Social security number, driver's license number, state ID card, account log-in, certain geolocation data, bank account number, credit or debit card number, health, or medical information.	Indirectly from you – We may collect personal information, including IP addresses, cookies, and device IDs when you visit our website.
Audio/electronic – Call or video recordings	
Commercial information – Property records, insurance policy number, medical or health data from claims, purchase history, vehicle make and model	From third parties – We may collect personal information from your interactions with authorized brokers, agents, or partners; from third-party service providers including consumer reporting agencies and insurance support organizations; or from vendors with whom QBE has contracted.
Geolocation data – IP address or physical address, telephone number or location if identified by automated technology	

Disclosure of nonpublic personal information: All financial services companies and insurers need to share nonpublic personal information to run their business. Federal and state laws give consumers the right to limit some, but not all sharing. Below are some reasons QBE may share your nonpublic personal information.

- We may share your data with contracted service providers to process payments, service accounts, or adjust and resolve claims.
- We may share your data with insurance support organizations that provide actuarial, statistical, underwriting, or fraud/theft prevention services.
- We may share medical information to learn if you qualify for coverage, to process claims, prevent fraud, or if you say we can.



- We may share your data with our affiliated companies to offer products and services to you. We do not share information about your creditworthiness with our affiliates.

Requesting your information: QBE does not sell or share your nonpublic personal information with unaffiliated third parties. This means we only share your information outside of QBE when it is required to run our business. For this reason, you cannot “opt out” of the limited sharing that occurs. You may, however, request an accounting of the personal information QBE has collected about you.

To access your personal information, send an email to Privacy.US-box@us.qbe.com or submit a request using our online form, at <https://ccpa.qbena.com/ccpa/>. You may also reach us by calling 800 362-5448 and requesting the Privacy Department. When you submit a request to access your data, please provide your name, address, date of birth and policy numbers, so that we may verify your identity.

Additional Disclosures

Artificial intelligence	QBE or its third-party service providers may use artificial intelligence (AI) to assist in providing insurance services or performing insurance functions – which may include the use of nonpublic personal information in underwriting, pricing, claims handling, policy servicing and other functions. QBE’s use of AI is consistent with our AI Governance Policy and complies with applicable laws and regulations for insurance companies.
Data protection	To protect nonpublic personal information from unauthorized access, use or disclosure, QBE uses security measures that comply with federal and state cybersecurity and privacy laws. These measures include administrative, technical and physical safeguards and controls, such as secured file storage, limits on physical access to buildings and data, encryption, and multi-factor authentication. QBE restricts access to your data on a “need to know” basis.
Former customers	QBE may continue to share information about you even after the customer relationship ends. Data about your claims activity may be reported to insurance databases. Additionally, claim data may be shared with service providers or other insurers to settle or resolve outstanding claims.
Other privacy rights	State laws may provide additional rights. See QBE North America’s longform Online Privacy Statement at <- https://www.qbe.com/us/legal/privacy-policies .
For Certain Excess or Surplus Lines Employer Group Policies	Privacy Notice: Neither the U.S. brokers that handled this insurance nor the insurers that have underwritten this insurance will disclose nonpublic personal information concerning the buyer to nonaffiliates of the brokers or insurers except as permitted by law.



This notice is provided by **QBE North America** companies:

General Casualty Company of Wisconsin	General Casualty Insurance Company	North Pointe Insurance Company	Praetorian Insurance Company
QBE Americas, INC	QBE Insurance Corporation	QBE Reinsurance Corporation	QBE Specialty Insurance Company
Regent Insurance Company	Southern Pilot Insurance Company	Stonington Insurance Company	

Words in bold, except for section and paragraph headings, have special meaning as set forth in the Definitions section of this policy, whether expressed in the singular or plural. Section and paragraph headings are provided for informational purposes only and do not have special meaning. The descriptions in the headings of this policy are solely for convenience and are not part of the terms and condition of coverage under this policy.

In consideration of the payment of the premium and in reliance upon the statements made to the **Insurer** in the **Application** and all other terms and conditions of this policy, the **Insurer**, and the **First Named Insured**, on behalf of all **Insureds**, agree to the following:

I. Claims-Made Liability Coverages

The following coverages apply if the Declarations shows a Limit of Insurance for such coverage. **Claims Expenses** are included within the Limits of Insurance and erode the applicable Limits of Insurance.

A. Network Security and Privacy Liability

The **Insurer** will pay on behalf of the **Insured**, all **Claims Expenses** and **Damages**, in excess of the applicable Retention, that the **Insured** is legally obligated to pay because of a **Claim** alleging a **Cyber Event**.

B. Regulatory Action

The **Insurer** will pay on behalf of the **Insured**, all **Claims Expenses** and **Regulatory Loss**, in excess of the applicable Retention, that the **Insured** is legally obligated to pay because of a **Regulatory Action**.

C. PCI DSS Loss

The **Insurer** will pay on behalf of the **Insured**, all **Claims Expenses** and **PCI DSS Loss**, in-excess- of the applicable Retention, that the **Insured** is legally obligated to pay because of a **PCI DSS Claim**.

Coverage for the Claims-Made Liability Coverages only applies to **Claims** first made against the **Insured** during the **Policy Period** or any applicable Extended Reporting Period and reported in accordance with with Section VI. Reporting of Claims and Events.

II. First Party Coverages

The following coverages apply if the Declarations displays a Limit of Insurance for such coverage:

A. Incident Response

The **Insurer** will pay the **Incident Response and Recovery Expenses**, in excess of the applicable Retention, incurred by an **Insured Entity** to respond to a **Cyber Event** first discovered during the **Policy Period**.

B. Business Interruption

The **Insurer** will pay the **Business Income Loss** and **Extra Expense** incurred by an **Insured Entity** during the **Period of Restoration**, in excess of the sum of the **Business Income Loss** and **Extra Expense** incurred during the **Waiting Period**, or the applicable Retention, whichever is greater, caused by a measurable interruption, suspension, or degradation of the **Insured's** business operations resulting from a **Disruption in Service** of the **Computer System** owned, operated or controlled by the **Insured Entity**, which is first discovered during the **Policy Period**.

C. Contingent Business Interruption

The **Insurer** will pay the **Business Income Loss** and **Extra Expense** incurred by an **Insured Entity** during the **Period Of Restoration**, in excess of the sum of the **Business Income Loss** and **Extra Expense** incurred during the **Waiting Period**, or the applicable Retention, whichever is greater, caused by a measurable interruption, suspension, or degradation of the **Insured's** business operations resulting from a **Disruption in Service** of the **Computer System** owned, operated or controlled by an **Outsourced Service Provider**, which is first discovered during the **Policy Period**.

D. Cyber Extortion

The **Insurer** will reimburse the **Cyber Extortion Loss** incurred by an **Insured Entity**, in excess of the applicable Retention, resulting from a **Cyber Extortion Threat** first discovered during the **Policy Period**.

At its discretion, the **Insurer** will pay a reward to an **Insured Entity** for information that leads to the arrest and conviction of persons responsible for causing a covered **Cyber Extortion Threat**. A Retention does not apply to this additional benefit.

E. Digital Asset Recovery

The **Insurer** will pay the **Digital Asset Recovery Loss** incurred by an **Insured Entity**, in excess of the applicable Retention, resulting from a **Security Event** or **Disruption in Service** of the **Computer System** owned, operated or controlled by the **Insured Entity**, which is first discovered during the **Policy Period**.

F. Bricked Equipment Replacement

The **Insurer** will pay the **Bricked Equipment Replacement Loss** incurred by an **Insured Entity** to replace **Bricked Equipment**, in excess of the applicable Retention, resulting from a **Security Event** first discovered during the **Policy Period**.

G. Reputational Harm

The **Insurer** will pay the **Business Income Loss** and **Extra Expense** incurred by an **Insured Entity** during the **Period of Restoration**, in excess of the applicable Retention, incurred as a direct result of a **Public Relations Event** which is first discovered during the **Policy Period**.

H. Cyber Crime

The **Insurer** will pay the **Cyber Crime Loss**, in excess of the applicable Retention, incurred by an **Insured Entity** as a result of a **Cyber Crime Event** first discovered during the **Policy Period**.

III. Definitions

Additional Insured means a person or entity that an **Insured Entity** has agreed in writing to include as an **Insured** under this policy.

Application means the signed written or electronic application, or any other information or documentation submitted in connection with the underwriting of this policy.

Authorized Provider means a person or entity approved to perform specified services which are listed on the **Insurer's** Approved Panel.

Bricked Equipment means computer hardware, desktop and laptop computers and any associated input and output devices, mobile devices, data storage, backup and peripheral devices owned, operated, leased, or controlled by the **Insured Entity**, that have been rendered useless for their intended purpose.

Bricked Equipment does not include:

- 1) **Digital Assets**;
- 2) medical devices or robotics;
- 3) **Operational Technology**;
- 4) bespoke devices; or
- 5) automated systems.

Bricked Equipment Replacement Loss means reasonable and necessary expenses incurred by the **Insured Entity**, with the **Insurer's** prior written consent, to:

- 1) determine if **Bricked Equipment** devices can be restored to functionality;
- 2) restore functionality of **Bricked Equipment**; and

3) replace **Bricked Equipment** for the cost of commercially available, functionally equivalent devices.

Solely at the **Insurer's** discretion and with written consent, equipment may include upgrades and improvements recommended by a forensic service provider from the **Insurer's** panel of **Authorized Providers** to improve or correct equipment vulnerabilities which contributed to the **Security Event**, not to exceed an additional 25% of the replacement cost of the **Bricked Equipment**.

Business Income Loss means:

- 1) the actual loss sustained during the **Period of Restoration** equal to the reduction in net revenue that the **Insured** would have earned had no covered **Event** occurred, less any expense savings due to the **Event** or expense savings that could have been achieved had the **Insured** acted with reasonable diligence; and
- 2) **Proof of Loss Expense**.

Business Income Loss does not include:

- 1) any increase in costs related to the **Event** as an offset to any savings set forth in this definition, except as otherwise covered under the policy;
- 2) revenue that is delayed but not lost;
- 3) loss incurred as a result of unfavorable business conditions;
- 4) loss of business opportunity as a result of market conditions;
- 5) loss of market or any other consequential loss;
- 6) lost accounts receivable, or other net income derived from the loss of records or other data;
- 7) loss of revenue or expenses resulting from contracts that were lost or not completed; or
- 8) loss under any other coverages added by endorsement to this policy.

For purposes of this definition, "net revenue" means the revenue of the **Insured** less refunds, returns, and discounts, or other appropriate adjustments.

Claim means:

1 under the Network Security and Privacy Liability coverage:

- a) a written demand for monetary or non-monetary (including injunctive) relief, including demands for arbitration, mediation, or other alternative dispute resolution;
- b) a civil proceeding or investigation commenced by a complaint or similar written demand; or
- c) a request to toll or waive the applicable statute of limitations;

2 under the Regulatory Actions coverage, a **Regulatory Action**; and

3 under the PCI DSS Loss coverage, a **PCI DSS Claim**.

Claims Expenses means the reasonable and necessary expenses charged by third parties in connection with the investigation, defense, appeal, or settlement of any **Claim**, with the **Insurer's** prior written consent, including legal and professional fees, expenses, and court costs.

Claims Expenses includes premiums for any appeal or attachment bond, but without any obligation to furnish such bond.

However, **Claims Expenses** does not include salary, overhead, or wages, other similar compensation to any **Insured**. **Claims Expenses** also does not include any expenses incurred before a **Claim** is first reported to the **Insurer**.

Classified Business Information means any information that is not publicly available, or which is held by an **Insured Entity** under a legal obligation, agreement, or understanding of confidentiality with a third party.

Classified Event means the failure to properly handle, retain, safeguard, or discard **Classified Business Information** in an **Insured Entity's** care, custody, or control for which the **Insured Entity** is legally responsible.

Computer System means any electronic, wireless, or network systems, including equipment, hardware, firmware, software, components, operating system, peripheral devices, Internet of Things (IoT) devices, wireless devices, back-up devices, telephone systems, and the data stored thereon, as well as associated input and output devices, data processing, cloud storage, hosting services, terminal devices, and mobile devices, networking equipment and storage area network or other electronic data storage or back-up facilities.

Computer System also includes an employee's "Bring Your Own Device" but only while being used to access an **Insured Entity's Computer System** or store **Protected Personal Information** or **Classified Business Information**.

For purposes of this definition, "device" in "Bring Your Own Device" means laptops, tablets, and smartphones.

Control Group means the **Insured Entity's** Chief Executive Officer, Chief Technology Officer, Chief Information Security Officer, Chief Financial Officer, Risk Manager, General Counsel, or any of their functional equivalents.

Cyber Crime Event means:

1) Computer Fraud

an incident resulting in the unlawful taking of the **Insured Entity's Funds** maintained directly or indirectly via the **Insured Entity's Computer Systems** by accessing such **Computer System** by fraudulent means including the misuse or alteration of data;

2) Social Engineering

an incident arising from a third party's intentional deception of an employee by the transmission of fraudulent payment instructions, which results in the transfer of the **Insured Entity's Funds**;

3) Invoice Manipulation

an incident arising from a **Security Event** involving intentional use of a **Computer System** to defraud or deceive a third party, resulting in such third party's electronic transfer of **Funds** for services rendered by an **Insured** to a natural person or entity that is not an **Insured**;

4) Telecommunications Fraud

an incident resulting from a third party's unauthorized infiltration and/or manipulation and improper utilization of the telephone or fax systems, or other telecommunications services provided to an **Insured Entity**;

5) Cryptojacking

an incident in which an unauthorized user hijacks an **Insured Entity's Computer System** to mine or generate cryptocurrency resulting in a fraudulent increase of the **Insured Entity's** normal and standard usage of utilities, such internet and electricity; or

6) Funds Transfer Fraud

an incident arising from the transmission of fraudulent payment instructions by a third party to a financial institution, which results in **Funds** being transferred out of or otherwise debited from the **Insured's** account. Funds Transfer Fraud

does not include fraudulent payment instructions given by an employee acting outside the scope of duties on behalf of the **Insured Entity**.

Cyber Crime Loss means:

- 1) with respect to subsections 1, 2, 3, and 6 of the definition of **Cyber Crime Event**, the actual loss of **Funds** sustained by an **Insured Entity** resulting directly from a **Cyber Crime Event**;
- 2) with respect to subsections 4 and 5 of the definition of **Cyber Crime Event**, the costs incurred by an **Insured Entity** for utility or telecommunications services in excess of its normal operating costs, resulting directly from a **Cyber Crime Event**; and
- 3) reasonable and necessary expenses incurred by an **Insured Entity**, with the **Insurer's** prior written consent, to investigate or rectify a **Cyber Crime Event**.

Cyber Crime Loss does not mean:

- 1) loss arising out of calculation errors;
- 2) consequential loss;
- 3) loss directly resulting from any fraudulent, criminal, or malicious act or knowing violation of the law by any employee of an **Insured Entity**; or
- 4) loss resulting from a payment instruction that did not follow the **Insured Entity's** prescribed verification or authentication protocol.

Cyber Event means a **Security Event**, a **Privacy Event**, or a **Classified Event**.

Cyber Extortion Loss means reasonable and necessary expenses incurred by an **Insured Entity** in order to respond to a **Cyber Extortion Threat**, with the **Insurer's** prior written consent, including:

- 1) monies, cryptocurrency, securities, property, or other consideration as payment at the direction of the person committing a **Cyber Extortion Threat**;
- 2) the cost to retain a forensic service provider from the **Insurer's** panel of **Authorized Providers** to investigate the **Cyber Extortion Threat**;
- 3) the cost to retain a service provider from the **Insurer's** panel of **Authorized Providers** to assist the **Insured Entity** in responding to the **Cyber Extortion Threat**; and
- 4) the cost to retain a service provider from the **Insurer's** panel of **Authorized Providers** to reduce or mitigate the severity of a **Cyber Extortion Threat**.

Cyber Extortion Threat means a demand for the payment of money, cryptocurrency, securities, or other property of value made against an **Insured Entity** in exchange to prevent a credible threat by a third party to:

- 1) cause a **Cyber Event**;
- 2) damage, destroy, delete, release or corrupt **Digital Assets**; or
- 3) cause a **Disruption in Service** to, damage to, destruction of, or infection of ransomware to, a **Computer System**.

Cyberterrorism means any actual, alleged, suspected, or threatened **Cyber Event**, whether acting alone or in connection with any organization, either with the direct or apparent intention to cause harm or in furtherance of social, ideological, religious, economical, or political objectives, and/or to intimidate any person or organization in the furtherance of such objectives.

Damages means compensatory damages, judgments, settlements, or awards (including awards of pre- and post-judgment interest) that the **Insured** becomes legally obligated to pay on account of a **Claim**.

Damages also means punitive, multiple or exemplary damages insurable by the law that would most favor coverage for such damages in a jurisdiction with a substantial relationship to the relevant **Insured(s)**, the relevant **Claim**, or the **Insured Entity**.

Damages does not include:

- 1) return or offset of fees, charges, credits, or commissions;
- 2) costs of complying with orders granting injunctive relief or other non-monetary relief, including specific performance, or any agreement to provide such relief;
- 3) taxes or loss of a tax benefit;
- 4) an **Insured's** expenses, including but not limited to overhead and salaries;
- 5) any amounts an **Insured** has agreed to pursuant to contract unless such **Insured** would have been liable in the absence of such agreement;
- 6) amounts which are uninsurable under the law pursuant to which this policy is construed;
- 7) fines, penalties, sanctions, or other amounts imposed on an **Insured**;
- 8) **Regulatory Loss**;
- 9) **PCI DSS Loss**;
- 10) amounts for which an **Insured** is not financially or legally obligated to pay; or
- 11) liquidated damages.

Digital Asset means any software, firmware, backups, or other electronic information stored or processed on an **Insured Entity's Computer System**. **Digital Assets** does not include hardware.

Digital Asset Recovery Loss means the reasonable expenses incurred by the **Insured Entity**, with the **Insurer's** prior written consent and utilizing a service provider from the **Insurer's** panel of **Authorized Providers**:

- 1) to determine if **Digital Assets** can be recovered, repaired, replaced, restored, or recreated; and
- 2) to conduct the recovery, repair, replacement, restoration, or recreation of such **Digital Assets**.

Digital Asset Recovery Loss will include the cost of upgrades and improvements recommended by a forensic service provider to improve or correct vulnerabilities which contributed to its ineffectiveness, not to exceed an additional 25% to the cost of restoring, repairing, recreating, or replacing the damaged **Digital Assets**.

Digital Asset Recovery Loss will not include costs to create tailored **Digital Assets**, or to recover, repair, replace, restore, recreate, or upgrade or improve **Operational Technology**.

Disruption in Service means an unintentional, complete or partial interruption, disruption, or suspension of a **Computer System**.

Disruption in Service also includes:

- 1) a voluntary and intentional shutdown of a **Computer System** in an effort to comply with an enforceable legal or regulatory requirement; or
- 2) a voluntary and intentional shutdown of a **Computer System** reasonably believed to be necessary to limit the **Business Income Loss** or **Extra Expense** that would otherwise be incurred if no shutdown took place.

Event means:

- 1) for Claims-Made Liability Coverages: a **Cyber Event**;
- 2) for First Party Coverages: a **Cyber Event**, **Disruption in Service**, **Cyber Extortion Threat**, **Public Relations Event**, or **Cyber Crime Event**.

Extra Expense means reasonable and necessary costs incurred by the **Insured Entity** to mitigate or prevent further **Business Income Loss** caused by any suspension, interruption, or degradation of the **Insured Entity's** business that would not have been incurred had the **Event** not occurred, including the cost to retain a service provider from the **Insurer's** panel of **Authorized Providers** to provide consultation.

Extra Expense does not include the any lost revenue or expenses resulting from contracts that were lost or not completed due to the **Event**.

First Inception Date means the date identified as such on the Declarations.

First Named Insured means the first entity listed as a **Named Insured** on the Declarations.

First Party Loss means **Incident Response and Recovery Expenses**, **Business Income Loss**, **Extra Expense**, **Cyber Extortion Loss**, **Cyber Crime Loss**, **Digital Asset Recovery Loss**, and **Bricked Equipment Loss**.

Funds means money, securities, and digital currency.

Incident Response and Recovery Expenses means expenses incurred within one year after the date of discovery of a **Cyber Event** unless otherwise stated:

- 1) for legal advice regarding the **Insured's** obligations related to a **Cyber Event**, including, but not limited to legal requirements to notify individuals, law enforcement or regulatory bodies;
- 2) for computer forensic investigation to:
 - a. determine the cause, scope, or source of an actual or suspected **Cyber Event**
 - b. terminate or mitigate an ongoing **Cyber Event**;
- 3) for notification costs (including costs for drafting, printing, publishing, mailing) to notify individuals affected or potentially affected by the actual or suspected **Privacy Event** or **Security Event**;
- 4) to operate a call center to handle inquiries;
- 5) to provide or arrange credit monitoring, credit protection, identity monitoring, or identity restoration services to affected individual for up to two years following the date of the **Privacy Event** or **Security Event** or as required by statute;
- 6) to provide public relations or crisis communications advice to mitigate or prevent reputational or financial harm to an **Insured**;
- 7) to re-certify the **Insured Entity's** compliance with the Payment Card Industry Data Security Standard only if required as per the applicable merchant services agreement; and
- 8) for **Post Incident Remediation Costs**.

Incident Response and Recovery Expenses require the **Insurer's** prior written consent and use of a service provider from the **Insurer's** panel of **Authorized Providers**.

Insured means the **Insured Entity** and any **Insured Person**.

Insured Entity means the **Named Insured** and any **Subsidiaries**.

Insured Person means:

- 1) current and former natural persons employed by and directed by the **Insured**, including volunteers, interns, and part-time, seasonal, temporary, or leased workers, but only while acting within their scope of duties as such;
- 2) any officer, director, trustee, partner, general manager, principal, stockholder, but only while acting within their scope of duties as such;
- 3) any natural person independent contractor who is performing services for the **Insured Entity** subject to a written contract and only with respect to their services within the scope of duties on behalf of the **Insured Entity**; and
- 4) any **Additional Insured**.

Insurer means the insurance company listed on the Declaration Page.

Loss means:

- 1) for Claims-Made Liability Coverages: **Damages, Claims Expenses, PCI Loss, and Regulatory Loss**.
- 2) for First Party Coverages: **Incident Response and Recovery Expenses, Business Income Loss, Extra Expense, Cyber Extortion Loss, Cyber Crime Loss, Digital Asset Recovery Loss, and Bricked Equipment Loss**.

Management Control means owning interests representing more than 50% of the voting, appointment, or designation power for the selection of the majority of the board of directors, trustees or members of the management committee or management board or functional equivalent of an entity; or having the right, pursuant to a written contract, by-laws, charter, operating agreement or similar document to select a majority of the board of directors, trustees or members of the management committee or management board or functional equivalent of an entity.

Merchant Service Agreement means any agreement between the **Insured** and a financial institution, credit or debit card company, credit or debit card processor, or independent service operator, which enables the **Insured** to accept payment by credit card, debit card or prepaid card.

Named Insured means the entity identified as such in the Declarations.

Operational Technology means any hardware, software, or firmware used to detect or cause changes to physical devices, processes, or assets, including but not limited to industrial control systems.

Outsourced Service Provider means a third party that provides information technology services, including hosting, management, co-location, or maintenance services, to the **Insured Entity**, pursuant to a written agreement.

PCI DSS Claim means a written demand made by a payment card company to:

- 1) recover costs incurred by a payment card company, issuing bank, or acquiring bank; or
- 2) assess a fine or penalty for an alleged violation of the Payment Card Industry Data Security Standard,

arising out of a **Security Event**.

PCI DSS Loss means amounts the **Insured Entity** is legally obligated to pay for its actual or alleged noncompliance with the Payment Card Industry Data Security Standards, including:

- 1) fines or penalties;
- 2) assessments;
- 3) fraud loss recoveries;
- 4) card reissuance costs;
- 5) chargebacks;
- 6) costs to retain a Payment Card Industry Forensic Investigator from the **Insurer's** panel of **Authorized Providers**; and
- 7) costs to retain a Qualified Security Assessor (QSA) as required by **Merchant Service Agreement** (MSA) with a financial institution, to certify an **Insured Entity's** compliance to PCI Data Security Standards following a covered **PCI DSS Claim**.

Period of Restoration means:

- 1) for Business Interruption and Contingent Business Interruption coverages, the period beginning on the date the **Disruption of Service** is discovered and ending no more than the number of days stated in the Declarations;
- 2) for Reputational Harm coverage, the period beginning with the **Public Relations Event** and ending no more than the number of days stated in the Declarations.

Policy Period means the dates stated on the Declarations or any shorter period resulting from the cancellation of the policy.

Post Incident Remediation Costs means the costs incurred for services to improve the **Insured's** cybersecurity risk management program. Such services must be directly related to those security deficiencies and vulnerabilities which caused a covered **Cyber Event**.

Pre-Claim Mitigation Costs means the costs incurred for services recommended and performed by a member of the **Insurer's** panel of **Authorized Providers**, related to a reported Notice of Circumstances, to minimize covered **Losses**. Please see Section VI, Reporting of Claims and Events of the policy for reference.

Privacy Event means any suspected or actual:

- 1) failure to prevent the theft, loss, access to, misappropriation of, unauthorized use or access to **Protected Personal Information** that is in the care, custody, or control of the **Insured Entity** or **Outsourced Service Provider** or for which the **Insured Entity** is or becomes legally responsible;
- 2) failure to disclose an actual or potential incident described in paragraph 1) of this provision as required by any **Privacy Law**;
- 3) failure to provide notification of an incident described in paragraph 1) of this provision as required by any **Privacy Law**;
- 4) an unintentional violation of the **Insured Entity's** own **Privacy Policy**; or
- 5) **Insured's** wrongful collection, retention, protection, handling, or destruction of **Protected Personal Information**.

Privacy Policy means an entity's public policies stating its policy for collection, dissemination, disclosure, integrity, sharing, access to **Protected Personal Information**.

Privacy Law means that part of any local, state, federal, or foreign laws, statutes, or regulations:

1) governing the handling, use, collection, processing, disclosure, sharing, retention, or storage of personal, non-public information; or

2) requiring any entity conducting activities specified in 1) above to adopt and publish specific privacy or security controls/protocols, have a published or accessible **Privacy Policy**, notify individuals whose information may have been accessed or disclosed, and/or notify regulatory agencies, including but not limited to:

- a. California Consumer Privacy Act of 2018;
- b. General Data Protection Regulation (Regulation (EU) 2016/679) ("GDPR");
- c. Health Information Technology for Economic and Clinical Health Act of 2009;
- d. Health Insurance Portability and Accountability Act of 1996 (Public Law 104-191);
- e. Gramm-Leach-Bliley Act of 1999;
- f. California Database Breach Act (SB1386);
- g. Minnesota Plastic Card Security Act; and
- h. Children's Online Privacy Protection Act.

Proof of Loss Expense means costs incurred to retain a service provider from the **Insurer's** panel of **Authorized Providers** to calculate and quantify **Business Income Loss** and **Extra Expenses** sustained by the **Insured Entity** because of an **Event**, subject to the sublimit of insurance in the Declarations.

In an instance where one **Event** triggers more than one coverage part, only one Proof of Loss Sublimit of Liability will apply to such **Event**, eroding the Limit of Insurance applicable to each coverage part in direct proportion to the **Business Income Loss** and **Extra Expenses** covered under such coverage.

Protected Personal Information means:

- 1) information from which an individual can be identified or contacted or which allows access to an individual's financial, medical, or other private records or accounts, including an individual's, name, address, email address, telephone number, passport number, social security number, driver's license or other government issued identification numbers, credit, debit or other financial account numbers, health insurance information, biometric based information, log-on credentials, security questions and corresponding answers, or PINS, which would give access to private accounts; and
- 2) non-public information protected under any **Privacy Law**.

Public Relations Event means any report disseminated to the public regarding a covered **Cyber Event** via any media format, including newspapers, radio, television, internet, and social media, which the **Insured** reasonably believes may have an adverse impact on the **Insured's** business or reputation.

Regulatory Action means an investigation, subpoena, request for information, or civil investigative proceeding or demand action resulting from a **Privacy Event** or **Security Event**, by or behalf of any local, state, federal, or foreign laws government or any other organization with the authority to enforce a **Privacy Law**.

Regulatory Loss means amounts the **Insured Entity** is legally obligated to pay for its actual or alleged violation of a **Privacy Law**, including:

- 1) fines or penalties;
- 2) monetary awards; and
- 3) consumer redress funds.

Related Claims means all **Claims** arising out of a single **Event** or **Related Events**.

Related Events means all **Events** arising out of a common nexus of any facts, circumstances, situations, incidents, or transactions or series of causally or logically connected facts, circumstances, situations, incidents, or transactions. All **Related Events** shall be considered a single **Event**, without regard to the number of **Insureds**, **Claims**, or claimants. All such **Events** shall be deemed to have been made at the time of the first such **Event** was reported to the **Insurer** in accordance with the Section VI, Reporting of Claims and Events in this policy.

Retroactive Date means the date identified as such on the Declarations. If no date is stated, the **Retroactive Date** will be the **First Inception Date**.

Security Event means any suspected or actual failure of the security of an **Insured Entity's Computer System** to prevent:

- 1) unauthorized use of or access to the **Computer System**;
- 2) a denial of service attack affecting **Computer Systems**;
- 3) the transmission or receipt of malicious code;
- 4) the theft of credentials to access the **Computer System**;
- 5) the theft or loss of **Computer System** hardware which holds **Protected Personal Information**; and
- 6) the lack of **Computer System** access to authorized users, including third parties.

Subsidiary means:

- 1) any entity in which the **Insured Entity** has, as of the inception date of this policy, more than 50% of the outstanding voting shares or securities, or pursuant to a written agreement, the right to select a majority of the board of directors, trustees or members of the management committee or management board or functional equivalent of an entity, or
- 2) any entity that, after the effective date of this policy, has been created or acquired by an **Insured Entity**, subject to Section VIII, General Conditions, Newly Acquired or Formed Entities.

Waiting Period means the number of hours stated in the Declarations.

IV. Exclusions

This policy does not cover any **Claim** or **Loss** alleging, based upon, arising out of or attributable to:

Antitrust

any actual or alleged false, deceptive, or unfair trade practices, violation of any antitrust regulation, restraint of trade, or unfair trade practices, or violation of the Sherman Anti-Trust Act, the Clayton Act, Robinson-Patman Act, or similar legislation; however, this exclusion will not apply to any claim for a **Regulatory Action** based upon or arising out of unfair or deceptive trade practices or unfair competition.

Bankruptcy

the bankruptcy or insolvency of any **Insured** or third party.

However, the bankruptcy or insolvency of any **Insured** will not relieve the **Insurer** of any of its obligations under the policy where such insolvency does not give rise to a **Claim** under this policy.

Biometrics

any violation of the Illinois Biometric Information Privacy Act (BIPA) or any similar local, state, federal, or foreign law. Provided, however, this exclusion shall not apply to a **Regulatory Action**.

Bodily Injury

- 1) any physical injury, sickness, disease, or death; or
- 2) mental anguish, mental injury, shock, or emotional distress.

However, this exclusion shall not apply to mental anguish, mental injury, shock, or emotional distress resulting from a **Cyber Event**.

Conduct

any act, error or omission that is dishonest, fraudulent, criminal, malicious or an intentional or knowing violation of the law if committed by:

- 1) any director, principal, partner, or member of the **Control Group**, whether acting alone or in collusion with others; or
- 2) an employee acting in collusion with any of the **Insured Entity's** directors, principals, partners, or members of the **Control Group**. This paragraph 2 does not apply to acts of a rogue employee acting alone.

For purposes of this definition, "rogue employee" means an employee of the **Insured Entity** who intentionally acts outside the intended scope of employment.

However, this exclusion shall not apply to **Claims Expenses** incurred in defending a **Claim** until there is a final, non-ap-pealable judgment or adjudication establishing such conduct in an action, or a plea of *no lo contendere* or no contest that establishes that a director, principal, partner, or member of the **Control Group** engaged in such conduct.

Contract

the breach of any express, implied, actual, or constructive contract, warranty, guarantee or promise.

However, this exclusion does not apply to:

- 1) breach of an obligation to protect **Protected Personal Information** and **Classified Business Information**;
- 2) any amounts involving otherwise covered **PCI DSS Loss**; or
- 3) any liability or obligation an Insured would have had in the absence of such contract, warranty, guarantee or promise and which would have been insured by this policy.

Description of Price of Goods

the inaccurate, inadequate, or incomplete description of the price of goods, products, or services, including cost guarantees, cost representations, contract price, or cost estimates being exceeded.

Employment Practices and Discrimination

- 1) any employer-employee relations, policies, practices, acts or omissions, any actual or alleged refusal to employ any person, wrongful dismissal, discharge or termination, harassment, or retaliation; or
- 2) any discrimination or harassment or violation of any law governing the prohibition of such harassment or discrimination.

However, this exclusion shall not apply to a **Privacy Event** relating to an individual's employment by an **Insured Entity**.

False Advertising

false or misleading statements in any advertisement or product description, including the inaccurate, inadequate, or incomplete description of the price or quality of good or services, or any unfair competition based thereon.

Games of Chance

any contest, game of chance, lottery, sweepstakes, coupons, or over-redemption.

Governmental Acts

the seizure, nationalization, or destruction of a **Computer System** or electronic data in the **Insured's** possession by a government or public entity.

Infrastructure Failure

any satellite, electrical, mechanical failures not under the operational control of the **Insured Entity**, including but not limited to telecommunications, electrical power or energy interruption, surge, spike, blackout, brownout, or outage to the internet, gas, telecommunications, cable, electricity, water, energy, or other utility providers not under the direct operational control of the **Insured**.

Insured v. Insured

an **Insured's** activity against another **Insured**.

However, this exclusion shall not apply to a **Claim** brought by:

- 1) an **Insured Person** alleging a **Privacy Event**; or
- 2) an **Additional Insured**;

Natural Perils

any natural peril, including but not limited to: fire, firestorm, wildfire, bush fire, forest fire, flood, earth movement, earthquake, earthquake shock, aftershock, seaquake, seismic and/or volcanic disruption/eruption, explosion, lightning, tropical storm, tropical depression, windstorm, storm, tempest, tornado, cyclone, typhoon, storm surge, wind, hail, winter weather/freeze, ice storm, weight of snow and ice, avalanche, any falling objects (including but not limited to meteor or asteroid), liquefaction, sinkhole, collapse, subsidence, ground heave, tidal wave, tsunami, landslide, mudslide, solar wind, solar flares, solar storms, or magnetic storms, irrespective of origin.

Nuclear Energy or Contamination

any:

1. nuclear detonation, contamination, or reaction;
2. radioactive detonation, contamination, or reaction; or
3. chemical, pathogenic, poisonous, biochemical, or biological emission, release, discharge, dispersal or escape or pathogenic, poisonous, biological, biochemical or chemical exposure or any kind;

or any related act or incident, however caused.

OFAC

This insurance does not provide any coverage, and the Insurer shall not make payment of any claim or provide any benefit hereunder, to the extent that the provision of such coverage, payment of such claim or provision of such benefit would expose the Insurer to a violation of any applicable trade or economic sanctions, laws or regulations, including but not limited, to those administered and enforced by the United States Treasury Department's Office of Foreign Assets Control (OFAC).

Patent/Intellectual Property/Misappropriation

- 1) any infringement, misuse or abuse of patent or patent rights;
- 2) the infringement of copyright, including copyright for software, trademark, trade dress, or trade secret by an **Insured**;
- 3) public disclosure of private facts, intrusion, eavesdropping or misappropriation of name or likeness; or
- 4) an employee's alleged infringement, misuse, abuse, or misappropriation of intellectual property in violation of an employee's employment obligations, including the breach of non-disclosure or non-compete agreements.

Payment Card Industry

the failure by the **Insured** to comply with the Payment Card Industry Data Security Standards (PCI DSS), a **Merchant Service Agreement**, or any credit card or debit card company rules or standards. However, this exclusion shall not apply to **PCI DSS Loss**.

Pollutants

any actual or alleged or threatened presence, discharge, release, or failure to detect pollutants or solid, liquid, gaseous or thermal irritants or contaminants of any kind, including smoke, vapor, soot, fumes, other air emission, acids, chemicals, alkalis, bacteria, mold, spores, fungi, germs, odor, waste, water, oil or oil product, infectious or medical waste, asbestos, lead, noise, and electric, magnetic, or electromagnetic field chemicals, whether or not such presence, discharge, release, or failure to detect results from the **Insured's** activities or the activities of others or whether such presence happened suddenly, gradually, accidentally or intentionally.

Prior Acts, Prior Knowledge, and Prior Notice

- 1) any act, fact, error, omission, incident, occurrence, **Claim**, circumstance, **Event** or **Related Events** first occurring prior to the applicable **Retroactive Date**;
- 2) an **Event** or **Related Event** or circumstance reported under any insurance, including insurance for which the applicable coverage is a renewal, replacement or which it succeeds in time; or
- 3) an **Event**, **Related Event** or circumstance which occurred or commenced prior to the **First Inception Date** of which that the **Control Group** knew or should have known.

Product or Service Failure

costs or expenses to produce, reproduce, correct, withdraw, recall, repair, replace, upgrade, supplement, or remove products or services due to the **Insured's** or others' products or services failure to perform as intended.

Property Damage

any damage to or loss of use or destruction of any tangible property. Tangible property does not include electronic data. However, this exclusion shall not apply to **Bricked Equipment Replacement Loss**.

RICO

any violation by an **Insured** of the Organized Crime Control Act of 1970 (Racketeering Influenced and Corrupt Organizations Act), or any similar federal, state, local, or foreign law, or any of their amendments.

Securities

- 1) the purchase, sale, or other solicitation, or offer, or solicitation of an offer, to purchase or sell securities;
- 2) a shareholder derivative demand or action alleging, based upon, or arising out of a breach of duty by any director or officer; or

3) any violations of any securities law or regulations, including, but not limited to the Securities Act of 1933, the Securities Act of 1934, the Sarbanes Oxley Act of 2002, including "Blue Sky" laws, and similar local, state, federal, or foreign laws, or any of their amendments, provided however this paragraph 3 does not apply to a **Regulatory Action**.

Theft, Loss, Diminished Value of Money, or Securities

- 1) any trading losses, liabilities, unauthorized trading, or changes in trading account value;
- 2) any loss, decrease in value, or theft of securities or currency;
- 3) the value of electronic funds (in any form) or wire transfer; or
- 4) any unauthorized transfer of money or securities to or from an **Insured** or an account under the **Insured's** control, including but not limited to the value of such money or securities and cost of reversing, correcting, or amending unauthorized transactions.

However, paragraphs 2, 3, and 4 of this exclusion shall not apply to an otherwise covered **Cyber Crime Loss** resulting from a **Cyber Crime Event**.

Unsolicited Communications and Consumer Protection

- 1) the CAN-SPAM Act of 2003 or the Telephone Consumer Protection Act of 1991 or any other similar local, state, federal, or foreign regulation or law related to unsolicited communication or distribution of email, text messages, facsimiles, telemarketing, or other electronic communication;
- 2) unlawful or unauthorized use of web beacons, page tagging, pixel tracking or other website or user tracking tools, wiretapping, or eavesdropping by or on behalf of the **Insured**; or
- 3) any violation of any local, state, federal, or foreign consumer protection laws, including the Truth in Lending Act, Fair Debt Collection Practices Act, Fair Credit Reporting Act, or the Fair and Accurate Credit Transactions Act, provided this paragraph 3 does not apply to a **Regulatory Action**.

Video Privacy Act

any law governing the content of transactions involving media or pre-recorded video records, including, but not limited to Michigan's Video Rental Privacy Act and the Video Privacy Act of 1988 or any similar local, state, federal, or foreign law.

War

war or civil unrest based upon, arising out of, or attributable to: (1) war, including undeclared or civil war, or action by a nation state, military force, including action in hindering or defending against an actual or expected attack, by any government or sovereign, or other authority using military personnel or other agents; or (2) insurrection, rebellion, revolution, riot, usurped power, or action taken by governmental authority using military personnel in hindering or defending against any of these, however, this exclusion does not apply to **Cyberterrorism**.

V. Limits of Liability and Retentions

The **Insurer** has no duty or obligation to provide coverage under this policy unless there has been full compliance with all the conditions and conditions precedent in this policy.

The Limits of Insurance stated in the Declarations and the rules below set forth the most the **Insurer** will pay under the policy regardless of the number of **Insureds**, **Claims**, claimants, or **Events**.

Policy Limits

- 1) The Policy Limit of Insurance specified in the Declarations shall be the maximum liability of the **Insurer** under this policy.

2) The Limit of Insurance or Sublimit of Insurance for each coverage specified in the Declarations shall be the maximum liability of the **Insurer** for each respective coverage. The Limit of Insurance or Sublimit of Insurance form part of, and are not in addition to, the Policy Limit of Insurance. After the Policy Limit of Liability has been exhausted, the **Insurer** has no obligation to pay **Damages, Claims Expenses, or Loss**, and shall have the right to withdraw from the defense.

3) The **Insurer** shall not be obligated to investigate, defend, pay, indemnify, or settle any new or ongoing **Claim** or matter after the applicable Limit of Liability has been exhausted.

Retention and Waiting Period

The Retention amount specified in the Declarations applies separately to each **Claim** or **Event**. The **Insurer** shall only be liable for amounts in excess of the Retention, subject to the applicable Limit of Liability. The Retention will be satisfied by monetary payments by the **Insured Entity** of covered **Loss** under each coverage. If any **Event** is subject to more than one Retention, the Retention for each applicable coverage will apply separately, provided the sum of such Retention amounts will not exceed the largest applicable Retention amount.

With respect to Business Interruption coverage and Contingent Business Interruption coverage, subject to the satisfaction of the **Waiting Period** and the applicable Retentions, the **Insurer** will pay the actual **Business Income Loss** and **Extra Expense** incurred starting at the beginning of the **Waiting Period**.

VI. Reporting of Claims and Events

Notice of Claim

With respect to a **Claim**, an **Insured** shall provide written notice to the **Insurer** under this policy, as soon as practicable after any member of the **Control Group** first receives notice of a written demand, investigation, complaint, or service of process involving any such **Claim**. The **Claim** will be deemed to be made on the date a member of the **Control Group** receives such notice.

All **Related Claims**, whenever made, will be considered a single **Claim** and such **Claim** will be deemed to have been made on the date the first of those **Related Claims** was made against the **Insured** and reported to the **Insurer**.

All notice of **Claims** made must be noticed to the **Insurer** as soon as practicable but no later than ninety (90) days after the end of the **Policy Period** (or termination of this policy if such termination is earlier) or with respects to a **Claim** made during an Extended Reporting Period, no later than the expiration of the Extended Reporting Period.

Notice of Loss

With respect to **Loss** under First Party Coverages, an **Insured** shall provide written notice to the **Insurer** under this policy, as soon as practicable after any member of the **Control Group** becomes aware of any **Event** triggering such loss, or any such **First Party Loss** is incurred. An **Event** will be deemed first discovered when a member of the **Control Group** first becomes aware of such **Event**.

All **Related Events**, whenever occurring, will be deemed a single **Event** and such **Event** deemed to have been discovered on the date the first of those **Related Events** was discovered.

All notice of **First Party Loss** made must be noticed to the **Insurer** no later than sixty (60) days after the end of the **Policy Period** (or termination of this policy if such termination is earlier).

For **Business Income Loss** and **Extra Expenses**, a statement providing details, documentation, and methodology of the **Insured's Loss** must be submitted to the **Insurer** within sixty (60) days after the **Period of Restoration**.

For **Cyber Crime Loss**, a statement providing details, documentation, and methodology of the **Insured's Loss** must be submitted to the **Insurer** within sixty (60) days after reporting the **Cyber Crime Event**.

Notice of Circumstance

If, during the **Policy Period**, any member of the **Control Group** first becomes aware of any circumstances which may reasonably give rise to a **Claim** under this policy, then the **Insured** may give the **Insurer** notice during the **Policy Period**. Such notice must include a description of the anticipated allegations of wrongful acts, potential damages, and the names

of potential claimants and **Insureds** involved. A **Claim** which arises out of such circumstances shall be deemed to have been first made at the time such written notice was received by the **Insurer**.

Confidential Events

An **Insured** may receive an express request from a law enforcement authority or other governmental agency not to disclose certain information about an actual or possible **Event**. In such circumstances, a notice of such **Event**, or of a **Claim** relating to or arising out of such **Event**, shall be considered timely under the policy if:

- 1) the **Insured** withholds from the **Insurer** only that portion of the information that it has been expressly instructed not to share with the **Insurer**; and
- 2) the **Insured** provides notice of such **Claim** or event to **Insurer** when legally permitted to do so.

Pre-Claim Mitigation Cost

In the event the **Insurer** receives such a Notice of Circumstance, and the **Insured** requests assistance from the **Insurer** in writing, the **Insurer** may, at its sole discretion, provide the **Insured** with **Pre-Claim Mitigation Cost**, subject to the Sublimit of Insurance shown in the Declarations. Any such cost must be incurred with the **Insurer's** prior written consent.

VII. Defense and Settlement

- 1) The **Insurer** shall have the right and duty to defend any **Claim** brought against the **Insured** even if such **Claim** is groundless, false, or fraudulent. The **Insured** shall not, without the written consent of the **Insurer**:
 - a. admit or assume liability; or
 - b. stipulate to any judgment; or
 - c. settle or negotiate any **Claim** unless such settlement fully resolves such **Claim** within the lowest applicable Retention.
- 2) The **Insurer** will have the right to appoint counsel on the **Insured's** behalf and to investigate and settle a covered **Claim** as is deemed necessary by the **Insurer**.
- 3) The **Insurer** shall not settle any **Claim** without the written consent of the **Insured**. If the **Insured** refuses to consent to a settlement that is both (a) accepted by the Claimant and (b) recommended by the **Insurer**, then the **Insurer's** Limit of Liability under this policy with respect to such **Claim** shall be reduced to the amount of **Damages** for which the **Claim** could have been settled plus 50% of all subsequent covered **Damages** and **Claims Expenses** in excess of the amount of the settlement.

The **Insurer's** right and duty to defend ends when the applicable Limit of Insurance has been exhausted.

VIII. General Conditions

Assistance/Cooperation

The **Insured** shall cooperate with the **Insurer** in all investigations relating to this policy. The **Insured** shall further cooperate with the **Insurer** and/or any counsel appointed pursuant to the terms of the policy, including, without limitation, by taking such actions that such **Insured** and the **Insurer** agree are reasonable and practicable to prevent or limit loss under this policy.

The failure of any natural person **Insured** to cooperate pursuant to this provision shall not impair the rights of any other **Insured** under this policy.

Dispute Resolution

If any dispute arises between any **Insured** and the **Insurer** involving this policy hereunder, the **Named Insured** and the **Insurer** agree that such dispute will first be submitted to mediation administered by Judicial Arbitration & Mediation Services ("JAMS"), or another provider to which the parties agree. The parties will cooperate with one another and the

mediation provider in selecting a mediator and in scheduling mediation proceedings and will share equally in the mediation costs.

If mediation does not resolve or settle the dispute, either party may:

- 1) commence a judicial proceeding; or
- 2) with the consent of the other party commence an arbitration proceeding in accordance with the commercial arbitration rules of JAMS in effect at the time of dispute. The decision of the arbitrator or arbitrators will be final, and binding and any award may be confirmed and enforced in any court of competent jurisdiction.

Subrogation

If any payment is made under this policy, the **Insurer** will be subrogated all the **Insured's** rights of recovery against any natural person or any entity. The **Insured** must protect and preserve all such rights of recovery and shall execute and deliver instruments and papers and do whatever else is reasonable to secure such rights. The **Insured** shall do nothing to prejudice such rights.

Notwithstanding the foregoing, an **Insured** may waive such **Insurer's** rights to recovery against others if it does so in writing before the occurrence of an incident giving rise to a **Claim** or **Event**.

Legislation

Any legislation referenced in this policy includes any amendments thereto or any rules or regulations promulgated thereunder.

Cancellation and Nonrenewal

- 1) The **Insurer** may only cancel this policy prior to the expiration date of the **Policy Period** if the **First Named Insured** fails to pay premium on or prior to its due date. In such event, the **Insurer** will mail or deliver a notice of such cancellation to the Named Insured's address shown on the Declarations at least ten (10) days prior to the date of cancellation. If notice of cancellation is mailed, proof of mailing will be sufficient proof of notice. Delivery of the notice will be the same as mailing.
- 2) The **First Named Insured** may cancel this policy at any time and for any reason by delivering such instructions to the **Insurer** by mail or electronic mail. If this policy is canceled for any reason prior to the end of the **Policy Period**, the **Insurer** shall refund the unearned premium computed pro rata. No premium will be refunded where any **Claim** or circumstance has been notified under this policy, whether or not a coverage determination has been made.
- 3) The **Insurer** may elect not to renew this policy by mailing or delivering written notice of nonrenewal to the **First Named Insured** at its address stated on the Declarations at least forty-five (45) days prior to the expiration date of the Policy. If notice of nonrenewal is mailed, proof of mailing or delivery will be satisfactory proof of notice.

Other Insurance

This policy is excess to any other valid or collectible insurance (or other indemnity) available to the **Insured**, except if such other insurance is specifically written to apply in excess of this policy. If other insurance includes coverage for otherwise covered **Loss** incurred within the applicable Retention, this policy will recognize the erosion of the Retention despite such coverage.

Change of Control

If during the **Policy Period**:

- 1) the **First Named Insured** consolidates with, merges into, or sells all or substantially all its assets to any person, entity or group of persons, or entities acting in concert; or

2) any person or entity or group of persons or entities acting in concert shall acquire **Management Control** of the **First Named Insured**,

then this policy shall continue in full force and effect only as to those events triggering **Claims** or **Loss** incurred prior to the effective date of the consolidation, merger, or sale. It is further agreed that this policy is non-cancelable, and the policy premium is fully earned. **The First Named Insured** may elect to purchase an Extended Reporting Period as outlined in the Optional Extended Reporting Period provisions of this policy.

Newly Acquired or Formed Entities

If during the **Policy Period**, the **First Named Insured** creates or acquires **Management Control** of any entity, such entity will be deemed a **Subsidiary**, but only for **Claims** sustained or **Loss** incurred after the date of the acquisition. However, if the acquired entity's gross annual revenues exceed 20% of the **First Named Insured's** combined gross annual revenues as of the effective date of this policy, such entity will only be deemed a **Subsidiary** for ninety (90) days from the date of acquisition, unless the **First Named Insured** provides full particulars of such entity within the ninety (90) day period and, subject to payment of any additional premium required, the **Insurer** amends the policy by endorsement to add such entity as a **Subsidiary** under this policy.

Automatic Extended Reporting Period

The **Insured** shall have an Automatic Extended Reporting Period of sixty (60) days after the end of the **Policy Period** if the policy is canceled or non-renewed, other than canceled by the **Insurer** for non-payment of premium. During this period, an **Insured** may report a **Claim** first made against the **Insured** during the Automatic Extended Reporting Period for an **Event** occurring prior to the end of the **Policy Period**. This Automatic Extended Reporting Period is not applicable in the event the **First Named Insured** has purchased an Optional Extended Reporting Period, or the **Claim** is covered under any insurance that a renewal or replacement of this policy.

Optional Extended Reporting Period

The **First Named Insured** may purchase an Optional Extended Reporting Period upon Change of Control, non-renewal, or cancellation of this policy, other than cancellation for nonpayment of premium, subject to the premiums stated on the Declarations. The Optional Extended Reporting Period shall only apply to a **Claim** first made against the **Insured** during the Optional Extended Reporting Period for an **Event** that occurred prior to the end of the **Policy Period**.

The **First Named Insured** must notify the **Insurer** in writing, within forty-five (45) days after the end of the **Policy Period** of its intention to purchase the Optional Extended Reporting Period. Premium for the Optional Extended Reporting Period will be fully earned on its inception date.

Representations and Warranties

All **Insureds** agree that the statements in the **Application** are their agreements and representations, which shall be deemed material to the risk, and that this policy is issued in reliance upon the truth of such statements.

There will be no coverage under this policy for any **Loss** arising out of or involving any misrepresentation or untrue, inaccurate, or incomplete statement that was made with the intent to deceive the **Insurer**.

Spouses, Domestic Partners, and Estate, Legal Representatives

In the event of a natural person **Insured's** death, incapacity, or bankruptcy, any **Claim** made against such natural person **Insured's** spouse, domestic partner, partner to a civil union recognized under the applicable state law, estate, and legal representative will be covered under this policy, but only to the extent such natural person **Insured** would otherwise be provided coverage under this policy.

Action Against Insurer

No action shall lie against the **Insurer** unless, as a condition precedent thereto, the **Insured** has been in full compliance with all terms of this policy, nor until the amount of an **Insured's** obligation to pay has been finally determined either by judgment or award against an **Insured** after legal proceedings or written agreement of the relevant parties. No person or entity shall

have any rights under this policy to join as a party to any action against any **Insured** to determine such **Insured's** liability, nor shall the **Insurer** be impleaded by such **Insured** or the legal representatives of such **Insured**.

Assignment

This policy and all rights hereunder are not assignable without the prior written consent of the **Insurer**.

Authority

The **First Named Insured** acts on behalf of all other **Insureds** for the purposes of providing and receiving written notices, including those for cancellation or nonrenewal, purchasing an Optional Extended Reporting Period, as well as the payment or return of premium.

Choice of Law

Any dispute involving this policy will be resolved applying the law designated on the Declarations, without reference to that jurisdiction's choice of law principles.

Recoveries

All recoveries for payments made under this policy should be applied, after first deducting the cost and expenses incurred in obtaining such recovery, in the following order or priority:

- 1) first, to the **First Named Insured** to reimburse the **Insured** for **Loss** sustained that would have been paid under this policy but for the fact that such **Loss** was in excess of the applicable limit(s);
- 2) second, to the **Insurer** in satisfaction of amounts paid or to be paid to the **Insured** in settlement of the **Insured's** covered **Claim**; and
- 3) third, to the **Insured** in satisfaction of the applicable Retention.

The **Insurer** assumes no duty to seek recovery of any payments made under this policy.

Territory

Coverage afforded under this policy applies anywhere in the world, to the extent coverage, reimbursement, or payment by the **Insurer** are not prohibited by economic sanction or similar regulations.

Economic and Trade Sanctions Limitation

Payment under this policy will not be made nor will any benefit be provided if it violates or exposes the **Insured** or **Insurer** to any sanction or restriction under United Nations resolutions or the trade or economic sanctions or laws of the European Union, United Kingdom, and the United States, including, but not limited to, sanctions, laws and regulations administered and enforced by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC").

Valuation and Settlement

All premiums, limit(s) of insurance, Retention amounts, **Loss** and any other monetary amounts under this policy are expressed and payable in the currency of the United States of America. If judgment is rendered, settlement is agreed to or another component of **Loss** under this policy is expressed in any currency other than United States of America dollars, payment under this policy shall be made in United States dollars at the rate of exchange published in The Wall Street Journal on the date the final judgment is entered, settlement amount is agreed upon or the other component of **Loss** is due, respectively

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1	05/05/2026	CED-P001-2508028925-00	N/A

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Additional Privacy Event Expenses – Outside the Limit

Additional Privacy Event Expenses Limit of Insurance		
First Party Coverage	Limit of Insurance	Retention
Additional Privacy Event Expenses	\$1,000,000 Aggregate	\$5,000 Each event

Information in the above schedule may also appear in the declarations.

In consideration of the premium charged for this policy, subject to the limit and retention shown in the schedule above, it is agreed that the following changes are made:

1. Section II. First Party Coverages is amended to include the following:

The **Insurer** will pay the **Additional Privacy Event Expenses** in excess of the applicable Retention, incurred by the **Insured Entity** to respond to a **Privacy Event** first discovered during the **Policy Period**. **Additional Privacy Event Expenses** are in addition to and shall not erode the Policy Limit of Insurance:

2. Section III. Definitions is amended to include the following changes:

A. The following definition is added to the policy:

Additional Privacy Event Expenses means expenses incurred within one year after the date of discovery of a **Privacy Event** unless otherwise stated:

- 1) for legal advice regarding the **Insured's** obligations related to a **Privacy Event**, including, but not limited to legal requirements to notify individuals, law enforcement or regulatory bodies.
- 2) for computer forensic investigation to:
 - a. determine the cause, scope, or source of an actual or suspected **Privacy Event**.
 - b. terminate or mitigate an ongoing **Privacy Event**.
- 3) for notification costs (including costs for drafting, printing, publishing, mailing) to notify individuals affected or potentially affected by the actual or suspected **Privacy Event**.
- 4) to operate a call center to handle inquiries.
- 5) to provide or arrange credit monitoring, credit protection, identity monitoring, or identity restoration services to affected individual for up to two years following the date of the **Privacy Event** or as required by statute.
- 6) to provide public relations or crisis communications advice to mitigate or prevent reputational or financial harm to an **Insured**.

Additional Privacy Event Expenses require the **Insurer's** prior written consent and use of a service provider from the **Insurer's** panel of **Authorized Providers**.

B. The definition of **First Party Loss** is deleted in its entirety and replaced with the following:

First Party Loss means **Incident Response and Recovery Expenses, Additional Privacy Event Expenses, Business Income Loss, Extra Expense, Cyber Extortion Loss, Cyber Crime Loss, Digital Asset Recovery Loss, and Bricked Equipment Loss**.

C. Paragraph 2 of the definition of **Loss** is deleted in its entirety and replaced with the following:

2) for First Party Coverages: **Incident Response and Recovery Expenses, Additional Privacy Event Expenses, Business Income Loss, Extra Expense, Cyber Extortion Loss, Cyber Crime Loss, Digital Asset Recovery Loss, and Bricked Equipment Loss.**

3 . In Section V. Limits of Liability and Retentions, the **Policy Limits** subsection is deleted in its entirety and replaced with the following:

Policy Limits

1) Except as otherwise provided for **Additional Privacy Event Expenses**, the Policy Limit of Insurance specified in the Declarations shall be the maximum liability of the **Insurer** under this policy.

2) The **Additional Privacy Event Expense** Limit shown in the above schedule, and the Limit of Insurance or Sublimit of Insurance for each coverage specified in the Declarations shall be the maximum liability of the **Insurer** for each respective coverage. Except as otherwise provided for **Additional Privacy Event Expenses**, the Limit of Insurance or Sublimit of Insurance for each coverage form part of, and are not in addition to, the Policy Limit of Insurance. The **Additional Privacy Event Expenses** Limit is in addition to and shall not erode the Policy Limit of Insurance. After the Policy Limit of Liability has been exhausted, the **Insurer** has no obligation to pay **Damages, Claims Expenses, or Loss** (other than **Additional Privacy Event Expenses**, if the **Additional Privacy Event Expenses** Limit of Liability has not been exhausted), and shall have the right to withdraw from the defense. After the **Additional Privacy Event Expenses** has been exhausted, the Insurer has no obligation to pay **Additional Privacy Event Expenses**.

3) The **Insurer** shall not be obligated to investigate, defend, pay, indemnify, or settle any new or ongoing **Claim** or matter after the applicable Limit of Liability has been exhausted.

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2	05/05/2026	CED-P001-2508028925-00	N/A

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Artificial Intelligence (AI) Endorsement

In consideration of the premium charged it is hereby agreed that the following changes are made to the policy.

Section III. Definitions, is amended to include the following changes:

- The definition of **Privacy Event** is deleted and replaced with the following:

Privacy Event means any suspected or actual:

- 1) failure to prevent the theft, loss, access to, misappropriation of, unauthorized use or access to **Protected Personal Information** that is in the care, custody, or control of the **Insured Entity** or **Outsourced Service Provider** or for which the **Insured Entity** is or becomes legally responsible.
- 2) failure to disclose an actual or potential incident described in paragraph 1) of this provision as required by any **Privacy Law**.
- 3) failure to provide notification of an incident described in paragraph 1) of this provision as required by any **Privacy Law**.
- 4) an unintentional violation of the **Insured Entity's** own **Privacy Policy**; or
- 5) **Insured's** wrongful collection, retention, protection, handling, or destruction of **Protected Personal Information**, including the mishandling or disclosure of **Protected Personal Information** collected and processed by the **Insured Entity** involving the use of artificial intelligence applications or in machine learning algorithms.

- The definition of **Security Event** is deleted and replaced with the following:

Security Event means any suspected or actual failure of the security of an **Insured Entity's Computer System**, or any suspected or actual failure of AI powered network security systems, that results in or fails to prevent:

- 1) unauthorized use of or access to the **Computer System**.
- 2) Infiltration and distortion of large language models (LLM) or machine learning algorithms.
- 3) a denial-of-service attack or AI powered attack affecting **Computer Systems**, or attacks targeting machine learning systems or LLMs.
- 4) the transmission or receipt of malicious code, including AI driven malware.
- 5) the theft of credentials to access the **Computer System**.
- 6) the theft or loss of **Computer System** hardware which holds **Protected Personal Information**; and
- 7) the lack of **Computer System** access to authorized users, including third parties.

- The definition of **Disruption in Service** is deleted and replaced with the following:

Disruption in Service means an unintentional, complete, or partial interruption, disruption, or suspension of a **Computer System**, including a **Disruption in Service** that results from AI driven targeted attacks, or system failures involving the use of artificial intelligence or machine learning algorithms.

Disruption in Service also includes:

- 1) a voluntary and intentional shutdown of a **Computer System** in an effort to comply with an enforceable legal or regulatory requirement; or
- 2) a voluntary and intentional shutdown of a **Computer System** reasonably believed to be necessary to limit the **Business Income Loss** or **Extra Expense** that would otherwise be incurred if no shutdown took place.

- The definition of **Cyber Crime Event** is deleted in its entirety and replaced with the following:

Cyber Crime Event means:

- 1) Computer Fraud
an incident resulting in the unlawful taking of the **Insured Entity's Funds** maintained directly or indirectly via the **Insured Entity's Computer Systems** by accessing such **Computer System** by fraudulent means including AI powered attacks, AI driven phishing campaigns, or the misuse or alteration of data including such misuse or alteration through the use of artificial intelligence.
- 2) Social Engineering
an incident arising from a third party's intentional deception of an employee by the transmission of fraudulent payment instructions, including AI driven social engineering attacks, which results in the transfer of the **Insured Entity's Funds**;
- 3) Invoice Manipulation
an incident arising from a **Security Event** involving intentional use of a **Computer System** to defraud or deceive a third party, resulting in such third party's electronic transfer of **Funds** for services rendered by an **Insured** to a natural person or entity that is not an **Insured**;
- 4) Telecommunications Fraud
an incident resulting from a third party's unauthorized infiltration and/or manipulation and improper utilization of the telephone or fax systems, or other telecommunications services provided to an **Insured Entity**;
- 5) Cryptjacking
an incident in which an unauthorized user hijacks an **Insured Entity's Computer System** to mine or generate cryptocurrency resulting in a fraudulent increase of the **Insured Entity's** normal and standard usage of utilities, such internet and electricity; or
- 6) Funds Transfer Fraud
an incident arising from the transmission of fraudulent payment instructions by a third party to a financial institution, including AI driven phishing, which results in **Funds** being transferred out of or otherwise debited from the **Insured's** account. Funds Transfer Fraud does not include fraudulent payment instructions given by an employee acting outside the scope of duties on behalf of the **Insured Entity**.

- The definition of **Cyber Extortion Threat** is deleted and replaced with the following:

Cyber Extortion Threat means a demand for the payment of money, cryptocurrency, securities, or other property of value made against an **Insured Entity** in exchange to prevent a credible threat by a third party to:

- 1) cause a **Cyber Event**.

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- 2) damage, destroy, delete, release or corrupt **Digital Assets**; or
- 3) cause a **Disruption in Service** to, damage to, destruction of, or infection of ransomware to, or an artificial intelligence directed ransomware attack against a **Computer System**.

All other terms and conditions remain unchanged.

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3	05/05/2026	CED-P001-2508028925-00	N/A

Cancellation and NonRenewal - Washington

It is hereby agreed that Section VIII, General Conditions, the Cancellation and Nonrenewal provision is replaced with the following.

Cancellation

The **Named Insured** may cancel this policy by delivering to the **Insurer** or Producer written notice of cancellation by

- 1) mail, fax, or e-mail, or
- 2) by verbal request to the **Insurer** or producer.

If the **Insurer** received notice of cancellation from the **Named Insured**, the **Insurer** must accept and promptly cancel the policy effective the later of the date the notice was received or the date the **Named Insured** request cancellation.

The **Insurer** may cancel this policy by giving the **Named Insured** written notice of cancellation at least:

- 1) Ten (10) days before the effective date of cancellation if for nonpayment of premium, or
- 2) Forty-five (45) days before the effective date of cancellation if the **Insurer** cancels for any reason.

The notice of cancellation will specify the reason and the effective date of cancellation, the policy will end on that date. The **Insurer** will mail notice of cancellation by certified mail to the **Named Insured's** address shown on the declarations.

Notice of cancellation will also be mailed to any mortgage holder, pledgee, or other person shown in this policy with an interest in any loss which may occur thereunder, at their last mailing address known to the **Insurer**.

A post office certificate of mailing or certified mail receipt will be sufficient proof of mailing of notice.

Nonrenewal

If the **Insurer** decides not to renew this policy, the **Insurer** will mail written notice of nonrenewal to the **Named Insured** at least forty-five (45) days before the:

- 1) expiration date of the policy, or
- 2) anniversary date of this policy, if the policy was written with a term of more than one year.

Nonrenewal provisions do not apply in the following circumstances:

- 1) the **Insurer** indicates a willingness to renew,
- 2) in case of nonpayment of premium
- 3) the **Insured** does not pay any advanced premium required for renewal,

Notice of nonrenewal will include a statement specifying the reason for nonrenewal. The **Insurer** will mail notice of nonrenewal by first class mail to the **Named Insured's** address shown on the declarations.



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Notice of nonrenewal will also be mailed to any mortgage holder, pledgee, or other person shown in this policy with an interest in any loss which may occur thereunder, at their last mailing address known to the **Insurer**.

A post office certificate of mailing or certified mail receipt will be sufficient proof of mailing of notice.

Unearned Premium Refund and Cancellation Fees

If the **Insurer** cancels this policy, the **Insurer** will return any premium refund due, the unearned premium will be calculated on a pro-rata basis. If the **Named Insured** cancels, the refund may be less than pro-rata. The cancellation will be effective even if we have not made or offered a premium refund.

Controlling Terms

If any provision of the policy contains cancellation or nonrenewal terms that are more favorable to the **Insured** than those provided in this endorsement, then, except where prohibited by applicable state law, the more favorable terms control.

All other terms and conditions remain unchanged.

Endorsement Number	Effective Date of Endorsement	Policy Number	Premium
4	05/05/2026	CED-P001-2508028925-00	N/A

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CONTINGENT BODILY INJURY AND PROPERTY DAMAGE ENDORSEMENT

Contingent Bodily Injury and Property Damage Limit and Retention Schedule		
Claims Made Coverage	Sublimit of Insurance	Retention
Network Security and Privacy Contingent Bodily Injury and Property Damage Sublimit of Insurance	\$250,000 Aggregate	\$5,000 Each event

In consideration of the premium charged for this policy, it is hereby understood and agreed that the following changes are made:

Network Security and Privacy Liability is amended to include **Contingent Bodily Injury and Property Damage** subject to the Sublimit of Insurance and Retention shown in the above schedule, which sublimit is a part of and not in addition to the Network Security and Privacy Liability Limit of Insurance.

I. Section IV, Exclusions, is amended by adding the following:

- Bodily Injury

Solely with respect to Network Security and Privacy Liability coverage, this exclusion shall not apply to any **Claim** for **Contingent Bodily Injury and Property Damage**.

- Property Damage

Solely with respect to Network Security and Privacy Liability coverage, this exclusion shall not apply to any **Claim** for **Contingent Bodily Injury and Property Damage**.

II. The following definition is added:

Contingent Bodily Injury and Property Damage means:

- 1) Bodily Injury; or
- 2) Property Damage;

not directly caused by, or not directly resulting from, an otherwise covered **Security Event**.

III. Solely with respect to the coverage afforded by this endorsement, the following is added to section VIII, General Conditions, Other Insurance:

As a condition precedent to this coverage:

- 1) The **Insured** must maintain a valid and collectible Commercial General Liability Insurance policy, effective throughout the **Policy Period** of this policy; and



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2) The coverage provided under this endorsement shall only apply to the extent no similar coverage is provided under any other insurance policy available to the **Insured** or, if applicable, any **Additional Insureds** for whom coverage under this policy may apply.

All other terms, conditions, and exclusions of the policy shall remain unchanged.



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5	05/05/2026	CED-P001-2508028925-00	N/A

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CONTINGENT BUSINESS INTERRUPTION FOR NON-IT PROVIDERS

Contingent Business Interruption NON-IT Limit and Retention Schedule		
First Party Coverage	Sublimit of Insurance	Retention
Contingent Business Interruption Non-IT Providers	\$1,000,000 Aggregate	\$5,000 Each event

Information in the above schedule may also appear in the Declarations.

In consideration of the premium charged for this policy, subject to the Sublimit of Insurance and Retention in the above Contingent Business Interruption Non-IT Providers Limits and Retention Schedule, it is hereby understood and agreed that:

Section III, Definitions, is amended as follows:

The definition of **Outsourced Service Provider** is deleted in its entirety and replaced with the following:

Outsourced Service Provider means a third party that provides:

- 1) information technology services, including hosting, management, co-location, or maintenance services to the **Insured Entity** pursuant to a written agreement; or
- 2) Non-IT goods or services upon which the **Insured Entity** is dependent to perform its business pursuant to a written agreement.

All other terms, conditions, and exclusions of the policy shall remain unchanged.

Endorsement Number	Effective Date of Endorsement	Policy Number	Premium
6	05/05/2026	CED-P001-2508028925-00	N/A

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Converge Cyber Enhancement Endorsement

In consideration of the premium charged, it is agreed and understood that the following changes are made to the policy.

1) The Declarations page, the First Party Coverages section is amended to include the following:

a. Incident Response is amended to include the following sublimit:

Coverage	Limit Of Insurance	Retention
Cryptojacking Sublimit	\$1,000,000 Aggregate	\$5,000 Each Event

b. Cyber Crime section, the Cryptojacking Sublimit is deleted in its entirety.

2) Section III. Definition, **Cyber Crime Event**, is amended to add:

7) Specified Property

An incident arising from a **Security Event** resulting in an intentional, unauthorized and fraudulent written, electronic or telephonic instruction sent to the **Insured** directing the **Insured** to transfer, pay or deliver **Specified Property** to an unintended party by impersonating a client, customer or vendor of the **Insured**.

3) Section III. Definitions, **Cyber Crime Event**, item 5, Cryptojacking is deleted in its entirety.

4) Section III. Definitions, **Cyber Crime Loss**, item 2 is deleted in its entirety and replaced with the following:

2) with respect to subsection 4 of the definition of **Cyber Crime Event**, the costs incurred by an **Insured Entity** for telecommunication services in excess of its normal operating costs, resulting directly from a **Cyber Crime Event**.

5) Section III. Definitions, **Cyber Crime Loss** is amended to add:

4) with respect to subsection 7 of the definition of **Cyber Crime Event**, the actual cost to produce the **Specified Property**; it does not include the profit the **Insured** would have made on the sale of the **Specified Property**.

6) The definition for **Incident Response and Recovery Expenses** is amended to include the following at the end thereof:

9) for expenses resulting from an increase of the **Insured Entity's** normal and standard use of utilities, such as interest usage and utility usage, resulting from Cryptojacking.

For the purpose of this definition Cryptojacking means an unauthorized use of or hijack of an **Insured Entity's Computer System** to mine for or generate cryptocurrencies.

7) Section III. Definitions is amended to add the following :

Specified Property means:

Any tangible property, other than money or securities, which has intrinsic value. The value of the **Specified Property** shall be the amount the **Insured** incurred to produce such **Specified Property**.

8) Section IV. Exclusions, Biometrics is deleted in its entirety and replaced with the following:

BIPA Claims Expenses Sublimit of Insurance and Retention

BIPA Claims Expenses Sublimit of Insurance:	\$25,000 Aggregate
BIPA Claims Expenses Retention:	\$5,000 Each Claim

Biometrics

any violation of the Illinois Biometric Information Privacy Act (BIPA) or any similar local, state, federal, or foreign law, however the **Insurer** will pay **Claims Expenses** incurred, subject to the sublimit shown in the schedule above, which is part of and not in addition to the Policy Limit of Insurance, because of a **Claim** alleging a violation of the Illinois Biometric Information Privacy Act (BIPA) resulting from a covered **Event**.

It is further agreed that this exclusion shall not apply to a **Regulatory Action**.

9) Section IV. Exclusions, Employment Practices and Discrimination is deleted in its entirety and replaced with the following:

Americans with Disabilities Act (ADA) Claims Expenses Sublimit of Insurance and Retention

ADA Claims Expenses Sublimit of Insurance:	\$25,000 Aggregate
ADA Claims Expenses Retention:	\$5,000 Each Claim

Employment Practices and Discrimination

1) any employer-employee relations, policies, practices, acts or omissions, any actual or alleged refusal to employ any person, wrongful dismissal, discharge or termination, harassment, or retaliation; or
 2) any discrimination or harassment or violation of any law governing the prohibition of such harassment or discrimination. Provided however, the **Insurer** will pay on behalf of the **Insured**, **Claims Expenses** incurred, subject to the sublimit shown in the schedule above, which is part of and not in addition to the Policy Limit of Insurance, because of a **Claim** alleging a violation of the Americans with Disabilities Act resulting from a covered **Event**.

It is further agreed that this exclusion shall not apply to a **Privacy Event** relating to an individual's employment by an **Insured Entity**.

10) Section IV., Exclusions Unsolicited Communications and Consumer Protection, paragraph 1) is deleted in its entirety and replaced with the following:

TCPA Claims Expenses Sublimit of Insurance and Retention

TCPA Claims Expenses Sublimit of Insurance:	\$25,000 Aggregate
TCPA Claims Expenses Retention:	\$5,000 Each Claim

Unsolicited Communications and Consumer Protection

1) the CAN-SPAM Act of 2003 or the Telephone Consumer Protection Act (TCPA) of 1991 or any other similar local, state, federal, or foreign regulation or law related to unsolicited communication or distribution of email, text messages, facsimiles, telemarketing, or other electronic communication; however, the **Insurer** will cover **Claims Expenses** incurred, subject to the sublimit of insurance shown in the schedule above, which is part of and not in addition to the Policy Limit of Insurance, because of a **Claim** alleging a violation of TCPA, resulting from a covered **Event**;

11) Section VII. Defense and Settlement, Paragraph 3, is deleted in its entirety and replaced with the following:

The **Insurer** shall not settle any **Claim** without the written consent of the **Insured**. If the **Insured** refuses to consent to a settlement that is both (a) accepted by the Claimant and (b) recommended by the **Insurer**, then the **Insurer's** Limit of Liability under this policy with respect to such **Claim** shall be reduced to the amount of **Damages** for which the **Claim** could have been settled plus 80% of all subsequent covered **Damages** and **Claims Expenses** in excess of the amount of

the settlement. The remaining 20% of such covered **Damages** and **Claims Expenses** in excess of such amount shall be uninsured and carried by the **Insured**.

The **Insurer's** right and duty to defend ends when the applicable Limit of Insurance has been exhausted.

12) Section VIII. General Conditions, Automatic Extended Reporting Period, sixty (60) days is deleted and replaced with 90 days.

13) Section VIII. General Conditions, Newly Acquired or Formed Entities, is deleted in its entirety and replaced with the following:

If during the **Policy Period**, the **First Named Insured** creates or acquires **Management Control** of any entity, such entity will be deemed a **Subsidiary**, but only for **Claims** sustained or **Loss** incurred after the date of the acquisition. However, if the acquired entity's gross annual revenues exceed 30% of the **First Named Insured's** combined gross annual revenues as of the effective date of this policy, such entity will only be deemed a **Subsidiary** for 90 days from the date of acquisition, unless the **First Named Insured** provides full particulars of such entity within the 90 day period and, subject to payment of any additional premium required, the **Insurer** amends the policy by endorsement to add such entity as a **Subsidiary** under this policy.

All other terms, conditions, and exclusions of the policy shall remain unchanged.

Endorsement Number	Effective Date of Endorsement	Policy Number	Premium
7	05/05/2026	CED-P001-2508028925-00	N/A

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ CAREFULLY.

Cyber Crime Definition of Loss Amendatory

In consideration of the premium charged for this policy it is agreed that the definition of **Cyber Crime Loss**, paragraph two is deleted in its entirety and replaced with the following:

Cyber Crime Loss does not mean:

- 1) loss arising out of calculation errors;
- 2) consequential loss;
- 3) loss directly resulting from any fraudulent, criminal, or malicious act or knowing violation of the law by any employee of an **Insured Entity**; or

All other terms and conditions remain unchanged.

Endorsement Number	Effective Date of Endorsement	Policy Number	Premium
8	05/05/2026	CED-P001-2508028925-00	N/A

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Media Event Liability Endorsement

In consideration of the premium charged for this policy, subject to the Limit and Retention shown in the Declarations, it is hereby understood and agreed that:

I. Section I, Claims-Made Liability Coverage, is amended by adding the following Coverage:

- **Media Event Liability**

The **Insurer** will pay on behalf of the **Insured**, all **Claims Expenses** and **Damages**, in excess of the applicable Retention, that the **Insured** is legally obligated to pay because of a **Claim** alleging a **Media Wrongful Act**.

II. Section III, Definitions, is amended as follows:

A. The following Definitions are added:

- **Media Wrongful Act** means:

- 1) defamation, libel, slander, product disparagement, trade libel, infliction of emotional distress, or other tort related to the disparagement or harm to the reputation of any person or entity;
- 2) plagiarism, piracy, or misappropriation of ideas under an implied contract;
- 3) infringement of copyright, trademark, trade name, trade dress, title, slogan, service mark, or service name; or
- 4) improper deep linking or framing;

directly resulting from the publication of electronic **Content** by an **Insured** to the **Insured Entity's** website or social media site.

- **Content** means any communicative or informational content regardless of the nature of such content disseminated by the Insured. **Content** does not include computer software, or the actual goods, products or services described, illustrated, or displayed in such **Content**.

B. The following Definitions are amended as follows:

- Paragraph 1 of the Definition of **Claim** is replaced with the following:

Under the Network Security and Privacy coverage and Media Event Liability coverage, a written demand, civil proceeding, investigation, suit, arbitration, mediation, or other alternative dispute resolution proceeding commenced by a written notice seeking monetary damages, non-monetary, injunctive relief, or request to toll or waive the applicable statute of limitations.

- Paragraph 1 of the Definition of **Event** is replaced with the following:

For Claims-Made Liability Coverages: **Cyber Event** and **Media Wrongful Act**

III. Section IV, Exclusions, is amended as follows:

A. The following exclusions are added:

Material Content

- 1) any negligent errors, omissions, misstatements, or misrepresentations in any **Content** disseminated or published by the **Insured**.
- 2) any music activities including but not limited to music creation, music publishing, music production or recording, music composition, or music contained in any content in any form.
- 3) disputes over ownership rights of **Content** supplied by a third party, including fee disputes associated with such **Content**.

Regulatory Media

- 1) an enforcement action brought by any local, state, federal, or foreign governmental or regulatory body, including but not limited to the Federal Trade Commission or Federal Communications Commission.
- 2) an action brought by any intellectual property licensing body arising out of any violation of any local, state, federal, or foreign regulating disclosure about consumer consumption of **Content**.
- 3) an action brought by any music licensing entity, including but not limited to ASCAP, SESAC, BMI, or RIAA.

B. The following exclusions are amended as follows:

- Bodily Injury exclusion is replaced with the following:

- 1) any physical injury, sickness, disease, or death; or
- 2) mental anguish, mental injury, shock, or emotional distress.

However, this exclusion shall not apply to mental anguish, mental injury, shock, or emotional distress resulting from a **Cyber Event** or **Media Wrongful Act**.

- Paragraph 2) of the Patent/Intellectual Property/Misappropriation exclusion is replaced with the following:

- 2) the infringement of copyright, including copyright for software, trademark, trade dress, trade secret by an Insured, however this paragraph 2 does not apply to copyright, trademark, trade name, trade dress, title, slogan, service mark, or service name infringement of **Content** in a **Media Wrongful Act**.

- Paragraph 3) of the Patent/Intellectual Property/Misappropriation exclusion is replaced with the following:

- 3) public disclosure of private facts, instruction, eavesdropping or misappropriation of names or likeness, however paragraph 3 does not apply to the misappropriation of names or likeness of **Content** in a **Media Wrongful Act**.

All other terms, conditions, and exclusions of the policy shall remain unchanged.



Endorsement Number	Effective Date of Endorsement	Policy Number	Premium
9	05/05/2026	CED-P001-2508028925-00	N/A

Quota Share Endorsement for Primary Cyber

In consideration of the premium charged for this policy, it is agreed that the following changes are made:

1. This policy is issued on a quota share basis. Each **Insurer** listed below will be responsible for the corresponding percentage of the Limits of Liability as specified in the Declarations.

Quota Share Percentages of each **Insurer**.

Insurer	Policy Number	Quota Share Percentage	Quota Share Limit
QBE Specialty Insurance Company	CED-P001-2508028925-00	50 %	\$500,000 Aggregate
Certain Underwriters at Lloyd's led by Lloyd's Syndicate 510	CED-P001-2508028925-00	50 %	\$500,000 Aggregate

2. Each quota share **Insurer's** liabilities to you under this policy are several and not joint and are limited solely to the extent of their individual quota share percentages. The quota share **Insurers** are not responsible for the obligations of any other quota share **Insurer**, who regardless of reason does not satisfy all or part of its obligation. None of the quota share **Insurers** has a duty to pay before any of the other quota share **Insurers**.

Claims Expenses are part of and not in addition to the Limits of Liability as listed on the Declarations.

Provided that:

- The collective liability of the **Insurers** shall not exceed the Policy Limit of Liability as specified in the Declarations.
- The Limit of Liability of each of the **Insurers** individually shall be limited to the pro rata percentage of liability set as specified in item 1. above.

All other terms and conditions of this policy remain unchanged.

Endorsement Number	Effective Date of Endorsement	Policy Number	Premium
10	05/05/2026	CED-P001-2508028925-00	N/A

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SERVICE OF PROCESS ENDORSEMENT

When a cause of action arises in any of the states listed below, service of process applies as shown below for that state. As used in this endorsement, "the Company" shall mean QBE Specialty Insurance Company.

ALABAMA Service of Process Clause

The Company hereby designates the Commissioner of Insurance of the State of Alabama as its true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the insured or any beneficiary hereunder arising out of this contract of insurance. The Company further designates CT Corporation System, 2 North Jackson Street, Suite 605, Montgomery, AL 36104 as the person to whom the Commissioner shall mail process.

ALASKA Service of Process Clause

Upon any cause of action arising in Alaska under this contract, the Company may be sued. The Company appoints the Director of Insurance for the State of Alaska as its attorney for acceptance of service of all legal process issued in this state in any action or proceeding arising out of this policy. Service of process upon the Director, or his successors in office, shall be lawful service upon the Company. The Company further designates CT Corporation System, 8585 Old Dairy Road, Suite 208, Juneau, AK 99801 as the person to whom the Director is authorized to mail such process or a true copy thereof.

ARIZONA Service of Process Clause

Upon any cause of action arising in Arizona under this contract, the Company may be sued in the circuit court of the county in which the cause of action arose. Service of process against the Company may be made in such action by service upon the Director of Insurance of the State of Arizona by the clerk of the court in which the action is brought. The Company further designates CT Corporation System, 3800 North Central Avenue, Suite 460, Phoenix, AZ 85012, as the person to whom the Director shall mail process.

ARKANSAS Service of Process Clause

Upon any cause of action arising in Arkansas under this contract, the Company may be sued in the court of the county in which the cause of action arose. Service of process against the Company may be made in such action by service upon the Commissioner of Insurance of the State of Arkansas and his successors in office by the clerk of the court in which the action is brought. The Company further designates CT Corporation System, 320 S. Izard Street, Little Rock, AR 72201-2114 as the person to whom the Commissioner shall mail process.

CALIFORNIA Service of Suit Clause

The Company hereby designates CT Corporation System, 330 North Brand Boulevard, Glendale, California 91203-2336 as its true and lawful attorney in and for the State of California, upon whom all lawful process may be served in any action, suit or proceeding instituted in California by or on behalf of any insured or beneficiary against the Company arising out of this insurance policy, provided a copy of any process, suit, complaint or summons is sent by certified or registered mail to: Mohamed Dansoko c/o C T Corporation System, 28 Liberty Street, New York, NY 10005.

COLORADO Service of Process Clause

Upon any cause of action under this policy, the Company may be sued in the district court of the county in which the cause of action arose. Service of process against the Company may be made in such action by service upon the Commissioner of Insurance for the State of Colorado. The Company further designates CT Corporation System, 7700 East Arapahoe Road, Suite 220, Centennial, CO 80112 as the person to whom the Commissioner shall mail process or a true copy thereof.

CONNECTICUT Service of Process Clause

Upon any cause of action under this policy, the Company may be sued in the district court of the county in which the cause of action arose. The Company appoints the Commissioner of Insurance for the State of Connecticut as its attorney for acceptance of service of all legal process issued in this state in any action or proceeding arising out of this policy. Service of process upon the Commissioner shall be lawful service upon the Company. The Company further designates CT Corporation System, 357 East Center Street, Suite 2J, Manchester, CT 06040-4471 as the person to whom the Commissioner is authorized to mail such process or a true copy thereof.

DELAWARE Service of Process Clause

The Company hereby designates the Commissioner of Insurance of the State of Delaware as its true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the insured or any beneficiary arising out of this contract of insurance. The Company further designates Delaware Department of Insurance, 1351 West North Street, Suite 101, Dover, DE 19904 as the person to whom the Commissioner shall mail process.

DISTRICT OF COLUMBIA Service of Process Clause

The Company hereby designates the Commissioner of Insurance of the District of Columbia as its true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the insured or any beneficiary arising out of this contract of insurance. The Company further designates CT Corporation System, 1015 15th Street, NW, Suite 1000, Washington, DC 20005 as the person to whom the Commissioner shall mail process.

FLORIDA Service of Process Clause

The Company hereby designates the Chief Financial Officer of the Department of Financial Services as its agent upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the insured or any beneficiary hereunder arising out of this contract of insurance. The Company further designates CT Corporation System, 1200 South Pine Island Road, Plantation, FL 33324 as the person to whom the Chief Financial Officer shall mail process.

GEORGIA Service of Process

Upon any cause of action under this policy, the Company may be sued in the superior court of the county in which the cause of action arose. The Company appoints the Georgia Commissioner of Insurance as its attorney for acceptance of service of all legal process issued in this state in any action or proceeding arising out of this policy. Service of process upon the Commissioner shall be lawful service upon the Company. The Company further designates CT Corporation System, 289 South Culver Street, Lawrenceville, GA 30046 as the person to whom the Commissioner is authorized to mail such process or a true copy thereof.

HAWAII Service of Process Clause

Upon any cause of action under this policy, the Company may be sued in the district court of the county in which the cause of action arose. The Company appoints the Commissioner of Insurance for the State of Hawaii as its attorney for acceptance of service of all legal process issued in this state in any action or proceeding arising out of this policy. Service of process upon the Commissioner shall be lawful service upon the Company. The Company further designates CT Corporation System, 900 Fort Street Mall, Suite 1680, Honolulu, HI 96813 as the person to whom the Commissioner is authorized to mail such process or a true copy thereof.

IDAHO Service of Process Clause

Upon any cause of action arising in Idaho under this contract, the Company may be sued in the district court of the county in which the cause of action arose. Service of process against the Company may be made in such action by service upon the Director of the Department of Insurance of the State of Idaho. The Company further designates CT Corporation System, 10020 W. Fairview Avenue, Suite 104, Boise, ID 83704-8570 as the person to whom the Director shall mail process.

ILLINOIS Service of Process Clause

The Company hereby designates the Director of the Illinois Department of Insurance and his successor or successors in office as its true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the insured or any beneficiary hereunder arising out of this contract of insurance. The Company further designates CT Corporation System, 208 South LaSalle Street, Suite 814, Chicago, IL 60604 as the person to whom the Director shall mail process.

**INDIANA Service of Process Clause**

Upon any cause of action arising in Indiana under this contract, the Company may be sued in the court of the county in which the cause of action arose. Service of process against the Company may be made in such action by service upon the Commissioner of Insurance of the State of Indiana by the clerk of the court in which the action is brought. The Company further designates CT Corporation System, 334 North Senate Avenue, Indianapolis, IN 46204-1708 as the person to whom the Commissioner shall mail process.

IOWA Service of Process Clause

The Company hereby designates the Commissioner of Insurance of the State of Iowa as its true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the insured or any beneficiary arising out of this contract of insurance. The Company further designates CT Corporation System, 400 East Court Avenue, Suite 110, Des Moines, Iowa 50309 as the person to whom the Commissioner shall mail process.

KANSAS Service of Process Clause

Upon any cause of action arising in Kansas under this policy, the Company may be sued in the court of the county in which the cause of action arose. Service of process against the Company may be made in such action by service upon the Commissioner of Insurance of the State of Kansas and his successor or successors in office. The Company further designates The Corporation Company, Inc., 112 S.W. Seventh Street, Suite 3C, Topeka, KS 66603 as the person to whom the Commissioner shall mail process.

KENTUCKY Service of Process Clause

Upon any cause of action arising in Kentucky under this contract, the Company may be sued in the circuit court of the county in which the cause of action arose. Service of process against the Company may be made in such action by service upon the Kentucky Secretary of State by the clerk of the court in which the action is brought. The Company further designates CT Corporation System, 306 West Main Street, Suite 512, Frankfort, KY 40601 as the person to whom the Secretary of State shall mail process.

LOUISIANA Service of Process Clause

Upon any cause of action arising in Louisiana under this contract, the Company may be sued in the district court of the parish in which the cause of action arose. Service of process against the Company may be made in such action by service upon the Louisiana Secretary of State. The Company further designates CT Corporation System, 3867 Plaza Tower Drive, Baton Rouge, LA 70816 as the person to whom the Secretary of State shall mail process.

MAINE Service of Process Clause

Upon any cause of action arising in this State under this policy, the Company may be sued in the Superior Court. Service of legal process against the Company may be made in any such action by service of two copies upon the designated agent. The Company further designates CT Corporation System, 3 Chase Avenue, Augusta, ME 04330 as the agent.

MARYLAND Service of Process Clause

Upon any cause of action arising in Maryland under this contract, the Company may be sued in the court of the county in which the cause of action arose. Service of process against the Company may be made in such action by service upon the Insurance Commissioner of the State of Maryland by the clerk of the court in which the action is brought. The Company further designates The Corporation Trust Incorporated, 2405 York Road, Suite 201, Lutherville Timonium, MD 21093 as the person to whom the Commissioner shall mail process.

MASSACHUSETTS Service of Process Clause

The Company hereby designates the Commissioner of Insurance of the State of Massachusetts as its true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the insured or any beneficiary arising out of this contract of insurance. The Company further designates CT Corporation System, 155 Federal Street, Suite 700, Boston, MA 02110 as the person to whom the Commissioner shall mail process.

MICHIGAN Service of Process Clause



Upon any cause of action arising in Michigan under this contract, the Company may be sued in the court of the county in which the cause of action arose. Service of process against the Company may be made in such action by service upon the Director of Insurance, c/o Resident Agent, of the State of Michigan by the clerk of the court in which the action is brought. The Company further designates The Corporation Company, 40600 Ann Arbor Road East, Suite 201, Plymouth, MI 48170 as the person to whom the Commissioner shall mail process.

MINNESOTA Service of Process Clause

Upon any cause of action arising in Minnesota under this contract, the Company may be sued in the court of the county in which the cause of action arose. Service of process against the Company may be made in such action by service upon the Commissioner of Commerce of the State of Minnesota by the clerk of the court in which the action is brought. The Company further designates CT Corporation System, Inc., 1010 Dale Street North, Saint Paul, MN 55117 as the person to whom the Commissioner shall mail process.

MISSISSIPPI Service of Process Clause

The Company hereby designates the Commissioner of Insurance of the State of Mississippi as its true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the insured or any beneficiary arising out of this contract of insurance. The Company further designates CT Corporation System, 8927 Lorraine Road, Suite 204-A, Gulfport, MS 39503 as the person to whom the Commissioner shall mail process.

MISSOURI Service of Process Clause

Upon any cause of action arising in Missouri under this contract, the Company may be sued in the court of the county in which the cause of action arose. Service of process against the Company may be made in such action by service upon the Director of Insurance of the State of Missouri and his successors in office by the clerk of the court in which the action is brought. The Company further designates CT Corporation System, 5661 Telegraph Road, Suite 4B, St. Louis, MO 63129-4275 as the person to whom the Director shall mail process.

MONTANA Service of Process Clause

Upon any cause of action under this policy, the Company may be sued in the district court of the county in which the cause of action arose. The Company appoints the Commissioner of Insurance of the State of Montana as its attorney for acceptance of the service of all legal process issued in this state in any action or proceeding arising out of this policy. Service of process upon the Commissioner shall be lawful service upon the Company. The Company further designates CT Corporation System, 3011 American Way, Missoula, MT 59808 as the person to whom the Commissioner is authorized to mail such process or a true copy thereof.

NEBRASKA Service of Process Clause

Upon any cause of action arising in Nebraska under this policy, the Company may be sued in the court of the county in which the cause of action arose. Service of process against the Company may be made in such action by service upon the Director of Insurance of the State of Nebraska. The Company further designates CT Corporation System, 5601 South 59th Street, Suite C, Lincoln, NE 68516 as the person to whom the Director shall mail process.

NEVADA Service of Process Clause

Upon any cause of action arising in Nevada under this contract, the Company may be sued in a district court of Nevada. Service of process against the Company may be made in such action by service upon the Commissioner of Insurance of the State of Nevada or the Commissioner's authorized representative. The Company further designates The Corporation Trust Company of Nevada, 701 South Carson Street, Suite 200, Carson City, NV 89701 as the person to whom the Commissioner shall mail process.

NEW HAMPSHIRE Service of Process Clause

Upon any cause of action arising in New Hampshire under this contract, the Company may be sued in the court of the county in which the cause of action arose. Service of process against the Company may be made in such action by service upon the Commissioner of Insurance of the State of New Hampshire by the clerk of the court in which the action is brought. The Company further designates CT Corporation System, 2½ Beacon Street, Concord, NH 03301-4447 as the person to whom the Commissioner shall mail process.

NEW JERSEY Service of Process Clause

The Company hereby designates the Commissioner of Insurance of the State of New Jersey as its true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the insured or any beneficiary arising out of this contract of insurance. The Company further designates CT Corporation System, 820 Bear Tavern Road, West Trenton, NJ 08628 as the person to whom the Commissioner shall mail process.

NEW MEXICO Service of Process Clause

Upon any cause of action arising in New Mexico under this contract, the Company may be sued in the district court of the county in which the cause of action arose. Service of process against the Company may be made in such action by service upon the Superintendent of Insurance of the State of New Mexico by the clerk of the court in which the action is brought. The Company further designates CT Corporation System, 206 South Coronado Avenue, Espanola, NM 87532 as the person to whom the Superintendent shall mail process.

NEW YORK Service of Process Clause

The Company hereby designates the Superintendent of Financial Services of the State of New York, and his successors in office, as its true and lawful attorney upon whom all lawful process may be served in any action, suit, or proceeding instituted in this State by or on behalf of the insured or any beneficiary against the Company arising out of this policy of insurance. The Company further designates Mohamed Dansoko c/o C T Corporation System, 28 Liberty Street, New York, NY 10005 as the person to whom the Superintendent shall mail process.

NORTH CAROLINA Service of Process Clause

The Company hereby designates the Commissioner of Insurance of the State of North Carolina, and his successor(s) in office, as its true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the insured or any beneficiary arising out of this contract of insurance. The Company further designates CT Corporation System, 160 Mine Lake Court, Suite 200, Raleigh, NC 27615 as the person to whom the Commissioner shall mail process.

NORTH DAKOTA Service of Process Clause

The Company hereby designates the Commissioner of Insurance of the State of North Dakota as its true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the insured or any beneficiary arising out of this contract of insurance. The Company further designates CT Corporation System, 120 West Sweet Avenue, Bismarck, ND 58504 as the person to whom the Commissioner shall mail process.

OHIO Service of Process Clause

Upon any cause of action arising in Ohio under this contract, the Company may be sued in the court of the county in which the cause of action arose. Service of process against the Company may be made in such action by service upon the Superintendent of Insurance of the State of Ohio by the clerk of the court in which the action is brought. The Company further designates CT Corporation System, 4400 Easton Commons Way, Suite 125, Columbus, OH 43219 as the person to whom the Superintendent shall mail process.

OKLAHOMA Service of Process Clause

Upon any cause of action arising in Oklahoma under this contract, the Company may be sued in the court of the county in which the cause of action arose. Service of process against the Company may be made in such action by service upon the Commissioner of Insurance of the State of Oklahoma by the clerk of the court in which the action is brought. The Company further designates CT Corporation System, 1833 South Morgan Road, Oklahoma City, OK 73128 as the person to whom the Commissioner shall mail process.

OREGON Service of Process Clause

Upon any cause of action arising in Oregon under this contract, the Company may be sued in the circuit court of the county in which the cause of action arose. The Company further designates CT Corporation System, 780 Commercial Street SE, Suite 100, Salem, OR 97301 as the person to whom the process shall be mailed.

PENNSYLVANIA Service of Process Clause

Upon any cause of action arising in Pennsylvania under this contract, the Company may be sued in the court of the county in which the cause of action arose. The Company hereby designates the Commissioner of Insurance of the Commonwealth of Pennsylvania as its true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the insured or any beneficiary arising out of this contract of insurance. Service of process shall be made pursuant to the procedures provided by 42 Pa.C.S. Ch. 53 Subch. B (relating to interstate and international procedure). The Company further designates CT Corporation System, 600 North 2nd Street, Suite 401, Harrisburg, PA 17101 as the person to whom the Commissioner shall mail process.

RHODE ISLAND Service of Process Clause

Upon any cause of action arising in Rhode Island under this policy, the Company may be sued in the court of the county in which the cause of action arose. Service of process against the Company may be made in such action by service upon the Commissioner of Insurance of the State of Rhode Island by the clerk of the court in which the action is brought. The Company further designates CT Corporation System, 450 Veterans Memorial Parkway, Suite 7A, East Providence, RI 02914 as the person to whom the Commissioner shall mail process.

SOUTH CAROLINA Service of Process Clause

The Company hereby designates the Director of Insurance of the State of South Carolina as its true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the insured or any beneficiary arising out of this contract of insurance. The Company further designates CT Corporation System, 2 Office Park Court, Suite 103, Columbia, SC 29223 as the person to whom the Director shall mail process.

SOUTH DAKOTA Service of Process Clause

Any cause of action against the Company arising in South Dakota under this policy shall be brought in the circuit court for the county in which the cause of action arose. Service of legal process against the Company may be made in any such action by service upon the Director of Insurance of the State of South Dakota and his successors in office. The Company further designates CT Corporation System, 319 South Coteau Street, Pierre, SD 57501 as the person to whom the Director shall mail a copy of the process.

TENNESSEE Service of Process Clause

The Company hereby designates the Commissioner of Commerce and Insurance of the State of Tennessee as its true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the insured or any beneficiary arising out of this contract of insurance. The Company further designates CT Corporation System, 300 Montvue Road, Knoxville, TN 37919 as the person to whom the Commissioner shall mail process.

TEXAS Service of Process Clause

The Company hereby designates the Commissioner of Insurance of the State of Texas as its true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the insured or any beneficiary hereunder arising out of this contract of insurance. The Company further designates CT Corporation System, 1999 Bryan Street, Suite 900, Dallas, TX 75201 as the person to whom the Commissioner shall mail process.

UTAH Service of Process Clause

The Company hereby designates the Commissioner of Insurance of the State of Utah as its agent upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the insured or any beneficiary hereunder arising out of this contract of insurance. The Company further designates CT Corporation System, 1108 East South Union Avenue, Midvale, UT 84047 as the person to whom the Commissioner shall mail process.

VERMONT Service of Process Clause

The Company hereby designates the Secretary of State of Vermont as its true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the insured or any beneficiary arising out of this contract of insurance. The Company further designates CT Corporation System, 95B Main Street, Jeffersonville, VT 05464 as the person to whom the Secretary of State shall mail process.

VIRGINIA Service of Process Clause

The Company hereby designates the Clerk of the Virginia State Corporation Commission as its true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the insured or any beneficiary hereunder arising out of this contract of insurance. The Company further designates CT Corporation System, 4701 Cox Road, Suite 285, Glen Allen, VA 23060 as the person to whom the Clerk of the Commission shall mail process.

WASHINGTON Service of Process Clause

Upon any cause of action arising in Washington under this contract, the Company may be sued in the court of the county in which the cause of action arose. Service of process against the Company may be made in such action by service upon the Commissioner of Insurance of the State of Washington by the clerk of the court in which the action is brought. The Company further designates CT Corporation System, 711 Capitol Way South, Suite 204, Olympia, WA 98501 as the person to whom the Commissioner shall mail process.

WEST VIRGINIA Service of Process Clause

Upon any cause of action arising in West Virginia under this policy, the Company may be sued in the court of the county in which the cause of action arose. Service of process against the Company may be made in such action by service upon the Secretary of State of West Virginia by the clerk of the court in which the action is brought. The Company further designates CT Corporation System, 5098 Washington Street W, Suite 407, Charleston, WV 25313 as the person to whom the Secretary of State shall mail process.

WISCONSIN Service of Process Clause

Upon any cause of action arising in Wisconsin under this policy the Company may be sued in the court of the county in which the cause of action arose. Service of process against the Company may be made in such action by service upon the Commissioner of Insurance of the State of Wisconsin. The Company further designates CT Corporation System, 301 South Bedford Street, Suite 1, Madison, WI 53703 as the person to whom the Commissioner shall mail process.

WYOMING Service of Process Clause

Upon any cause of action under this policy, the Company may be sued in the district court of the county in which the cause of action arose. The Company appoints the Commissioner of Insurance of the State of Wyoming as its attorney for acceptance of the service of all legal process issued in this state in any action or proceeding arising out of this policy. Service of process upon the Commissioner shall be lawful service upon the Company. The Company further designates CT Corporation System, 2232 Dell Range Blvd, Suite 200, Cheyenne, WY 82009 as the person to whom the Commissioner is authorized to mail such process or a true copy thereof.

All other terms and conditions of this policy remain unchanged.

Endorsement Number	Effective Date of Endorsement	Policy Number	Premium
11	05/05/2026	CED-P001-2508028925-00	N/A

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SERVICE OF SUIT CLAUSE (U.S.A.)

It is agreed that in the event of the failure of the Underwriters hereon to pay any amount claimed to be due hereunder, the Underwriters hereon, at the request of the (Re)Insured, will submit to the jurisdiction of a Court of competent jurisdiction within the United States. Nothing in this Clause constitutes or should be understood to constitute a waiver of Underwriters' rights to commence an action in any Court of competent jurisdiction in the United States, to remove an action to a United States District Court, or to seek a transfer of a case to another Court as permitted by the laws of the United States or of any State in the United States.

It is further agreed that service of process in such suit may be made upon Lloyd's Underwriters through the party as set out below:

Lloyd's America, Inc.

Attention: Legal Department

280 Park Avenue, East Tower, 25th Floor

New York, NY 10017

In respect of non-Lloyd's Underwriters, it is agreed that service of process in such suit may be made upon:

165 Broadway, 23rd Floor

New York, NY 10006

The above-named are authorized and directed to accept service of process on behalf of Lloyd's Underwriters and non-Lloyd's Underwriters respectively in any such suit and Underwriters will abide by the final decision of such Court in respect of that suit, or of any Appellate Court in the event of an appeal.

Further, pursuant to any statute of any state, territory or district of the United States which makes provision therefor, Underwriters hereon hereby designate the Superintendent, Commissioner or Director of Insurance or other officer specified for that purpose in the statute, or their successor or successors in office, as their true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the (Re)insured or any beneficiary hereunder arising out of this (re)insurance, and hereby designate the above-named as the person to whom the said officer is authorized to mail such process or a true copy thereof.

This Service of Suit Clause will not be read to conflict with or override the obligations of the parties to arbitrate their disputes, if applicable, as provided for in any arbitration provision within this (re)insurance. Where there is an arbitration provision within this (re)insurance, the provisions of this Clause shall operate as an aid to compelling or enforcing such arbitration or arbitral award only and not as an alternative to any arbitration provision for resolving disputes arising out of this (re)insurance.

Reference LMA5020B07042025

Endorsement Number	Effective Date of Endorsement	Policy Number	Premium
12	05/05/2026	CED-P001-2508028925-00	N/A

State Fraud Statement - Washington

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.



Endorsement Number	Effective Date of Endorsement	Policy Number	Premium
13	05/05/2026	CED-P001-2508028925-00	N/A

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

CONVERGE ELEMENTS CYBER INSURANCE POLICY

A. If aggregate insured losses attributable to terrorist acts certified under the federal Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

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

B. The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any "loss" that is otherwise excluded under this Policy.

Endorsement Number	Effective Date of Endorsement	Policy Number	Premium
14	05/05/2026	CED-P001-2508028925-00	N/A

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WAR EXCLUSION AMENDATORY

In consideration of the premium charged, it is agreed that the following change is made to the policy.

- In section IV, Exclusions, the War exclusion is deleted in its entirety and replaced with the following:

War and Cyber Operations

Any **Claim** or **Loss** based upon, arising out of or attributable to:

- 1) **War**,
- 2) a **Cyber Operation** that is carried out as part of a **War**; or
- 3) a **Cyber Operation** that causes a **State** to become an **Impacted State**.

Provided, however, paragraph 3 does not apply to a **Cyber Operation** on a **Computer System** used by an **Insured Entity** or **Outsourced Service Provider** that is not physically located in an **Impacted State** but is affected by a **Cyber Operation**.

Notwithstanding the **Insurer's** burden of proof, which shall remain unchanged by this clause, in determining attribution of a **cyber operation** to a **state**, the **Insured** and **Insurer** will consider such objectively reasonable evidence that is available to them. This may include formal or official attribution by the government of the state in which the **computer system** affected by the **cyber operation** is physically located to another **state** or those acting at its direction or under its control.

- Section III, Definitions, is amended to include the following changes:

The following definitions are added:

Cyber Operation means the use of a **Computer System** by, at the direction of, or under the control of a **State** to:

- 1) disrupt, deny access to, or degrade the functionality of a **Computer System**, and/or
- 2) copy, remove, manipulate, deny access to, or destroy information in a **Computer System**.

Essential Service means a service that is essential for the maintenance of vital functions of a **State** including, but not limited to, financial institutions and associated financial market infrastructure, health services, or utility services.

Impacted State means any **State** where a **Cyber Operation** has had a major detrimental impact on:

- 1) the functioning of that **State** due to disruption to the availability, integrity or delivery of an **Essential Service** in that **State**; or
- 2) the security or defense of that **State**.

Provided, however, an **Impacted State** does not result from an attack, or related series of attacks, solely impacting the **Insured Entity**.

State means sovereign state.



War means armed conflict involving physical force, whether war is declared or not:

- 1) by a **State** against another **State**; or
- 2) as part of a civil war, rebellion, revolution, insurrection, military action or usurpation of power.

All other terms and conditions of this policy remain unchanged.



ConvergeElements™ Cyber Insurance Policy

Endorsement Number	Effective Date of Endorsement	Policy Number	Premium
15	05/05/2026	CED-P001-2508028925-00	N/A

This endorsement changes the policy, please read carefully.

Schedule of Additional Insured Endorsement

In consideration of the premium charged it is hereby agreed that the definition of **Additional Insured** is amended to include the following, but only as respects to vicarious liability of the **Insured Entity**.

Lake Whatcom Center Foundation

City of Bellingham
210 Lottie Street
Bellingham, WA 98225

Whatcom County
509 Girard St
Bellingham, WA 98225

Washington State Department of Commerce
1011 Plum St. SE
Olympia, WA 98504

All other terms and conditions of this policy remain unchanged.



Mental Health Risk Retention Group

ENDORSEMENT
NO. 8

ATTACHED TO AND FORMING A PART OF POLICY NUMBER	ENDORSEMENT EFFECTIVE DATE (12:01 A.M. STANDARD TIME)	NAMED INSURED	AGENT NO.
COP0002284	05/15/2026	Lake Whatcom Residential & Treatment Center	Negley Associates

COMMERCIAL GENERAL LIABILITY COVERAGE PART:

The following forms are added to the Policy for the building under construction listed below:

- CCL-GLS-100s(6-13) EXCLUSION-CONTRACTORS AND SUBCONTRACTORS
- CCL-GLS-278s (1-06) - INJURY TO WORKER EXCLUSION
- CG 21 49 09 99 - TOTAL POLLUTION EXCLUSIN ENDORSEMENT

1436 Lincoln Street
Bellingham, WA 98229

Form CG 2100 07 98 - EXCLUSION - ALL HAZARDS IN CONNECTION WITH DESIGNATED PREMISES, is hereby added to the Policy, per attached:


Mental Health Risk Retention Group
**ENDORSEMENT
NO.** _____

ATTACHED TO AND FORMING A PART OF POLICY NUMBER	ENDORSEMENT EFFECTIVE DATE (12:01 A.M. STANDARD TIME)	NAMED INSURED	AGENT NO.
COP0002284	05/15/2026	Lake Whatcom Residential & Treatment Center	Negley Associates

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION—CONTRACTORS AND SUBCONTRACTORS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

The following exclusion is added to **SECTION I—COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY** and **COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY**, paragraph **2. Exclusions**:

This insurance does not apply to "bodily injury," "property damage," or "personal or advertising injury" arising out of or caused by, in whole or in part:

- a. Operations performed for or on behalf of any insured by any contractors or subcontractors;
- b. Acts or omissions of any contractor or subcontractor in connection with **a.** above; or
- c. The negligent:
 - (1) Hiring;
 - (2) Investigation;
 - (3) Supervision;
 - (4) Training; or
 - (5) Retention

of any contractor or subcontractor for whom any insured is or ever was legally responsible and whose operations, acts or omissions would be excluded by **a.** or **b.** above.

This exclusion applies to all sums you become legally obligated to pay that arise out of any claims or "suits" by any person or organization for "bodily injury," "property damage," or "personal or advertising injury" and/or any obligation to share damages with or repay someone else who must pay damages because of the "bodily injury," "property damage," or "personal or advertising injury."

We will have no duty to settle any claim or defend any "suit" against the insured arising out of or in any way related to **a.** **b.** or **c.** above.



Mental Health Risk Retention Group

**ENDORSEMENT
NO.**

ATTACHED TO AND FORMING A PART OF POLICY NUMBER	ENDORSEMENT EFFECTIVE DATE (12:01 A.M. STANDARD TIME)	NAMED INSURED	AGENT NO.
COP0002284	05/15/2026	Lake Whatcom Residential & Treatment Center	Negley Associates

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

INJURY TO WORKER EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

With respect to this endorsement, paragraph **e. Employer's Liability** of subsection **2. Exclusions** of **SECTION I—COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY** is replaced by:

e. Employer's Liability

"Bodily injury" to:

- (1) An "employee" of the insured arising out of and in the course of:
 - (a) Employment by the insured; or
 - (b) Performing duties related to the conduct of the insured's business; or
- (2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph (1) above.

This exclusion applies:

- (1) Whether the insured may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

The following is added to **SECTION I—COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, subsection **2. Exclusions** of the policy.

This insurance does not apply to:

1. "Bodily injury" to:

- a. An "employee," "leased worker," "temporary worker" or "volunteer worker" of any insured
- b. Any contractor, subcontractor, sub-subcontractor or anyone hired or retained by or for any insured; or
- c. Any employee or anyone directly or indirectly employed by such contractor, subcontractor or sub-subcontractor or anyone for whose acts such contractor, subcontractor or sub-subcontractor may be liable

if such "bodily injury" arises out of and in the course of their employment or retention of such contractor, subcontractor or sub-subcontractor, regardless of whether or not it is caused in part by you; or

2. Any obligation of any insured to defend, indemnify or contribute with another because of "bodily injury" to:
 - a. An "employee," "leased worker," "temporary worker" or "volunteer worker" of any insured;
 - b. Any contractor, subcontractor, sub-subcontractor or anyone hired or retained by or for any insured; or
 - c. An employee of any contractor, subcontractor or sub-subcontractor; or
3. "Bodily injury" to the spouse, child, parent, brother or sister of that employee of any contractor, subcontractor or sub-subcontractor or that "employee," "leased worker," "temporary

worker" or "volunteer worker" of any insured as a consequence of items 1. or 2. above.

This applies to all claims and "suits" by any person or organization for damages, indemnity and/or any obligation to share damages with or repay someone else who must pay damages because of the injury.

The following is added to **SECTION I—COVERAGES, COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY**, section 2. **Exclusions** of the policy:

This insurance does not apply to:

1. "Personal or advertising injury" to:
 - a. An "employee," "leased worker," "temporary worker" or "volunteer worker" of any insured;
 - b. Any contractor, subcontractor, sub-subcontractor or anyone hired or retained by or for any insured; or
 - c. Any employee or anyone directly or indirectly employed by such contractor, subcontractor or sub-subcontractor or anyone for whose acts such contractor, subcontractor or sub-subcontractor may be liable

if such "personal or advertising injury" arises out of and in the course of their employment or retention of such contractor, subcontractor or sub-subcontractor, regardless of whether or not it is caused in part by you; or

2. Any obligation of any insured to defend, indemnify or contribute with another because of "personal and advertising injury" to:
 - a. An "employee," "leased worker," "temporary worker" or "volunteer worker" of any insured;
 - b. Any contractor, subcontractor or sub-subcontractor hired or retained by or for any insured; or
 - c. Any employee of any contractor, subcontractor or sub-subcontractor; or
3. "Personal and advertising injury" to the spouse, child, parent, brother or sister of that employee, any contractor, subcontractor, sub-subcontractor or that employee of any contractor, subcontractor or sub-subcontractor or that "employee," "leased worker," "temporary worker" or "volunteer worker" of any insured as a consequence of items 1. or 2. above.

This applies to all offenses, claims and "suits" by any person or organization for damages, indemnity and/or any obligation to share damages with or repay someone else who must pay damages because of the injury

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TOTAL POLLUTION EXCLUSION ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

Exclusion **f.** under Paragraph **2.**, **Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

This insurance does not apply to:

f. Pollution

- (1) "Bodily injury" or "property damage" which would not have occurred in whole or part but for the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time

- (2) Any loss, cost or expense arising out of any:

- (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants"; or
- (b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants"

When recorded return to:

Whatcom County
311 Grand Avenue, Suite 108
Bellingham, WA 98225

Attention: Eric Chambers

DEED OF TRUST

(For use in the State of Washington only)

THIS DEED OF TRUST, made this day of between

as GRANTOR, Lake Whatcom Center Foundation
whose address is 3600 Meridian Street, Bellingham WA 98225

and

as TRUSTEE, Whatcom Land Title Company
whose address is 2011 Young Street, Bellingham WA 98225

and

as BENEFICIARY, Whatcom County,
whose address is 311 Grand Ave. Bellingham, WA 98225

and

as BENEFICIARY, Seattle Foundation,
whose address is 1601 5th Ave #1900, Seattle WA 98101

WITNESSETH: GRANTOR hereby bargain(s), sell(s), and convey(s) to TRUSTEE in trust, with power of sale, the following described real property in Whatcom County, Washington:

PARCEL A (PID #73146)

LOTS 8 AND 9, BLOCK 24, PLAT OF YORK ADDITION TO NEW WHATCOM, RECORDED IN VOLUME 1
OF PLATS, PAGE 52, RECORDS OF WHATCOM COUNTY, WASHINGTON.

SITUATE IN WHATCOM COUNTY, WASHINGTON.

PARCEL B (PID #73145):

LOTS 10 AND 11, BLOCK 24, PLAT OF YORK ADDITION TO NEW WHATCOM, RECORDED IN VOLUME 1 OF PLATS, PAGE 52, RECORDS OF WHATCOM COUNTY, WASHINGTON.

SITUATE IN WHATCOM COUNTY, WASHINGTON.

Abbreviated Legal: YORK ADD TO NEW WHATCOM LOTS 8-9 BLK 24 and YORK ADD TO NEW WHATCOM LOTS 10-11 BLK 24

Tax Parcel Number(s): 380329-061064-0000 PID 73145 and 383029-061056-0000 PID 73145

which real property is not used principally for agricultural or farming purposes, together with all the tenements, hereditaments, and appurtenances now or hereafter thereunto belonging or in any wise appertaining, and the rents, issues, and profits thereof.

This Deed of Trust is for the purpose of securing performance of a) each agreement of GRANTOR contained in this Deed of Trust and b) payment of the sum of **Three Million Eighty-Seven Thousand Nine Hundred and Forty Dollars (\$3,087,940)** in accordance with the terms of Whatcom County Grant Agreement # 2026-05024, and c) GRANTOR'S compliance with the Restrictive Use Covenant required by the Grant Agreement and recorded in Whatcom County, Washington under _____.

To protect the security of this Deed of Trust, GRANTOR covenant(s) and agree(s):

1. To keep the property in good condition and repair; to permit no waste thereof; to complete any building, structure, or improvement being built or about to be built thereon; to restore promptly any building, structure, or improvement thereon which may be damaged or destroyed; and to comply with all laws, ordinances, regulations, covenants, conditions, and restrictions affecting the property.
2. To pay before delinquent all lawful taxes and assessments upon the property; to keep the property free and clear of all other charges, liens, or encumbrances impairing the security of this Deed of Trust.
3. To keep all buildings now or hereafter erected on the property described herein continuously insured against loss by fire or other hazards in an amount not less than the total debt secured by this Deed of Trust. All policies shall be held by the Beneficiary, and be in such companies as the Beneficiary may approve and have loss payable first to the Beneficiary, as its interest may appear, and then to the Grantor(s). The amount collected under any insurance policy may be applied upon any indebtedness hereby secured in such order as the Beneficiary shall determine. Such application by the Beneficiary shall not cause discontinuance of any proceedings to foreclose this Deed of Trust. In the event of foreclosure, all rights of the Grantor(s) in insurance policies then in force shall pass to the purchaser at the foreclosure sale.
4. To defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee, and to pay all costs and expenses, including cost of title search and attorney's fees in a reasonable amount, in any such action or proceeding, and in any suit brought by Beneficiary to foreclose this Deed of Trust.

5. To pay all costs, fees, and expenses in connection with this Deed of Trust, including the expenses of the Trustee incurred in enforcing the obligation secured hereby and Trustee's and attorney's fees actually incurred, as provided by statute.
6. Should GRANTOR fail to pay when due any taxes, assessments, insurance premiums, liens, encumbrances, or other charges against the property hereinabove described, Beneficiary may pay the same and shall be added to and become a part of the debt secured in this Deed of Trust.
7. NO FURTHER ENCUMBRANCES: As an express condition of Beneficiary making the award secured by this Deed of Trust, GRANTOR shall not further encumber, pledge, mortgage, hypothecate, place any lien, charge or claim upon, or otherwise give as security the property or any interest therein nor cause or allow by operation of law the encumbrance of the Trust Estate or any interest therein without the written consent of the BENEFICIARIES even though such encumbrance may be junior to the encumbrance created by this Deed of Trust. Encumbrance of the property contrary to the provisions of this provision shall constitute a default and BENEFICIARIES may, at BENEFICIARIES' option, declare the entire balance of principal immediately due and payable, whether the same be created by GRANTOR or an unaffiliated third party asserting a judgment lien, mechanic's or materialmen's lien or any other type of encumbrance or title defect.



Grantor initials



Beneficiary initials

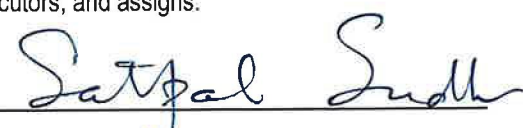
IT IS MUTUALLY AGREED THAT:

1. In the event any portion of the property is taken or damaged in an eminent domain proceeding, the entire amount of the award or such portion as may be necessary to fully satisfy the obligation secured hereby, shall be paid to Beneficiary to be applied to said obligation.
2. By accepting payment of any sum secured hereby after its due date, BENEFICIARIES do not waive their right to require prompt payment when due of all other sums so secured or to declare default for failure to so pay.
3. The Trustee shall reconvey all or any part of the property covered by this Deed of Trust to the person entitled thereto, on written request of the GRANTOR and the BENEFICIARIES, or upon satisfaction of the obligation secured and written request for reconveyance made by the BENEFICIARIES or the person entitled thereto.
4. Upon default by GRANTOR in the performance of any agreement contained herein, all sums secured hereby shall immediately become due and payable at the option of the BENEFICIARIES. In such event and upon written request of BENEFICIARIES, TRUSTEE shall sell the trust property, in accordance with the Deed of Trust Act of the State of Washington, at public auction to the highest bidder. Any person except TRUSTEE may bid at TRUSTEE'S sale. TRUSTEE shall apply the proceeds of the sale as follows: (1) to the expense of the sale, including a reasonable TRUSTEE'S fee and attorney's fee; (2) to the obligation secured by this Deed of Trust with the order of priority established under the most recent Priority and Subordination Agreement; and (3) the surplus, if any, shall be distributed to the persons entitled thereto.
5. Trustee shall deliver to the purchaser at the sale its deed, without warranty, which shall convey to the purchaser the interest in the property which GRANTOR had or had the power to convey at the time of his/her/their execution of this Deed of Trust, and such as he/she/they may have acquired thereafter. TRUSTEE'S deed shall recite the facts showing that the sale was conducted in compliance with all the requirements of law and of this Deed of Trust, which recital shall be prima facie evidence of such compliance and conclusive evidence thereof in favor of bona fide purchaser and encumbrancers for value.

6. The power of sale conferred by this Deed of Trust and by the Deed of Trust Act of the State of Washington is not an exclusive remedy; Beneficiary may cause this Deed of Trust to be foreclosed as a mortgage.
7. In the event of the death, incapacity, disability, or resignation of TRUSTEE, BENEFICIARIES may appoint in writing a successor TRUSTEE, and upon the recording of such appointment in the mortgage records of the county in which this Deed of Trust is recorded, the successor trustee shall be vested with all powers of the original trustee. The trustee is not obligated to notify any party hereto of pending sale under any other Deed of Trust or of an action or proceeding in which GRANTOR, TRUSTEE, or BENEFICIARIES shall be a party unless such action or proceeding is brought by the TRUSTEE.
8. This Deed of Trust applies to, inures to the benefit of, and is binding not only on the parties hereto, but on his/her/their heirs, devisees, legatees, administrators, executors, and assigns.



Jenny Bollings CEO



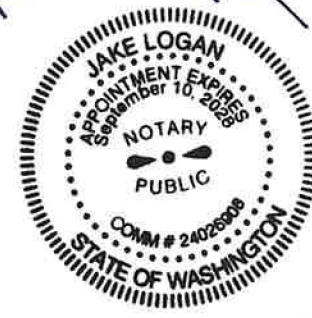
Sattpal Singh
County Exec

State of Washington
County of Whatcom

This record was acknowledged before me on (date) by (name(s) of individuals).

(Signature of notary public)
(Stamp)

(Title of office)
My commission expires:
(date)



May 27th, 2026

REQUEST FOR FULL RECONVEYANCE - *Do not record. To be used only when note has been paid.*

TO: TRUSTEE



The undersigned is the legal owner and holder of the note and all other indebtedness secured by the within Deed of Trust. Said note, together with all other indebtedness secured by said Deed of Trust, has been fully paid and satisfied; and you are hereby requested and directed, on payment to you of any sums owing to you under the terms of said Deed of Trust, to cancel said note above mentioned, and all other evidences of indebtedness secured by said Deed of Trust delivered to you herewith, together with the said Deed of Trust, and to reconvey, without warranty, to the parties designated by the terms of said Deed of Trust, all the estate now held by you thereunder.

Dated: _____

Approved as to Form:

Janelle C. Wilson, Senior Deputy Prosecutor II/Lead Prosecutor

(RESTRICTIVE COVENANT)

When Recorded Return to:

Whatcom County
311 Grand Avenue, Suite 108
Bellingham, WA 98225

Attention: Eric Chambers

RESTRICTIVE USE COVENANT

GRANTOR(S): Lake Whatcom Center Foundation
GRANTEE(S): Whatcom County, a Municipal Corporation
The Seattle Foundation, a Nonprofit Corporation

ABBREVIATED LEGAL: YORK ADD TO NEW WHATCOM LOTS 8-9 BLK 24 and
YORK ADD TO NEW WHATCOM LOTS 10-11 BLK 24

ADDITIONAL LEGALS ON PAGE: 1

ASSESSOR'S TAX PARCEL NUMBER(S): 3803290610640000 and 3803290610560000

THIS DECLARATION OF RESTRICTIVE USE COVENANT (hereinafter referred to as "COVENANT"), dated 5/27, 2026, by Lake Whatcom Center Foundation, a non-profit organization, and its successors and assigns (hereinafter referred to as "GRANTOR") is given in consideration of funds provided for the purpose of constructing thirty-eight (38) studio apartments on real PROPERTY (hereinafter referred to as "PROPERTY") legally described below:

PARCEL A (PID #73146):

LOTS 8 AND 9, BLOCK 24, PLAT OF YORK ADDITION TO NEW WHATCOM, RECORDED IN VOLUME 1 OF PLATS, PAGE 52, RECORDS OF WHATCOM COUNTY, WASHINGTON.

SITUATE IN WHATCOM COUNTY, WASHINGTON.

PARCEL B (PID #73145):

LOTS 10 AND 11, BLOCK 24, PLAT OF YORK ADDITION TO NEW WHATCOM, RECORDED IN VOLUME 1 OF PLATS, PAGE 52, RECORDS OF WHATCOM COUNTY, WASHINGTON.

SITUATE IN WHATCOM COUNTY, WASHINGTON

This COVENANT will be filed and recorded in the official public land records of Whatcom County, Washington and shall constitute a restriction upon the use of the PROPERTY described herein, subject to and in accordance with the terms of this COVENANT, for twenty-five (25) years beginning upon the recordation of this COVENANT in Whatcom County, Washington.

RECITALS

WHEREAS, the GRANTOR is the sole owner in fee simple of the PROPERTY, and

WHEREAS, the GRANTOR intends to construct a thirty-eight (38) units of studio apartments on the PROPERTY, and

WHEREAS, Whatcom County, a municipal corporation in Washington State, entered into an Agreement with the Seattle Foundation, a Washington nonprofit corporation, to provide funding to the Lake Whatcom Center Foundation and to ensure compliance with the terms of the COVENANT, and

WHEREAS, the Seattle Foundation, is acting as fiscal sponsor to Disabilities Rights Washington, a Washington nonprofit cooperation, pursuant to its legal representation of class members for A.B. ex rel. Trueblood v. Washington State Department of Social & Health Services, and

WHEREAS, the GRANTOR agrees to reserve eleven (11) of the thirty-eight (38) units for the exclusive purpose of providing housing and housing-related services to Trueblood Class Members, and

WHEREAS, a Trueblood Class Member means all persons who are now, or will be in the future, charged with a crime in Washington and: (i) who are ordered by a court to receive a competency evaluation or restorative services through DSHS; (ii) who are waiting in jail for those services; and (iii) for whom DSHS receives a court order, and

WHEREAS, the GRANTOR is creating a real property covenant on the PROPERTY for purposes of ensuring that the PROPERTY is used for the construction and leasing of housing for twenty-five (25) years commencing following the execution and recording of this COVENANT in Whatcom County, under the terms herein, and

WHEREAS, the foregoing recitals are a material part of this COVENANT,

NOW THEREFORE, in consideration of the promises and covenants hereinafter set forth and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the GRANTOR intends, declares, and covenants that the restrictive COVENANTS set forth herein governing the use, occupancy,

and transfer of the PROPERTY shall be and are COVENANTS pertaining to the PROPERTY and running with the land for the term stated herein and are binding upon all subsequent owners of the PROPERTY and for such terms, except as specifically provided herein, and are not merely personal covenants of the GRANTOR.

SECTION 1 REPRESENTATIONS, COVENANTS AND WARRANTIES OF GRANTOR

GRANTOR hereby represents, covenants and warrants as follows:

1. GRANTOR voluntarily establishes this real property COVENANT over the PROPERTY for twenty-five (25) years beginning upon the execution and recording of this COVENANT, subject to the terms set forth herein exclusively for the purpose of ensuring that eleven (11) units of the PROPERTY are reserved for the exclusive use of Trueblood Class Members, at all times during the period of the COVENANT. This COVENANT shall end twenty-five years after the date of recordation, if not earlier terminated.
2. GRANTOR hereby covenants and agrees not to sell, transfer or otherwise dispose of the PROPERTY or any portion thereof without first providing a written notice to the buyer and obtaining the agreement of any buyer or successor in interest or other person or entity acquiring the PROPERTY or any interest therein, that such acquisition is subject to the requirements of this COVENANT and to the restrictions on use provided for herein; *provided, however*, that nothing contained in this COVENANT shall restrict transfers of interests.
3. GRANTOR will, at the time of execution, delivery and recording of this COVENANT, have good and marketable title to the PROPERTY, free and clear of any liens or encumbrances (except encumbrances created pursuant to this COVENANT or other permitted encumbrances identified in Section 2, including, without limitation, the exceptions set forth in the GRANTOR'S policy of title insurance).
4. GRANTOR warrants that it has not and will not execute any other covenant or deed restriction with provisions contradictory to, or in opposition to, the provisions hereof other than the permitted encumbrances, or as otherwise approved in writing by the GRANTEEES.

SECTION 2 TERM OF COVENANT AND PERMITTED ENCUMBRANCES

1. This COVENANT, and the terms specified herein, apply to the PROPERTY immediately upon recordation, and GRANTOR shall comply with all restrictive covenants herein.
2. The COVENANT shall remain in place for twenty-five (25) years beginning on the execution and recording of this COVENANT, during which time GRANTOR and their successors, shall maintain eleven (11) units as described in the agreement, on the PROPERTY and shall meet all other requirements of this COVENANT, subject to the terms herein.

3. There are no permitted encumbrances allowed under this COVENANT that would unreasonably inhibit the use of the PROPERTY as described herein.

SECTION 3 RECORDING AND FILING; COVENANTS TO RUN WITH THE LAND

1. Upon execution of this COVENANT by the GRANTOR, GRANTOR shall cause this COVENANT and all amendments hereto to be recorded in the Whatcom County Auditor's Office. GRANTOR shall pay all fees and charges incurred in connection therewith.
2. GRANTOR intends, declares and covenants, on behalf of itself and all future owners of the PROPERTY during the term of this COVENANT, that this COVENANT and the covenants and restrictions set forth in this COVENANT regulating and restricting the use, occupancy and transfer of the PROPERTY shall
 - 2.1. constitute covenants running with the land, encumbering the PROPERTY for the term of this COVENANT, binding upon GRANTOR and GRANTOR's successors in title and all subsequent owners of the PROPERTY and not merely personal covenants of GRANTOR; and
 - 2.2. bind the GRANTOR (and the benefits shall inure to the GRANTEES) and any past, present or prospective owner of the PROPERTY and GRANTOR's respective successors and assigns during the term of this Covenant.
3. GRANTOR hereby agrees that any and all requirements or privileges of estate are intended to be satisfied, or in the alternate, that an equitable servitude has been created to ensure that these restrictions run with the land for the duration of this COVENANT. For the term of this COVENANT, each and every contract, deed or other instrument hereafter executed conveying the PROPERTY or portion thereof shall expressly provide that such conveyance is subject to this COVENANT, provided, however, the covenants contained herein shall survive and be effective regardless of whether such contracts, deed, or other instrument hereafter executed conveying the PROPERTY or portion thereof provides that such conveyance is subject to this COVENANT.
4. The GRANTEES hereby agree that upon termination of this COVENANT, the GRANTEES shall cooperate with the GRANTOR to sign a recordable document extinguishing this COVENANT from Title.

SECTION 4 ENFORCEMENT OF RESTRICTIONS

The PROPERTY will be bound by the terms of this COVENANT at each sale or transfer, for the purposes of providing housing for Trueblood Class Members, as described herein, in Whatcom County. GRANTOR hereby declares and covenants, on behalf of itself and all future owners of the PROPERTY, that, during the term of this COVENANT, the GRANTEES are third-party beneficiaries of and successors to each and every

remedy provided in the COVENANT or in law intended to ensure the proper use of the PROPERTY for the purposes defined herein. The GRANTEES may, in the event of the failure or default of the GRANTOR, under this COVENANT, exercise all rights and remedies available to the GRANTEES as provided herein or as otherwise provided by law. Proper use is defined as:

1. The PROPERTY shall reserve eleven (11) of the thirty-eight (38) units for the exclusive use of Trueblood Class Members, as described herein, for twenty-five (25) years commencing upon the execution and recording of this COVENANT and as further set forth in the Agreement. The eleven (11) units may be any of the thirty-eight (38) units and may change from tenant to tenant insofar as all thirty-eight (38) units are of comparable size and condition,
2. The eleven (11) reserved units on the PROPERTY will be used exclusively individuals that at the time of initial occupancy have been identified as Trueblood Class Members as defined by Washington State Department of Social and Health Services (DSHS).
3. The GRANTOR shall use the PROPERTY to provide housing and will comply with all applicable State and local housing and shelter codes, licensing requirements, and other requirements regarding the condition of the structing and operation of the project in the jurisdiction in which the housing is located;
4. GRANTOR covenants that it will not knowingly take or permit any action that would result in a violation of the terms of this COVENANT. The COUNTY, together with GRANTOR, may execute and record any amendment or modification of this COVENANT and such amendment or modification shall be binding on third parties' rights granted under this COVENANT.
5. GRANTOR acknowledges that the primary purpose for requiring compliance by GRANTOR with restrictions provided in this COVENANT is to assure compliance with the use requirements imposed as a term of funding by the GRANTEES, AND BY REASON THEREOF, GRANTOR IN CONSIDERATION FOR RECEIVING FUNDS TO CONSTRUCT THE PROPERTY HEREBY AGREES AND CONSENTS THAT THE GRANTEES SHALL BE ENTITLED, FOR ANY BREACH OF THE PROVISIONS HEREIN, AND IN ADDITION TO ALL OTHER REMEDIES PROVIDED BY LAW OR IN EQUITY, TO ENFORCE BY SPECIFIC PERFORMANCE, GRANTOR'S OBLIGATIONS UNDER THIS COVENANT IN A STATE COURT OF COMPETENT JURISDICTION. GRANTOR hereby further specifically acknowledges that the beneficiaries of GRANTOR's obligations hereunder cannot be adequately compensated by monetary damages in the event of any default hereunder. In the event of legal action, legal costs, including attorney fees and court costs (including costs of appeal), may be recovered by the prevailing party.

SECTION 5 MISCELLANEOUS

1. **Severability.** The invalidity of any clause, part, or provision of this COVENANT shall not affect the validity of the remaining portions thereof.
2. **Notices.** Any Notice shall be in writing and shall be given by depositing the same in the United States mail, postage paid and registered or certified, and addressed to the party to be notified, with return-receipt requested, or by delivering the same in person to an officer or principal of such party. Notice to

the parties shall be mailed or delivered to the addresses below.

GRANTOR: Lake Whatcom Center Foundation
3600 Meridian St, Bellingham WA 98225

GRANTEE: Whatcom County
311 Grand Avenue, Bellingham, WA 98225

GRANTEE: Seattle Foundation
1601 5th Ave #1900, Seattle, WA 98101

Notices deposited in the mail in the manner hereinabove described shall be effective upon mailing.

3. **Governing Law.** This COVENANT shall be governed by the laws of the State of Washington and, where applicable, the laws of the United States of America.

[signature pages follow]

EXHIBIT "F"

(CERTIFICATION OF THE AVAILABILITY OF FUNDS TO COMPLETE THE PROJECT)

Trueblood funds	Amount
County Funds	\$ 3,087,940
Total Non-County Funds	\$ 7,054,534
Total Project Costs	\$ 10,142,474

CERTIFICATION PERFORMANCE MEASURE

The Contractor, by its signature, certifies that Project funding from sources other than those provided by this Agreement and identified above has been reviewed and approved by the Contractor's governing body or board of directors, as applicable, and has either been expended for eligible Project expenses, or is committed in writing and available and will remain committed and available solely and specifically for carrying out the purposes of this Project as described elsewhere in this Agreement, as of the date and year written below. The Contractor shall maintain records sufficient to evidence that it has expended or has access to the funds needed to complete the Project and shall make such records available for County's review upon reasonable request.



CONTRACTOR

CEO

TITLE

5/27/2026

DATE

EXHIBIT "G"

(CERTIFICATION OF INTENT TO ENTER THE EVERGREEN SUSTAINABLE DEVELOPMENT STANDARDS
CERTIFICATION PROCESS)

CERTIFICATION PERFORMANCE MEASURE

The Contractor, by its signature, certifies that it will enter into the Evergreen Sustainable Development Standards certification process. The Contractor shall, upon receipt of certification, provide documentation of such certification to County.

The Contractor, by its signature, certifies that the declaration set forth above has been reviewed and approved by the Contractor's governing body or board of directors, as applicable, as of the date and year written below.



CONTRACTOR

CEO

TITLE

5/27/2022

DATE

EXHIBIT "H"
(CERTIFICATION OF THE PAYMENT OF PREVAILING WAGES)

CERTIFICATION PERFORMANCE MEASURE

The Contractor, by its signature, certifies that all contractors and subgrantees/subcontractors performing work on the Project shall comply with prevailing wage laws set forth in RCW 39.12, as applicable on the date the Project appropriation becomes effective, including but not limited to the filing of the "Statement of Intent to Pay Prevailing Wages" and "Affidavit of Wages Paid" as required by RCW 39.12.040. The Contractor shall maintain records sufficient to evidence compliance with RCW 39.12 and shall make such records available for County's review upon request.

If any *Trueblood* funds are used by the Contractor for the purpose of construction, applicable State Prevailing Wages must be paid.

The Contractor, by its signature, certifies that the declaration set forth above has been reviewed and approved by the Contractor's governing body as of the date and year written below.



CONTRACTOR

CEO

TITLE

5/27/2026

DATE