

AGENDA
Board of Trustees
Central Iowa Water Works
May 22, 2024
Mid-American Energy Rec Plex
3:00 p.m.

Please join our meeting from your computer, tablet or smartphone.

Join Zoom Meeting

<https://us02web.zoom.us/j/85130742985?pwd=TVN1U1A2dzZ0NENYa0xQaVJObHhnZz09>

Meeting ID: 851 3074 2985

Passcode: 438428

Item 1: Call to Order

Item 2: Roll Call

Item 3: Approving Agenda, as presented or as amended.

Item 4: Public Comment (Please state name, address and limit comments to five minutes)

Item 5: Consent Agenda (Note: These are routine items and will be enacted with one vote without separate discussion unless someone, Board or Public, requests an item to be removed and considered separately)

- A. Motion – Receive and File Minutes from April 24, 2024 CIWW Board Meeting
- B. Motion – Receive and File Minutes from May 8, 2024; Technical Committee Meeting
- C. Motion – Receive and File Notes from May 6, 2024; Executive Committee Meeting
- D. Motion – Receive and File Updated Schedule and Location of CIWW Board Meetings
- E. Motion – Ratify the Contract with Des Moines Water Works for Interim Accounting Financial Services
- F. Motion – Receive and File May Financial Summary

Item 6: Board Action Items

- A. Motion – Authorize Executive Committee to Negotiate with and Engage Bond Counsel
- B. Motion – Authorize Executive Committee to Negotiate and Engage Special Legal Counsel for CIWW with Respect to Operating Contracts and Transfers of Operational Property Rights
- C. Resolution – Approval of Bylaws

D. Finance and Audit Committee

1. Discussion and Potential Action
2. Referral of PFM Agreement and Scope of Work to Finance and Audit Committee
3. Referral of Proposed Investment Policy to Finance and Audit Committee
4. Referral of Setting CIWW Reserve Fund Policy to Finance and Audit Committee
5. Referral of Interim Purchasing and Expenditure Policy to Finance and Audit Committee

Item 7: Recommendations from Committees

A. Executive Committee

1. Information – Proposals received for Professional Services for the Executive Director Recruitment/Search Process Information (BS)
2. Information - Executed Agreement with William Smith for Interim Executive Director (RM/BS)
3. Information - Executed Legal Services Contract with Brick Gentry Law Firm and Dickinson Bradshaw Law Firm
4. Information – Insurance Policies Executed
 - a) Directors & Officers (D&O)
 - b) Workers Compensation

Items 8: Reports

A. Interim Executive Director Report

1. EIN received
2. Bank account active at Bankers Trust
3. Capital Contributions being received
4. Contract for Website Development

B. Water Producers Report

C. Board Clerks Report

1. Long Range and Capital Improvements Committee Representatives

D. Technical Committee Report

Item 9: Other Business

Adjournment

Upcoming CIWW Activities – June			
<u>Date</u>	<u>Time</u>	<u>Location</u>	<u>Meeting</u>
June 12	1:00 p.m.	DMWW Board Room	Technical Committee Meeting
June 26	3:00 p.m.	Mid-American Rec Plex	Board of Trustees



CENTRAL IOWA WATER WORKS
BOARD OF TRUSTEES ACTION ITEM FORM

Meeting Date: May 22, 2024

ITEM NUMBER: 5

SUBJECT: Consent Agenda

SUMMARY:

- A. Motion – Receive and File Minutes from April 24, 2024; CIWW Board Meeting
- B. Motion – Receive and File Minutes from May 8, 2024; Technical Committee Meeting
- C. Motion – Receive and File Notes from May 6, 2024; Executive Committee Meeting
- D. Motion – Receive and File Updated Schedule and Location of CIWW Board Meetings
- E. Motion – Ratify the Contract with Des Moines Water Works for Interim Accounting Financial Services
- F. Motion – Receive and File May Financial Summary

FINANCIAL IMPACT:

The interim accounting financial services will be billed at \$100/hr. Total cost is not yet known. \$328,520 has been received in Capital Contributions.

RECOMMENDED ACTION BY THE BOARD OF TRUSTEES:

Motion to pass the Consent Agenda.

Prepared by: Clt Murphy

CENTRAL IOWA WATER WORKS BOARD OF TRUSTEES

Wednesday, April 24, 2024 at 3:00 P.M.

MEETING LOCATION:

The MidAmerican Energy Company RecPlex, 6500 Grand Ave,
West Des Moines, IA

MINUTES

ITEM 1: Call to Order

Mayor Courtney Clarke was selected as the Pro-Tem Presiding Officer by unanimous consent, and called the meeting to order at 3:00 p.m.

ITEM 2: Roll Call

Trustees in Attendance

David Jones, Ankeny*
Mayor John Edwards, Clive
Diane Munns, Des Moines Water Works
Susan Huppert, Des Moines Water Works Additional
Tom Cope, Johnston
Jake Anderson, Grimes
Mayor Tom Phillips, Norwalk
Chelsea Huisman (Alternate), Polk City
John McCune, Urbandale Water Utility
Carol Freeman, Warren Rural Water
Mayor Courtney Clark, Waukee
Jody Smith, West Des Moines Water Works
Royce Hammitt (Alternate), Xenia Rural Water District
*Participated in the meeting via electronic means.

Such persons, being all Trustees, constituted a quorum.

Others in Attendance

Matt McQuillen, Clive
Caitlin Caldwell, Des Moines Water Works
Ted Corrigan, Des Moines Water Works
Kyle Danley, Des Moines Water Works
Amy Kahler, Des Moines Water Works
Melissa Walker, Des Moines Water Works
Lindsey Wanderscheid, Des Moines Water Works*
Donna Heckman, Des Moines Water Works*
Matt Greiner, Johnston
Dale Acheson, Urbandale Water Utility
Neil Weiss, Urbandale Water Utility
Christina Murphy, West Des Moines Water Works

Lyle Hammes, West Des Moines Water Works*
Josh Heggen, West Des Moines Water Works*
Brett Kasal, West Des Moines Water Works*
Vincent White, West Des Moines Water Works*
Pat Mullenbach, West Des Moines Water Works*
Mitch Pinkerton, West Des Moines Water Works*
Andy Fish, Warren Water District
Amy Beattie, Brick Gentry PC
Rick Malm, Dickinson Bradshaw
Matthew Stoffel, PFM
Jamie Buelt, en Q strategies
William Smith
Carl Voss, Des Moines City Council
Pat Boddy, Urbandale City Council
E.J. Giovannetti
Robert Riley
Pepper Purpura, KCCI
Zach Fisher, WHO 13 News
Don Schmith, WOI-TV
Addison Lathers, Des Moines Register
Jared Strong, Iowa Capital Dispatch*
SD Brody*
*Participated in the meeting via electronic means

ITEM 3: Approving Agenda, as Presented or as Amended

John Edwards made a motion to approve the agenda as presented. John McCune seconded that motion. The motion was adopted by unanimous vote.

ITEM 4: Public Comment Period

During the public comment period, Larry Anderson of 3109 Meadow Lane, West Des Moines, expressed his support for the formation of CIWW and Mr. William Smith to not only serve as the interim director but also as the permanent director of CIWW. Mr. Anderson praised Mr. Smith's education, background, and strong personal qualities, emphasizing his belief that Mr. Smith would be a valuable addition to the CIWW team.

ITEM 5: Election of Officers and Establishment of Terms

5A. Board Chair – John Edwards made a motion to nominate Jody Smith as the Board Chair. The motion was seconded by Jake Anderson. The motion was adopted by unanimous vote. 5B. Board Vice-Chair – Tom Cope made a motion to nominate David Jones as the Board Vice-Chair. The motion was seconded by Chelsea Huisman. The motion was adopted by unanimous vote. 5C. Board Secretary – John McCune made a motion to nominate Diane Munns as the Board Secretary. The motion was seconded by John Edwards. The motion was adopted by unanimous vote. 5D. Designation of Interim Board Clerk(s) – John Edwards made the motion to appoint Ted Corrigan, Amy Kahler, and Christina Murphy as interim Board Clerks until an Executive Director is appointed. The motion was adopted by unanimous vote. 5E. Establishment of Staggered Terms of

Trustees Representing Funding Agencies – In accordance with Section 5 of Article VIII of the CIWW 28E-28F Agreement, the initial Trustees were assigned by lot, without objection, to staggered terms as follows:

Term ending 12/31/2024 – Tom Cope, Jake Anderson, Courtney Clarke, Dan Lovett, and Susan Huppert

Term ending 12/31/2025 – John Edwards, Jeff Walters, Tom Phillips, and David Jones

Term ending 12/31/2026 – Diane Munns, John McCune, Jody Smith, and Carol Freeman

ITEM 6: Approving Consent Agenda – Items 6A – 6L

John Edwards made a motion to approve the following consent agenda items:

- A. Resolution: Designation Place of Posting Public Meeting Notices and Agendas
- B. Resolution: Designation of “Official Newspaper”
- C. Resolution: Authorize Officers of the Board to Apply for Tax Id Number
- D. Resolution: Authorize Officers of the Board to Open Initial Financial Accounts.
- E. Motion: Approval of 2024 CIWW Board Meeting Schedule
- F. Motion: Authorize Application for website url: ciww.gov
- G. Motion: Receive and File Minutes from January 29, 2024, Planning Group Work Session
- H. Motion: Receive and File Minutes from February 23, 2024, Planning Group Work Session
- I. Motion: Receive and File Minutes from April 3, 2024, Planning Group Work Session
- J. Motion: Receive and File Minutes from February 14, 2024, Technical Committee Meeting
- K. Motion: Receive and File Minutes from March 13, 2024, Technical Committee Meeting
- L. Motion: Receive and File Minutes from April 10, 2024, Technical Committee Meeting

The motion was seconded by Tom Cope. The motion to approve all such consent agenda items was adopted by unanimous vote, and the Resolutions, in the respective forms as presented in the meeting materials, and the Motions as stated in the materials, were thereby adopted. The full text of such resolutions is on file with Interim Board Clerk Christina Murphy.

ITEM 7: Priority Action Items

7A. John Edwards made a motion to approve the quote with Intact Specialty of \$10,654 for Directors and Officers Insurance Coverage and authorize reimbursement of the premium to West Des Moines Water Works. The motion was seconded by Tom Cope. The motion was adopted by unanimous vote. 7B. John Edwards made a motion to approve the resolution as presented in the meeting materials, approving preliminary Bylaws of the Board of Trustees of Central Iowa Water Works. The motion was seconded by Jake Anderson. The motion was adopted by unanimous vote and the

resolution as presented was thereby adopted. The full text of such resolution is on file with Interim Board Clerk Christina Murphy

7C. John Edwards made a motion to approve the motion authorizing Officers of the Board to negotiate an agreement with Amy Beattie, Brick Gentry, and Rick Malm, Dickinson Bradshaw, to provide Interim Legal Services to CIWW until general counsel is engaged including services since January 1, 2024, related to CIWW. The motion was seconded by Tom Cope. The motion was adopted by unanimous vote. 7D. John Edwards made a motion to authorize the Executive Committee and legal counsel to negotiate a contract with William Smith to engage him as Interim Executive Director. The motion was seconded by Tom Phillips. The motion was adopted by unanimous vote. 7E. 1. John Edwards made a motion authorizing the Executive Committee to negotiate an agreement with Public Finance Management (PFM) to provide interim financial advisory services to CIWW until a financial advisory consultant is engaged. The motion was seconded by Tom Cope. The motion was adopted by unanimous vote. 7E. 2. John Edwards made a motion authorizing the Executive Committee to negotiate an agreement with Des Moines Water Works to provide interim accounting related financial services to CIWW. The motion was seconded by Courtney Clarke. The motion was adopted by unanimous vote.

ITEM 8: Potential Action Items

8A. John Edwards made a motion to authorize the Executive Committee to begin the recruitment process for the Executive Director and authorize the Committee to engage and retain a recruitment firm. The motion was seconded by Jake Anderson. The motion was adopted by unanimous vote.

8B. Members of the CIWW Board discussed arrangement for administrative support for both the interim and permanent Executive Director positions. No definitive decision was reached during this discussion. The group agreed to revisit this matter and present further information at the next meeting.

8C. The initial Trustees to serve on the Executive Committee were considered and discussed. David Jones was proposed as the-at-large member of the Executive Committee. The CIWW 28E-28F Agreement also provides that "the most recently presiding Chair prior to the current Chair who remains a current Trustee" is also to serve on the Executive Committee. It was the consensus that Courtney Clarke, who acted as the initial Presiding Officer Pro Tem, should be considered as the immediate past chair to fill this role on the Executive Committee. John Edwards moved that the initial membership of the Executive Committee be as follows: Jody Smith (Chair and representing WDMWW), Diane Munns (representing DMWW) John McCune (representing UWU), David Jones (at-large) and Courtney Clarke (immediate past chair).The motion was seconded by Jake Anderson. The motion was adopted by unanimous vote. 8D. Members of the CIWW Board discussed the establishment of the Finance and Audit Committee. No definitive decision was reached during this discussion. The Chair asked Trustees willing to serve on the Finance and Audit Committee to communicate their interest to him prior to the next Board meeting. The Board agreed to revisit this matter and present further information at the next meeting.

Trustee Tom Cope departed the meeting at 3:50 PM.

8E. Melissa Walker, Communications and Outreach Manager for Des Moines Water Works, and Jamie Buelt, PR and media relations consultant for West Des Moines Water Works, presented an interim communications plan for CIWW. John Edwards made a motion to approve the interim communications plan for CIWW, and to authorize up to \$15,000 for implementation of a CIWW website and up to \$25,000 reimbursement to Des Moines Water Works and West Des Moines Water Works for use of their media personnel/consultant(s). This motion was seconded by Chelsea Huisman. The motion was adopted by unanimous vote. 8F. John Edwards made a motion to acknowledge the initial appointments of the Technical Committee Representatives. The motion was seconded by Tom Phillips. The motion was adopted by unanimous vote.

ITEM 9: Other Business

Jody Smith raised a point regarding the location for the May meeting. The group had not finalized the meeting location, deliberating between the RecPlex and the MPO. Suggestions from the group highlighted the accessibility of the RecPlex location. After discussion, the consensus was to schedule the May meeting at the RecPlex.

ITEM 10: Adjournment

Having no other business the meeting was adjourned by the Chair at 4:10 P.M.

NOTICE OF MEETING

CENTRAL IOWA WATER WORKS TECHNICAL COMMITTEE

Des Moines Water Works Board Room
2201 George Flagg Parkway
Des Moines, Iowa

April 10, 2024
1:00 pm

MINUTES

Present: Dale Acheson (UWU), Caitlin Caldwell (DMWW), Don Clark (Ankeny), Kyle Danley (DMWW), Andy Fish (Warren Water), Randy Franzen (Polk City), Matt Greiner (Johnston), Lyle Hammes (WDMWW), Corey Iben (Xenia), Matthew Jacob (UWU), Amy Kahler (DMWW), Shane Kinsey (Johnston), Rudy Koester (Waukee), Kevin Hensley (Grimes), Jeff May (Clive), Christina Murphy (WDMWW), Mitch Pinkerton (WDMWW), Wayne Schwartz (Norwalk), Lindsey Wanderscheid (DMWW), and Neil Weiss (UWU).

Item 1: The meeting was called to order at 1:01 p.m. by Kyle Danley.

Item 2: Introductions were made by everyone present in the meeting. Bill Smith, the Interim Director of Central Iowa Water Works, provided a concise introduction.

Item 3: Minutes Approved for April 10, 2024 – minutes approved with no objection.

Item 4: Reschedule June Meeting: Because some members were unable to attend the June Technical Meeting due to their participation in the AWWA Ace Conference, it was suggested to reschedule the meeting for either the Wednesday before or after June 12th. Lindsey Wanderscheid suggested that holding the meeting on June 19th, which coincides with a morning workshop for the Technical Committee, would be a favorable option. The group agreed to change the meeting date to June 19th.

Item 5: Presentation by Keith Schilling: Dr. Keith Schilling, Director of the Iowa Geological Survey at the University of Iowa, highlighted the survey's extensive partnerships and services during his presentation. The survey, with a history dating back 135 years, manages natural resources and conducts detailed geological mapping, especially at the watershed scale.

Dr. Schilling discussed efforts to map Iowa's aquifers and groundwater availability using advanced techniques like electromagnetic (EM) mapping and passive seismic methods. The survey's goal is to quantify water resources for various uses, including irrigation and municipal supply.

He also emphasized the importance of understanding geological materials and their hydraulic conductivity to assess water availability accurately. Ongoing collaborations with communities and entities aim to provide valuable data for infrastructure planning and environmental management in Iowa.

Overall, Dr. Schilling's presentation highlighted the Iowa Geological Survey's commitment to mapping and managing Iowa's natural resources effectively.

Item 6: West Des Moines Board of Adjustment (SprayTec): Spraytec specializes in manufacturing and selling foliar fertilizer products designed to prevent losses during application, enhance plant nutrition, promote plant health, and assist in disease control for crops. They plan to establish operations at 4350 SE Army Post Road, where they will handle storage, mixing, and repackaging of 40 different chemicals.

This location is in close proximity to Des Moines Water Works' "chain of lakes." Des Moines Water Works sent an email to West Des Moines Board of Adjustment on April 25, 2024, with concerns of the potential impact of their operations on the water source. Snyder and Associates has requested a meeting with Des Moines Water Works and others involved to discuss.

Item 7: HDR Future Treatment Plant Study: The draft of TM 4 was recently received, which outlined water quality goals. The report contained a couple areas needing corrections, particularly regarding nitrate and turbidity. Feedback on these corrections is requested before finalization.

Draft TM 5 focuses on the depth of water treatment plant locations and alternatives for achieving a capacity of 65 million gallons per day (MGD) by 2050. Grimes emerged as the preferred, cost-effective option across all alternatives for both source and treatment. Discussions are ongoing regarding the potential use of the confluence of the Des Moines and Raccoon rivers, with meetings scheduled with the Iowa Department of Natural Resources to explore feasibility.

The hydraulic analysis workshop was conducted today, and the findings will be distributed to the group. There is a virtual call for HDR to update on TM 5 for 5/13. In June, attention will shift to transmission aspects. The next workshop, Water System Evaluation, is scheduled for 6/19. For any questions or comments, please feel free to email or contact Lindsey Wanderscheid.

Item 8: Technical Committee Chairperson: Discussion centered on determining the length of the initial term for the Technical Committee Chairperson. The full board chair holds a two-year term until the end of 2025. It was proposed that the initial term for the Technical Committee Chairperson should be 18 months, followed by subsequent two-year terms. There are no term limits specified in the 28E/F regulations, only for the full board.

The initial term will conclude on 12/31/2025, with subsequent terms lasting two years each. The motion to have no term limits for the chairperson passed. Andy Fish volunteered to serve as chair, and Kyle was nominated. The vote resulted in Kyle Danley being appointed as Chair with 10 votes, while Andy received 2 votes.

For the position of Vice Chair, Andy Fish was appointed with 7 votes.

Item 9: Schedule XV-2 Timeline for Capital Plans and Budget: A reminder was issued to prepare and share Capital Improvement Plans (CIPs) and budgets in the upcoming months. The Capital Improvement Plan (CIP) deadline is scheduled for the June meeting, and the budget deadline is set for the July meeting.

Item 10: Grimes Projects Discussion: Kevin Hensley discussed potential easements needed for a future transmission main, bringing up the possible importance of obtaining this information promptly. A proposal was made to secure easements in advance. The width of the easement will be determined by multiple factors including building setbacks. Plans should include accommodating two side-by-side 48-inch mains spaced 15-20 feet apart, aiming for a 50-foot easement width to allow for potential street widening without infrastructure relocation.

Item 11: Polk City Projects Discussion: Randy Franzen stated that there are no updates to provide at this time.

Item 12: West Des Moines Water Works Projects Discussion: Lyle Hammes and Christina Murphy provided some updates on their current projects. Their High Service Pump (HSP) project will be going to bid soon. However, the Motor Control Center (MCC) project is currently on hold due to significant delays in the electrical aspect.

Item 13: Des Moines Water Works Projects Discussion: Lindsey Wanderscheid discussed the FWTP 5 kV System Upgrades – Control System Replacement project. The project aims to replace the generator and switchgear control system to enable curtailment from MidAmerican. The current GE Fanuc PLC, installed in 1993, is obsolete. The estimated cost for the project is \$370,000, with bids due by 5/14/24.

A roll call vote was conducted to amend the Professional Services Agreement with HDR Engineering, Inc., for the Saylorville Water Treatment Plant Capacity Expansion Design and Construction Services related to a Bat Habitat Assessment. The assessment, directed by the U.S. Fish and Wildlife, must be completed during the summer. All attendees unanimously voted in favor of the decision to amend the agreement not to exceed \$95,000.

The assessment will be conducted in two phases:

Phase 1: Desktop assessment with an estimated cost of \$19,108.

Phase 2: Netting and bat capture, estimated to cost approximately \$75,000.

Lindsey Wanderscheid provided an update to the group on the SCADA (Supervisory Control and Data Acquisition) master plan. HDR Engineering was hired to develop the SCADA Master Plan, which will look ahead 10 years and assist in developing an implementation plan. Data collection and site visits occurred last week, with the final master plan expected by October 2024 and standards/policies development targeted for May 2025. Discussion among the group was had about the possibility of data sharing between entities, with efforts to coordinate contacts between DMWW, WDMWW, Grimes, and Polk City for collaboration and information sharing.

Kyle Danley gave an update on the SWTP West Feeder Main Phase 3 project. Out of 16 required easements, 5 remain unsigned to date. Two easements are expected to be completed soon. Some property owners on NW Beaver Drive have expressed reservations about the project, and efforts are underway to address their concerns. Condemnation hearings may need to be scheduled for up to 3 properties. The project team is currently reviewing material submittals, including pipe laying schedules.

Item 14: Other Business: Kyle Danley provided an update that the nitrate facility is currently on. He also noted that some of the wells at McMullen are currently offline and there is a possibility of needing to blend water with the reservoir as finished water approaches 9 parts per million (ppm) nitrate levels. Kyle emphasized the importance of responding appropriately in the event of a boil advisory in your area.

Item 15: The meeting was adjourned by mutual agreement at 2:49 pm.

Item 5C

CIWW

NOTES FROM EXECUTIVE COMMITTEE

May 6, 2024

PRESENT: Jody Smith, Dave Jones, Diane Munns, John McCune, Bill Smith

NOT AVAILABLE: Courtney Clarke

1. CIWW Readiness checklist
 - a. List capital contributions – e-mailed May 7
 - b. Add investment policy to tasks
 - c. Bill to consult counsel about asset transfer documents
 - d. OK to initiate discussion with IPERS
2. IED contract
3. ED search
 - a. Schedule: responses by May 20; report to BoT meeting May 22
 - b. Search contract cost
 - c. Compensation, retirement, insurance
4. Board Meeting agenda
 - a. Draft to Exec Comm by May 9 please
 - b. Ratification of agreements – report
 - IED contract
 - Interim law form agreements
 - Website provider
 - Financial advisor
 - Worker comp insurance
 - c. Bylaws – need opportunity for comment (JS)
 - d. Finance and Audit Committee – need membership (JS)
 - e. Check bylaws about roll call voting
 - f. Financial reserve policy – May agenda
 - g. Admin support – OK to defer
5. Find meeting time that works for Mayor Clarke's schedule

**CENTRAL IOWA WATER WORKS
BOARD OF TRUSTEES
2024 MEETING SCHEDULE
3:00 P.M.
MID-AMERICAN REC PLEX
6500 Grand Avenue, West Des Moines, IA**

May 22, 2024

June 26, 2024

July 24, 2024

August 28, 2024

September 25, 2024

October 23, 2024

November 27, 2024

December 18, 2024
(third Wednesday)

Financial Services Support Agreement

Central Iowa Water Works and Des Moines Water Works

THIS AGREEMENT (the “Agreement”), is executed on May 22, 2024 with an effective date of the last meeting on April 24, 2024 (the “Effective Date”) by and between Central Iowa Water Works (“CIWW”) and the Board of Water Works Trustees of the City of Des Moines, Iowa, also known as the Des Moines Water Works (“DMWW”). CIWW and DMWW may be referred to herein, collectively, as the “Parties,” and each, individually, as a “Party.”

WHEREAS, CIWW requires interim accounting related financial services to support its initial organizational efforts; and

WHEREAS, at the April 24, 2024 meeting the Board approved DMWW being retained to provide interim accounting related financial services.

NOW, THEREFORE, in consideration of the foregoing, and of the respective promises hereinafter set forth, CIWW and DMWW agree as follows:

1. Scope of Services. That the following services (altogether, the “Services”) shall be provided by DMWW:
 - a) create and utilize an accounting structure independent/separate from any other accounts maintained or overseen by DMWW;
 - b) oversee payroll processing;
 - c) oversee payment of CIWW’s expenses;
 - d) oversee corporate insurance;
 - e) oversee banking relationships, including investment of funds when appropriate;
 - f) maintain accounting records and prepare monthly financial statements and management reports as requested by the Board of Trustees and/or any of the Standing Committees of CIWW;
 - g) assist with the annual audit;
 - h) confer, consult, and coordinate with financial staff of Member Agencies to obtain and compile necessary financial information to conduct business for CIWW or communicate information to Member Agencies and other stakeholders;
 - i) make presentations to, and attend, CIWW or Member Agency Board or Committee meetings as needed; and
 - j) provide other financial services as requested.

The Scope of Services shall not include providing the services required to set up the permanent financial system for CIWW required to support the operations of CIWW as of Operational Commencement.

2. Compensation. CIWW shall pay to DMWW, for Services rendered, between April 24, 2024 and the date on which the CIWW Board hires its own staff or another entity to perform accounting related financial services on an ongoing basis, the sum of \$100 per

hour for each hour of effort provided, plus reimbursement of out of pocket expenditures made on behalf of CIWW. Out of pocket expenditures shall not include office rent, utilities, ordinary office supplies or the like, but shall include equipment, CIWW logo supplies, or other such items acquired solely for the benefit of CIWW. An invoice shall be submitted by DMWW on or before the 10th day of each month for the prior month's Services. CIWW shall review and provide for payment to DMWW at each month's Board meeting.

3. Term. This Agreement shall commence on April 24, 2024 and shall continue in full force and effect throughout and until the CIWW Board hires its own staff or another entity to perform accounting related financial services (the "Term") unless terminated in accordance with Paragraph 4 below.
4. Termination. This agreement may be terminated as follows:
 - a) Either Party may terminate this Agreement by providing thirty (30) days written notice to the other Party in accordance with the Notice provisions of paragraph 6 below;
 - b) This Agreement may be terminated at any time by mutual consent of the Parties;
 - c) The Parties agree that, in the event of termination pursuant to either section 4(a) or 4(b), above, in no event shall damages of any nature or kind be recoverable by either Party against the other Party beyond payment for services rendered at the agreed rate.
5. Relationship. DMWW shall be an independent contractor to CIWW. The Parties agree that DMWW is subject to the control of CIWW merely, and only to the extent, it relates to the results to be accomplished by the Services under this Agreement. The Parties agree that DMWW is not subject to the control of CIWW in relation to the means and/or methods for accomplishing such results. The Operating Contractor provisions of the CIWW's 28E-28F Agreement shall not apply to this Agreement.
6. Scope of Effort and Warranty. DMWW shall provide services under this Agreement with reasonable care and diligence and will faithfully utilize, and account for, all CIWW funds that come within its custody and control. **DMWW MAKES NO OTHER WARRANTY OF ANY PARTICULAR RESULTS OR OUTCOME FROM ITS SERVICES.**
7. Limitations of Liability. NO PARTY SHALL BE LIABLE TO ANY OTHER PARTY UNDER THIS AGREEMENT FOR ANY CLAIM FOR CONSEQUENTIAL, INDIRECT, INCIDENTAL, SPECIAL, PUNITIVE, OR EXEMPLARY DAMAGES, INCLUDING WITHOUT LIMITATION LOSS OF PROFITS OR REVENUE OR THE LOSS OF USE OF EITHER, OR COSTS OF REPLACEMENT CAPITAL, EXCEPT AS EXPRESSLY PROVIDED IN THIS AGREEMENT.
8. Individual Ownership and Responsibility. Each Party shall at all times hold and own its respective properties. Each Party shall be solely authorized to supervise, direct, and manage its own activities and the activities of its respective employees and agents. Each Party shall retain sole responsibility and liability for its own acts and omissions hereunder and for the acts and omissions of its respective employees and agents hereunder.

9. Information. DMWW shall make all CIWW information maintained by it on behalf of CIWW available to the CIWW Board, Standing Committees, and its agents and contractors upon request and shall transfer all such information as directed by the CIWW Board to its agents and contractors upon termination of this Agreement as part of the services provided under this Agreement.
10. Insurance. The Parties shall each separately, or jointly, establish and maintain insurance and risk management programs with respect to its own properties and liabilities within the scope of this Agreement. Each Party waives subrogation against the other Party with respect to losses covered by such Party's insurance.
11. Audit. CIWW may by notice in writing request access to DMWW's records for purposes of conducting an independent audit of DMWW's records of CIWW funds or activity. Such notice shall identify the records sought for audit, and DMWW shall provide access to the records sought for audit within 10 days after receipt of the notice requesting audit. Such audit shall be conducted by a certified public accounting firm retained by CIWW and at CIWW's sole cost. The audit findings shall be promptly provided to DMWW. In the event that such audit reveals any discrepancies, the Parties shall make such adjustments to balances paid or payable between them as the audit determines are proper, with such adjustments to be made within 30 days of the issuance of the audit report. In the event that either Party disputes the findings of the audit, it may notify the other Party of its objection thereto and request binding arbitration to resolve the matter.
12. Notice. Any notice which either Party hereto may desire, or be required, to give to the other Party shall be deemed to be adequate and sufficient notice if given in writing and service is made by mailing of such notice, addressed as follows:

To CIWW at: Central Iowa Water Works
 Attn: Interim Executive Director
 2201 George Flagg Parkway
 Des Moines, Iowa 50321

To DMWW at: Des Moines Water Works
 Attn: Ted Corrigan
 2201 George Flagg Parkway
 Des Moines, Iowa 50321
13. Choice of Law. This Agreement shall be governed by and interpreted in accordance with the laws of the State of Iowa.
14. No Assignment. This Agreement may not be assigned by DMWW or CIWW.
15. No Authority to Enter Contracts. DMWW acknowledges no agency on behalf of CIWW and asserts no authority to enter into contracts on behalf of CIWW, except: (i) as generally or specifically authorized by motion or resolution of the CIWW Board; or (ii) by purchases in DMWW's own name for reimbursable expense items under this Agreement. The Agreement does not create a partnership between the Parties.

16. Entire Agreement. This instrument (the Agreement) contains the entire agreement between the Parties and no prior or contemporaneous statements, promises or inducements made by either Party hereto, or agent of either Party hereto, which are not contained in this written instrument (Agreement), shall be valid or binding; and this Agreement may not be enlarged, modified or altered except in writing signed by the Parties and attached to this Agreement.
17. Severability. If any part of this Agreement is held to be unenforceable, the rest of this Agreement shall nevertheless remain in full force and effect.
18. Execution. This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original but all of which shall constitute one and the same instrument.
19. Headings Not Controlling. The headings to the sections of this Agreement are for convenience sake and do not create substantive terms, rights, or duties.

[Signature Page to Follow]

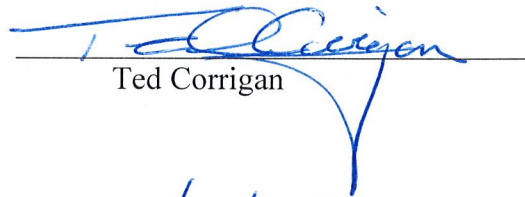
IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the Effective Date.

Central Iowa Water Works


Interim Executive Director

May 17 2024
Date

Des Moines Water Works


Ted Corrigan

5/17/24
Date



CENTRAL IOWA WATER WORKS
BOARD OF TRUSTEES ACTION ITEM FORM

Meeting Date: May 22, 2024

ITEM NUMBER: 5F

SUBJECT: Motion – Receive and File May Financial Summary

SUMMARY:

Statements requesting payment for Founding Agencies' Initial Capital Contributions totaling \$2,000,000 as outlined in Schedule I-9 have been sent to Members. As of the date of preparation of these board materials (May 10th), \$328,520 of the \$2,000,000 has been received. A bank account has been established with Bankers Trust, and capital contributions received thus far have been deposited.

As the Employment Agreement with the Interim Executive Director outlines that the position is an employee of CIWW (versus a contractor), a payroll solution with ADP is being actively implemented but is not yet complete pending the receipt of a permit letter from the State of Iowa for state tax withholding.

A Schedule of Bills will be included in future board packets for approval showing detail of disbursements. No disbursements have been made by CIWW to date.

FINANCIAL IMPACT:

CIWW's cash balance is \$328,520. No disbursements have been made to date.

RECOMMENDED ACTION BY THE BOARD OF TRUSTEES:

Motion to receive and file the May financial summary.

Prepared by: *Amy Kahler*



CENTRAL IOWA WATER WORKS
BOARD OF TRUSTEES ACTION ITEM FORM

Meeting Date: May 22, 2024

ITEM NUMBER: 6A

SUBJECT: Motion – Authorize Executive Committee to Negotiate with and Engage Bond Counsel

SUMMARY:

CIWW will incur bonded indebtedness in connection with the transfer of facilities on the operational date. An opinion of bond counsel will be necessary to sustain the validity of the indebtedness. Two law firms in Des Moines are qualified to provide opinions acceptable to sources of financing: Ahlers & Cooney PC and Dorsey & Whitney LLP. Because of the limited number of available providers, an open request for proposals would not be useful. The Executive Committee can undertake discussion with the firms to ascertain their availability and the terms on which they could be engaged. Beginning the process now will allow adequate time for the selected firm to perform the necessary work.

FINANCIAL IMPACT:

Legal fees cannot be estimated until a fee structure for the engagement is negotiated.

RECOMMENDED ACTION BY THE BOARD OF TRUSTEES:

Motion to authorize the Executive Committee to negotiate with and engage bond counsel.

Prepared by: _____

A handwritten signature in black ink, appearing to read "William H. Smith", is written over a horizontal line.



CENTRAL IOWA WATER WORKS
BOARD OF TRUSTEES ACTION ITEM FORM

Meeting Date: May 22, 2024

ITEM NUMBER: 6B

SUBJECT: Motion – Authorize Executive Committee to Negotiate and Engage Special Legal Counsel for CIWW with Respect to Operating Contracts and Transfers of Operational Property Rights

SUMMARY:

On the CIWW date of January 1, 2025, producing utilities will enter into operating contracts and transfer several real estate tracts and related access and operational rights. Each tract must be properly titled and documented. Preparing that documentation requires specialized skill in real estate law to be done timely and correctly. Two law firms have the specialized qualifications and resources to provide these services. Because of the limited number of providers with the necessary specialized qualifications, an open request for proposals would not be useful. The Executive Committee can undertake discussion with the firms to ascertain their availability and the terms on which they could be engaged. Beginning the process now will allow adequate time for the selected firm to perform the necessary work.

FINANCIAL IMPACT:

Legal fees cannot be estimated until a fee structure for the engagement is negotiated.

RECOMMENDED ACTION BY THE BOARD OF TRUSTEES:

Motion to authorize the Executive Committee to negotiate with and engage special legal counsel for CIWW with respect to operating contracts and transfers of operational property rights

Prepared by: William H. Smith



CENTRAL IOWA WATER WORKS
BOARD OF TRUSTEES ACTION ITEM FORM

Meeting Date: May 22, 2024

ITEM NUMBER: 6C

SUBJECT: Resolution – Approval of Bylaws

SUMMARY:

In accordance with Article VIII, Section 13 of the Central Iowa Water Works 28E/28F Agreement, the Board may adopt bylaws relating to its proceedings, the conduct of the affairs of CIWW, and the terms of service for water provided to Member Agencies that are not inconsistent with the Agreement.

Legal counsel adapted the proposed bylaws from the bylaws of the Des Moines Metropolitan Wastewater Reclamation Authority. A copy of those bylaws that were presented at the April meeting is attached to this memo.

Adoption of the bylaws requires notice at a previous Board meeting. Notice was properly given at the April meeting. It is appropriate that final action to approve the bylaws is taken at this meeting.

FINANCIAL IMPACT:

None

RECOMMENDED ACTION BY THE BOARD OF TRUSTEES:

Resolution approving Bylaws of the Board of Trustees of Central Iowa Water Works.

Prepared by: William H. Smith

**BYLAWS OF THE BOARD OF TRUSTEES
OF
CENTRAL IOWA WATER WORKS**

Part I. General Provisions

Section 1. Scope of, and Authority for, Bylaws. These Bylaws have been adopted pursuant to Section 13 of Article VIII of the Central Iowa Water Works 28E/28F Agreement filed of record with the Iowa Secretary of State as Agreement M516883 (“CIWW Agreement”). Such Agreement creates and governs the Central Iowa Water Works (“CIWW”) and establishes a Board of Trustees consisting of Trustees and Additional Trustees appointed by the Member Agencies of CIWW. All references herein to Trustees shall include Additional Trustees. These Bylaws shall govern the conduct of the Board of Trustees of CIWW (“CIWW Board”) and shall be interpreted to ensure fair and open deliberations and decision-making.

Section 2. Technical Parliamentary Forms Abolished. Except as specifically required by law or by these Bylaws, the CIWW Board shall not be required to use or follow any formal points of parliamentary order, personal privilege, parliamentary inquiry or other technical forms.

Section 3. Matters Not Covered. Any matter or order or procedure affecting the CIWW Board that is not covered by these Bylaws shall be referred to the presiding officer, who shall decide the matter in a fair and expeditious manner and in conformity with the purpose of these Bylaws, with the assistance and advice of CIWW’s legal counsel.

Section 4. Interpretation. These Bylaws are intended to supplement, and shall be interpreted to conform with, the statutes of the State of Iowa and the CIWW Agreement.

Part II. Agenda

Section 5. Preparation of Agenda. Prior to each CIWW Board meeting the CIWW Executive Director shall publish a tentative Agenda which contains all items the CIWW Board anticipates acting upon at the meeting. The tentative Agenda and supporting materials shall, to the extent reasonably possible, be provided to each of the Trustees and Alternates at least five calendar days before each Board meeting. The CIWW Board may adopt the agenda as presented, or may amend the agenda as provided by these Bylaws and may adopt the agenda as amended.

Section 6. Public Comment Period. The Agenda shall provide for a public comment period at the beginning of the meeting, during which any member of the public may, upon request, be heard or offer comment on any matter.

Section 7. Consent Agenda. The Agenda shall separately designate items as "Consent Agenda" items which may be acted upon by the CIWW Board under Section 36 hereof. The "Consent Agenda" shall consist of routine non-controversial items which can be appropriately considered en masse at the CIWW Board meeting.

Section 8. Hearings and Discussion Items. The Agenda shall provide a schedule of hearings and a separate schedule of discussion items.

Section 9. Agenda Deadline. The Chair or any Board member may have an item included within the Agenda by requesting the Executive Director to include the item by 5:00 P.M. on the Wednesday preceding a CIWW Board meeting.

Section 10. Extra Items. Items requested or filed after 5:00 P.M. on the Wednesday preceding a CIWW Board meeting shall not be included upon the Agenda unless a CIWW Board member shall deem the item of sufficient urgency to warrant immediate CIWW Board action. These items shall be designated as "Extra" items and will be considered at the appropriate place on the regular Agenda (prior to or after a related item) or at the end of the regular Agenda. The Secretary shall record, in the minutes, the name of the Board member sponsoring the "extra" item.

Section 11. Board Action to Defer, Continue or Not Act. A Board member shall not withdraw any item prior to the start of a Board meeting, provided however, a Board member wishing to defer action or continue an item has a right to have a motion to continue, defer or not act on any item considered before any other action which the Board may consider.

Part III. Conduct of Board Meetings

Section 12. Roll Call. Before proceeding with the business of the Board, the Secretary shall call the roll call of Board members present, and enter those named in the minutes. The Chair shall determine the presence of a quorum as required by the CIWW Agreement and these Bylaws.

Section 13. Call to Order. The Chair or Vice-Chair shall call the meeting to order at the appointed hour. In the absence of the Chair or Vice-Chair, the Secretary shall call the meeting to order and a temporary presiding officer shall then be selected in accordance with Section 14. The selected temporary presiding officer shall serve as Vice-Chair for the meeting and shall be authorized to sign all measures passed and contracts approved at that meeting.

Section 14. Presiding Officer. The Chair, or in the Chair's absence or incapacity, the Vice-Chair, shall be the presiding officer at all Board meetings. If both the Chair and Vice-Chair are absent the Board members present will select, by majority vote, a presiding officer pro tem.

Section 15. Consideration of Items. The presiding officer shall facilitate discussion of the Board on each Agenda item to assure full participation in accordance with these Bylaws.

Section 16. Order of Consideration of Agenda. Except as otherwise provided in these Bylaws, each Agenda item shall be considered in the numerical order assigned by the Executive Director. Each Agenda item shall be separately announced by the presiding officer, or Secretary, for purposes of discussion and consideration. To announce an item it shall be sufficient to identify the item by the number assigned by the Executive Director, unless greater specificity is requested by some person in attendance. This section shall not apply to consideration of items under Sections 35 or 36.

Section 17. Discussion. A Board member shall speak only after being recognized by the presiding officer. A Board member recognized for a specific purpose shall limit remarks to that purpose. A Board member, after being recognized, shall not be interrupted except by the presiding officer to enforce these Bylaws.

Section 18. Presiding Officer's Right to Enter into Discussion. The presiding officer, as a member of the Board, may enter into any discussion.

Section 19. Limit on Remarks. Each Board member shall limit his or her remarks to a reasonable length.

Section 20. Presiding Officer's Right to Speak Last. The presiding officer has the right to speak last on any item.

Section 21. Closing Debate. Discussion shall be closed on any item by the presiding officer. Except as provided by Section 40 a call for the vote shall not close discussion if any Board member still wishes to be heard or the presiding officer determines the continued discussion will be helpful to the Board.

Section 22. Electronic Participation in Meetings of the Board. Provision shall be

made at each regular or special meeting of the Board, to the extent practicable, for Board members, alternates, staff, and members of the public to participate by conference telephone or by video conference. A Board member, or alternate acting in the place of an absent Board member, who participates by telephone conference or by video conference, shall be considered present for purposes of establishing a quorum and may cast votes on all matters coming before the meeting as if physically present. Meetings of the Board may be conducted wholly by electronic means to the extent permitted by law when necessary or appropriate. Board meetings may also be conducted solely by electronic means in compliance with the provisions of Section 21.8 of the Iowa Code.

Part IV. Public Participation

Section 23. Public Right to Address the Board. Persons other than Board members shall be permitted to address the Board, on any matter, during the "Public Comment" portion of the Agenda and may in the discretion of the presiding officer be recognized during the consideration of any other item on the Agenda.

Section 24. Manner of Addressing the Board. A person desiring to address the Board shall step to the podium, state his or her name, address, and group affiliation (if any) and speak clearly so that those present may hear the comments.

Section 25. Time Limit on Public Remarks. Each member of the public shall be limited to five minutes speaking time unless additional time is granted by the presiding officer. Such time is a personal privilege and may not be yielded to another person. Total public input on any subject under Board consideration may be limited to a fixed period by the presiding officer. A majority vote of the Board may extend the time limitations of this section.

Section 26. Remarks of the Public to be Germane. Public comments during the Public Comment period must be germane to the mission of the CIWW or to the powers and duties of the Board. Public comments during consideration of any Agenda item, if any, must be directed to the subject under consideration. The presiding officer shall rule on the germaneness of public comments. Members of public making personal, impertinent, or slanderous remarks may be barred by the presiding officer from further comment before the Board during the meeting then in progress.

Part V. Board Action

Section 27. Motions. At any appropriate place on the Agenda, any Board member may make a motion for the Board to act upon any matter if the motion is germane to the matter under consideration.

Section 28. Motion Required. All action requiring a vote shall be moved by a member of the Board and seconded by another member of the Board.

Section 29. Vote. A vote shall be taken on any matter that is moved and seconded. The presiding officer shall be entitled to vote on any action. Except as to matters subject to a weighted vote, the vote of a majority the members of the CIWW Board who are present and voting is required to approve the action.

Section 30. Motion to Reconsider. A motion to reconsider must be made by a Board member who was on the prevailing side in the original action, and such motion must be made at the meeting at which the original action was taken or at the next meeting of the Board thereafter. The Executive Director shall not place upon the Agenda any matter for reconsideration unless sponsored by a Board member who originally voted on the prevailing side with respect to that matter.

Section 31. Motion to Amend. No motion shall be made while another motion is pending, except a motion to amend, which shall take precedence over the motion on the floor.

Section 32. Failure of Item to Receive a Majority of Votes. Section 29 of these Bylaws notwithstanding, when less than all Board members are in attendance at a meeting and an Agenda item or other measure before the Board fails to receive a majority vote of those members present and voting either to approve, to deny approval, or to take some other action, then the Agenda item or other measure shall, upon the request of any Board member in attendance at the meeting, be placed by the Executive Director on the Agenda for the next Board meeting, and continued thereafter upon the Agenda for subsequent meetings until it receives either a majority vote of those members present and voting to approve, to deny approval, or to take some other action.

Section 33. Weighted Vote. On any matter before the Board where a weighted vote is allowed in accordance with the CIWW Agreement, a Board member may request a weighted vote, provided however, that such request shall have no effect unless made prior to the vote being taken on that matter. If a weighted vote is requested, no further Board action is required at that meeting, and the Executive Director shall place the item on the agenda for the next Board meeting and shall provide notice to all Participating Community representatives, all as required by the CIWW Agreement. Any weighted vote shall be conducted as provided in the CIWW Agreement.

Section 34. Separate Consideration. Except as otherwise required by these Bylaws,

each Agenda item shall be voted upon separately and each vote shall be recorded by the Secretary.

Section 35. Action on Consent Agenda. Except as herein provided, the "Consent Agenda" shall be considered en masse and voted upon in single motion. At the time of consideration of the Consent Agenda, the presiding officer shall announce the item and shall ask if any Board member wishes to speak upon any Consent Agenda item. At that time, any Board member may ask that any Consent Agenda item(s) be considered separately, for discussion or for informational purposes, or a Board member may ask that the Secretary record the members' vote, on any particular item(s) either in the negative or as an abstention. On all matters contained in the Consent Agenda, the Secretary shall record the yes and no votes on each item separately as if each item had been moved and voted upon separately. Section 16 shall not apply to items on the consent agenda.

Section 36. Action on Multiple Items. With the consent of a majority of the Board, Section 34 hereof notwithstanding, the Board may consider for voting purposes more than one item, but in such event the vote upon each item will be separately recorded by the Secretary noting specific yes or no votes of each Board member on each item.

Section 37. Agenda Items Deferred or Considered Out of Order. With the consent of the Board any Agenda item may be deferred for consideration later in the meeting, or may be considered out of numerical sequence at the request of a Board member.

Section 38. Recording Names of Moving Members. The Secretary shall record the name of the Board member making each motion.

Section 39. Consideration of Matters Not on Agenda. Except as to matters which by law require the publication of notice before consideration by the Board, any Board member may, at the close of the regular Agenda, bring a matter not on the Agenda to the Board's attention. The Board may act upon such matters or direct such matter be included upon a subsequent Agenda.

Section 40. Call for the Vote. At the conclusion of debate the presiding officer shall call for a vote; however, upon proper motion and consideration, two-thirds of the Board members present may call for a vote at any time.

Part VI. Miscellaneous

Section 41. Applicability of Bylaws. These Bylaws shall apply to the CIWW Board when meeting in any form.

Section 42. Name of Sponsor on Resolution. Any time these Bylaws require an action to be sponsored by a Board member, the Secretary shall note the name of the sponsoring Board member on the face of the resolution for said item.

Section 43. Suspension of Bylaws. These Bylaws, or any part hereof, may be suspended for a specific purpose and for the meeting then in progress by a two-thirds majority of the Board members present.

Section 44. Hearings. Any other section to the contrary notwithstanding, unless required by statute or necessary to conform to proceedings required for a special purpose, a hearing shall commence when declared open by the presiding officer and shall close when closed by the presiding officer or by other formal action of the Board.

Section 45. Adjournment. When each item on an agenda item has been dealt with adjournment can be declared by the presiding officer or by other formal action of the Board.

Section 46. Informal Requests. Before or during the consideration of any matter, or in the course of any hearing, a Board member may request and receive information, explanations or the opinions of the CIWW Executive Director, of any member of the Committees established under the CIWW Agreement or by the Board, of any employee of the Board, or of CIWW legal counsel.

Section 47. Amendment or Repeal of Bylaws. As provided in the Central Iowa Water Works Agreement, these Bylaws may be amended or repealed by a majority vote of the Board taken at any regularly scheduled or specially called meeting of the Board, provided that such proposed amendment or repeal of these bylaws was presented in writing at a prior regular meeting of the Board, and provided that notice of the impending vote thereon is contained in the meeting notice and agenda of the meeting at which such vote is to be taken.

Section 48. Delegation of Duties of Secretary. The duties of the Secretary under these Bylaws may be performed by a Board clerk appointed at any time by resolution of the Board. Any references herein to the Secretary shall be deemed to refer also to the Board Clerk so appointed, if any.

These Bylaws adopted by the CIWW Board on _____, 2024, pursuant to CIWW Board Resolution No. 24-_____.

_____, CIWW Board Secretary

RESOLUTION NO. _____

**RESOLUTION APPROVING BYLAWS FOR CENTRAL
IOWA WATER WORKS**

WHEREAS, Section 13 of the Central Iowa Water Works 28E/28F Agreement states that the Board may adopt bylaws relating to its proceedings, the conduct of the affairs of CIWW and the terms of service for water provided to Member Agencies that are not inconsistent with the Agreement;

WHEREAS, such bylaws may be adopted provided that such Bylaws are presented in writing at a prior regular meeting of the Board and provided that notice of the impending vote thereon is contained in the meeting notice and agenda at which such vote is to be taken;

WHEREAS, a preliminary draft of the Bylaws and notice of the impending vote was included with the April 24, 2024 Board Agenda; and

WHEREAS, the preliminary draft of the Bylaws was approved at the April 24, 2024 meeting; and

WHEREAS, the Board of Central Iowa Water Works believes that the Bylaws in the form presented at the prior regular meeting and attached hereto as Exhibit "A" should be adopted.

NOW, THEREFORE IT IS HEREBY RESOLVED, by the Board of Central Iowa Water Works that Bylaws in the form attached hereto are acknowledged and are approved as the Bylaws of Central Iowa Water Works.

PASSED AND APPROVED this 22nd day of May 2024.

Jody Smith, Board Chair

Attest:

Diane Munns, Board Secretary



CENTRAL IOWA WATER WORKS

BOARD OF TRUSTEES ACTION ITEM FORM

Meeting Date: May 22, 2024

ITEM NUMBER: 6D

SUBJECT: Finance and Audit Committee

SUMMARY:

1. Discussion and Potential Action

Article X, Section 3 of the Central Iowa Water Works 28E/28F Agreement provides for appointment of members to the Finance and Audit Committee by the Board Chair on an annual basis. The Membership of the Committee shall not equal or exceed the number constituting a quorum for the full Board. Membership will be discussed, and action may be taken to appoint members to the Finance and Audit Committee.

2. Referral of PFM Agreement and Scope of Work to Finance & Audit Committee

An Agreement and Scope of Work for interim financial services from PFM is being drafted for review and consideration by the Finance and Audit Committee.

3. Referral of Proposed Investment Policy to Finance and Audit Committee

The Central Iowa Water Works 28E/28F Agreement states that all funds held by the Board shall be accounted for, managed and invested in compliance with Iowa law, including but not limited to, Chapters 12B and 12C, Iowa Code. Staff recommends that sample investment policies be provided, and that the information be referred to the Finance and Audit Committee for review and consideration.

4. Referral of Setting CIWW Reserve Fund Policy to Finance and Audit Committee

The Central Iowa Water Works 28E/28F Agreement states that the Board shall establish and maintain reasonable and adequate financial and operating reserves. PFM has recommended operating reserves be established at a level equal to 25% of the annual operating budget, and that these reserves be accumulated over a period of four years. Staff recommends that the PFM recommendation be referred to the Finance and Audit Committee for review and consideration.

5. Referral of Interim Purchasing and Expenditure Policy to Finance and Audit Committee

To facilitate efficient operation of CIWW administrative functions, a level of spending authority will be established for the Interim Executive Director and the Board Clerks that will allow them to make purchases and approve payments related to those administrative functions. Staff recommends that the Interim Purchasing and Expenditure Policy establish the Interim Executive Director's spending authority as \$25,000 and the Board Clerks' spending authority as \$5,000, and that the policy be referred to the Finance and Audit Committee from review and Consideration.

ITEM NUMBER: 6D

Meeting Date: May 22, 2024

FINANCIAL IMPACT:

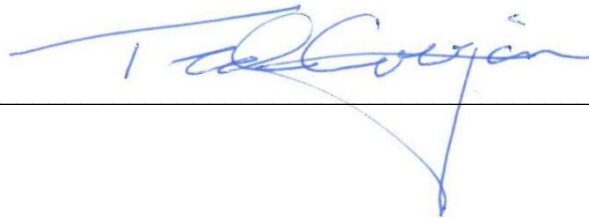
As determined by the outcome of Finance and Audit Committee discussions.

RECOMMENDED ACTION BY THE BOARD OF TRUSTEES:

Motion to ratify Finance and Audit Committee appointments.

Motion to refer items 2 through 5 above to the Finance and Audit Committee for further consideration. Each proposed policy will be referred back to the Board for final review and approval.

Prepared by: _____

A handwritten signature in blue ink, appearing to read "T. G. Goyen", is written over a horizontal line. The signature is fluid and cursive, with a long horizontal stroke at the beginning and a large loop at the end.



CENTRAL IOWA WATER WORKS
BOARD OF TRUSTEES ACTION ITEM FORM

Meeting Date: May 22, 2024

ITEM NUMBER: 7A

SUBJECT: Executive Committee Information Items

SUMMARY:

The Executive Committee has taken the following actions as authorized at the April 24, 2024, Board meeting.

1. A Request for Proposals for Professional Services to conduct a search for a permanent CIWW Executive Director was sent to nine firms on May 8, with responses due May 20.
2. An employment agreement has been signed with William Smith to serve as Interim Executive Director of CIWW.
3. Engagement Letters have been executed with Brick Gentry Law Firm and Dickinson Bradshaw Law Firm to provide general legal services to CIWW until a permanent general counsel is retained.
4. Insurance Policies have been executed for Directors & Officers coverage. Discussions continue for Workers Compensation coverage.

Prepared by: _____

A handwritten signature in black ink, which appears to read "William H. Smith", is written over a horizontal line.

STRONGER TOGETHER

Central Iowa Water Works

REQUEST FOR PROPOSALS

SEARCH FOR EXECUTIVE DIRECTOR, CENTRAL IOWA WATER WORKS

Central Iowa Water Works (CIWW) is a newly created water production agency that will serve twelve municipal water systems in the Des Moines, Iowa, Metro region. It intends to begin operations January 1, 2025. The CIWW Board of Trustees is eager to have an Executive Director in place in advance of the operational date, ideally by late October 2024.

CIWW requests proposals to conduct a nation-wide executive search for a leader with the vision and skills to bring CIWW to operational readiness and direct its planning and operations going forward.

We request your proposal, with costing provisions and a form of contract, no later than 5:00 pm CT on Monday, May 20, 2024. Proposals will be shared with the CIWW Board, at its May 22 meeting, with the search process to begin immediately after selection.

We invite you to send proposals electronically to whsesq@gmail.com. Hard copy documents may be sent to:

Central Iowa Water Works
2201 George Flagg Parkway
Des Moines, Iowa 50321

For further information, please contact William H. Smith Jr., Interim Executive Director, at whsesq@gmail.com, or at 515-554-4104

STRONGER TOGETHER

Central Iowa Water Works

POSITION DESCRIPTION EXECUTIVE DIRECTOR

CENTRAL IOWA WATER WORKS

1. The Executive Director serves as the Chief Operating Officer of CIWW, a joint and cooperative water production agency serving the Des Moines, Iowa, region. The Executive Director is responsible for conducting CIWW's affairs in accordance with Iowa legal requirements.
2. As a wholesale water production agency, CIWW's planning function is of paramount importance. The Executive Director will direct planning for current and future water production facilities with the support of member water systems through a Technical Committee.
3. As a public entity, CIWW's financial integrity is critical. The Executive Director will oversee the financing of purchased water facilities and future facilities – either new or expansion – and will oversee wholesale revenues adequate to support that financing.
4. The Executive Director will be responsible to the CIWW Board of Trustees. The Executive Director also has primary responsibility for maintaining cooperative relationships with its member entities.
5. The Executive Director will have direct leadership responsibility for CIWW's staff, its office facility, and its production facilities. The Executive Director will supervise human resource functions, relationships with vendors and suppliers of goods and services. The Executive Director will have general management responsibility for CIWW's affairs, including press representation. The Executive Director will maintain CIWW's relationships with its professional service providers, including financial advisors, counsel, bond counsel, engineers, insurers, and auditors. CIWW's production will be performed by member water systems under contract for an expected twenty-year period. During this time, the Executive Director will be responsible for maintaining relationships with producing members. The Executive Director will oversee the construction of new and/or expansion water production facilities and, before that work is completed, will work with the Board of Trustees on how those facilities will be operated.
6. Compensation and benefits will be negotiated based on experience and responsibilities. Compensation will include participation in the Iowa Public Employees Retirement System (IPERS).

STRONGER TOGETHER

Central Iowa Water Works



FOUNDING MEMBERS

The 12 founders of Central Iowa Water Works (CIWW) filed the signed intergovernmental 28E/F agreements with the State of Iowa on **April 11, 2024**, making it an official entity. The CIWW Board of Trustees will meet for the first time on April 24, 2024, to begin the process of establishing the state's largest regional drinking water production system that will serve more than 600,000 people in Central Iowa. CIWW will only sell water to its members.

CIWW HISTORY

Central Iowa Water Works, a regional drinking water authority, grew out of a decade of discussions about regionalization. Despite significant efforts, no regional concept gained broad support. Then in 2020, the Micro Group, composed of community and utility representatives, reviewed why previous attempts had failed and what needed to change to attain metro wide support. From those recommendations, CIWW took shape, and in early 2022, more than a dozen entities began to negotiate the terms of the 28E/F agreements necessary to establish a regional water system. Twelve entities signed on and became founding members.

THE BENEFITS OF CIWW

- Shared governance
- Collaboration on planning and source water development
- Resiliency of access and supply
- Cost-sharing
- Unified, cooperative voice
- Local control of distribution and regional cooperative production

TIMELINE TO STAND UP CIWW

It is anticipated that CIWW will be producing and selling water to its members in the first quarter of 2025.

WHAT ARE THE NEXT STEPS?

Over the next several months the CIWW Board of Trustees will establish the regional authority as an operational entity including essential functions such as legal, accounting and finance. The most significant step in this process involves the transfer of water production assets and funding. CIWW will own all production and treatment assets while local agencies continue to manage distribution, customer service and other business functions. The members will purchase all of their water from CIWW.

MEMBER COMPOSITION

- 3 board-governed water utilities
- 2 rural water providers
- 7 community water departments

13 TRUSTEES

CIWW BOARD OF TRUSTEES		
FOUNDING AGENCY	REPRESENTATIVE	POSITION
Ankeny	David Jones	City Manager
Clive	John Edwards	Mayor
DMWW	Diane Munns	Board Trustee
DMWW	Susan Huppert	Board Vice-Chair
Johnston	Tom Cope	Council Member
Grimes	Jake Anderson	City Administrator
Norwalk	Tom Phillips	Mayor
Polk City	Jeff Walters	Council Member
UWU	John McCune	Board Chair
Warren Water Dist	Carol Freeman	Board Member
Waukee	Courtney Clark	Mayor
WDMWW	Jody Smith	Board Trustee
Xenia	Dan Lovett	Board Chair

Employment Agreement

Central Iowa Water Works and William H. Smith Jr. hereby mutually agree as follows:

SECTION. 1 DEFINITIONS

The following words, when used herein, shall have the following meanings:

- (a) “*Employee*” shall mean William H. Smith Jr.;
- (b) “*CIWW*” shall mean the Central Iowa Water Works, a joint and cooperative legal entity organized and existing under Iowa Code Chapters 28E and 28F.
- (c) “*Agreement*” shall mean this Employment Agreement.

SECTION. 2 SCOPE, TERM, AND TIMELINE OF SERVICES

Employee shall serve *CIWW* as its Interim Executive Director on a part-time and at-will basis. At-will employment means either *CIWW* or *Employee* may terminate *Employee*'s employment at any time, for any lawful reason, and with or without notice. *Employee*'s employment shall be temporary and shall be deemed to have commenced on April 24, 2024. If not terminated at the will of either party, *Employee*'s employment with *CIWW* shall terminate, without further action by either party, on the earliest of the following events: (a) October 18, 2024, (b) the date an Executive Director of *CIWW* is hired, or (c) when *Employee* has worked 1039 hours.

CIWW is a newly established 28E/28F entity formed by twelve founding agencies to operate, govern, and oversee water production efforts in Central Iowa, with a target operational commencement date of January 1, 2025. As Interim Executive Director, *Employee* in accord with high standards of professionalism and expertise, will assist the *CIWW* Board with a number of initial tasks summarized as follows:

- (a) Organize and coordinate arrangements for Board and Committee meetings; prepare agenda and supporting information for Board and Committee meetings; follow Iowa Code requirements for posting and publishing meeting information.
- (b) Organize an initial finance system.
- (c) Work on an initial program of insurance coverages for *CIWW*.
- (d) Prepare a *CIWW* Investment Policy for Board consideration;
- (e) Identify an initial audit firm; coordinate preliminary work on 2025 calendar year budget.
- (f) Coordinate with *CIWW* Executive Committee on Board Policy and Procedure Manual; work on refining initial *CIWW* Bylaws for Board consideration.
- (g) Assist Board in engaging Bond Counsel, Financial Adviser Representative, Engineering Representative and engaging longer term Board Counsel.
- (h) Arrange for initial *CIWW* website and communications protocols.
- (i) Coordinate selection of recruiting firm and manage process for selection of permanent Executive Director.
- (j) Respond to and resolve all inquiries including media inquiries and complaints in a timely and courteous manner.
- (k) Prepare for the transfer of assets and properties to *CIWW* and for execution of Operating Contracts.

- (l) Other tasks as needed in the formation and start-up phase of *CIWW*.

Employee will coordinate closely and work at the direction of *CIWW* Board and Board officers and will coordinate as necessary with *CIWW*'s founding agencies on all task activities.

SECTION. 3 EMPLOYEE STATUS, OBLIGATIONS

- (a) The employment status of *Employee* shall be at-will as defined in Section 2. *Employee* shall be classified as part-time and shall work as needed. *Employee*'s hours shall be flexible and services shall be performed at times within *Employee*'s discretion or at the direction of the *CIWW* Board. *Employee* shall be considered non-exempt under the Fair Labor Standards Act. As such, *Employee* shall record the hours he works, report such hours to *CIWW*, and shall be paid an hourly wage. *Employee* must request and obtain permission in advance of working more than 40 hours in a workweek of Sunday through Saturday. In the unlikely event *Employee* works more than 40 hours in any workweek, he shall be eligible for overtime pay.
- (b) *Employee* shall be an officer of *CIWW* and the services he provides are deemed to be professional in character.
- (c) During the life of this *Agreement*, *Employee* shall not engage in other activity that would create a conflict of interest with the performance of the duties of Interim Executive Director, but shall otherwise be free to engage in other employment or consulting activity.
- (d) *Employee* shall not discriminate against any person because of race, color religion creed, ancestry, national origin, age, sex, pregnancy, disability, military status, citizenship, sexual orientation, gender identity, genetic information, and any other protected characteristic. *Employee* shall comply with all other laws applicable to his services to *CIWW* hereunder.
- (e) *Employee* agrees to indemnify *CIWW* and hold it harmless for any losses, claims, damages, liabilities, actions, costs, or expenses, including attorney's fees, to which *CIWW* may become subject and which may arise out of *Employee*'s acts, omissions, breaches, inaccuracies, fraud or misrepresentations that are undertaken intentionally, willfully, negligently, or in bad faith, in the performance of this *Agreement*. *CIWW* agrees to provide *Employee* with legal representation for his defense, and indemnify *Employee* and hold him harmless, for any losses, claims, damages, liabilities, actions, costs or expenses to which *Employee* may become subject and which may arise out of the legal and good faith execution of his duties, and that are with the scope of his duties, for and on behalf of *CIWW*.
- (f) This provision survives the termination of this *Agreement*.

SECTION. 4 SERVICES ARE PERSONAL

The services of *Employee* shall be provided solely by him and may not be delegated to any other person or entity.

SECTION. 5 PLACE OF WORK

CIWW shall provide an office and office support to *Employee* at any location of *CIWW*'s choosing within the Des Moines area, but *Employee* is free to work remotely at any other location.

SECTION. 6 EMPLOYEE COMPENSATION

Hourly basis: *CIWW* shall compensate *Employee* at the rate of \$150 per hour based on time worked as recorded and reported to *CIWW* on a monthly basis. *Employee* shall not be entitled to any bonuses.

Time and Cost Reporting: *Employee* shall submit monthly time sheets and periodic expense reports for costs that have been incurred in the performance of this *Agreement*.

No Benefits: EMPLOYEE SHALL NOT BE ELIGIBLE FOR ANY GROUP HEALTH INSURANCE, VACATION PAY, SICK PAY, PAID TIME OFF, IPERS, RETIREMENT, OR ANY OTHER FRINGE BENEFITS.

Payroll and Expense Reimbursement: *Employee* shall be paid monthly on or before the fifteenth day of each month for time recorded in the prior month, subject to all applicable payroll taxes deductions. Proper expenses shall be reimbursed to *Employee* from time to time within twenty days of submission of a properly itemized and supported expense report.

SECTION. 7 COPYRIGHT

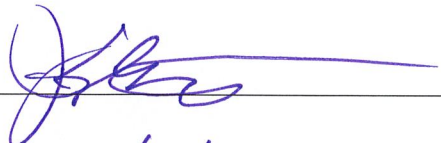
Any materials produced by *Employee* during his employment with *CIWW* shall be a work made for hire for *CIWW* and *CIWW* shall own all rights, including the right to use and copyright, said materials. *Employee* must have the written approval of *CIWW* to use these materials for any other person, entity, or project not related to the present *Agreement*. This provision survives the termination of this *Agreement*.

SECTION. 8 CHANGES

Any modification or variation of this Employment Agreement shall be made by a written amendment signed by the authorized representative of each party. The parties may, however, amplify and refine tasks listed in the scope of the agreement by verbal discussion.

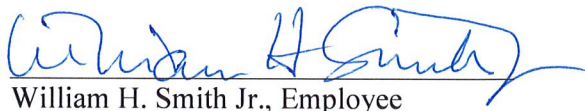
IN WITNESS WHEREOF, the parties here to have executed this Employment Agreement, in duplicate.

CENTRAL IOWA WATER WORKS



Date 5/17/24

WILLIAM H. SMITH JR.


William H. Smith Jr., Employee

Date MAY 17 2024

May 14, 2024

Central Iowa Water Works
2201 George Flagg Parkway
Des Moines, Iowa 50321

SENT VIA EMAIL

Re: Engagement

Dear Board Members:

I am pleased that you have decided to retain the undersigned and this firm, to represent Central Iowa Water Works (“CIWW”) with respect to initial organizational, formation and other general matters prior to the planned engagement by CIWW of a general counsel as contemplated by the Chapter 28E-28F Agreement under which CIWW has been formed. We understand that you are also engaging Richard A. Malm and the Dickinson Bradshaw Law Firm, to provide services as additional counsel to CIWW with the expectation our firm and that firm will work together, or separately when conflict consideration may so dictate, to provide the required services.

It is understood that this engagement includes work that began on January 2, 2024 and will continue until a permanent general counsel is retained by CIWW.

The scope of this engagement will include matters related to the formation and initial organization of CIWW including: organizational planning; filing of the final CIWW 28E-28F Agreement; attendance at initial CIWW Board meetings; preparation and review of organizational documents such as agendas, resolutions, and bylaws; preparation of RFP’s and agreements for services required by CIWW; and other matters of a legal nature as needed.

This engagement letter describes the agreement under which our firm has provided, and will provide, legal services to you and how we will be compensated for our services within the scope of the present engagement. In the event that you retain us for subsequent matters, the terms of our agreement set forth in this agreement will continue to apply unless otherwise communicated.

As it pertains to this firm I will have primary responsibility for your representation and expect to provide most of the contemplated services, but I will utilize other attorneys and legal assistants in this firm on a limited basis in the best exercise of my professional judgment where appropriate to provided efficient and effective service. Of course, I plan to work closely with Mr. Malm as well, to coordinate the services to be provided.

Questions or Concerns: If, at any time, you have questions, concerns or criticisms, please contact me at once.

May14, 2024

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No Guarantee of Results: Either at the beginning or during the course of the representation, we might informally express opinions or beliefs concerning the matters involved in the representation and the results that might be anticipated. Any such statement by us is an expression of opinion only and is not a promise or guarantee of results. We will keep you informed of our progress, and we will respond to you as promptly as possible. In return, we need you to keep us informed of any developments that may affect all matters as to which we represent you as soon as you become aware of them and to be available when we need to consult with you.

Fees and Costs: We will bill you monthly for the legal services we provide on an hourly rate basis. My hourly rate will be \$240.00. To the extent other attorneys or legal assistants provide services, their rates will be \$240.00 or their standard hourly rate less a 25% discount, whichever is less.

In addition, we charge and expect reimbursement for out-of-pocket expenses that we have incurred on your behalf. Such expenses may include, but may not be limited to, airfare, mileage expenses outside of Polk County, long-distance telephone costs, filing fees, deposition costs, printing costs, and advertising costs. We do not add any overhead costs to such third party charges. We will not bill for mileage expenses within the Des Moines metro area or basic computer research expenses.

Our statements generally will be prepared and mailed during the month following the month in which services are rendered or costs advanced. We expect payment within a few days after the statement date.

Disclosure of Conflicts and Waiver: We have disclosed to the Board of CIWW, prior to its decision to retain our services, that this firm has represented Founding Member West Des Moines Water Works (“WDMWW”) as outside general counsel and will continue to represent WDMWW generally. This firm also currently represents Founding Members, the City of Ankeny, the City of Johnston, the City of Polk City and the City of Waukee, and will continue to do so.

Our representation of the WDMWW has included substantial work related to the development and negotiation of the CIWW’s 28E-28F Agreement, including the Asset Transfer Schedule and other Schedules thereto on behalf of WDMWW as well as development of the form of proposed Operating Contract between CIWW and WDMWW submitted prior to the approval by the various Founding Members of the 28E-28F Agreement, and which is to be executed by the parties as a pre-condition to asset transfer of the WDMWW Water Production Facilities under the 28E-28F Agreement. We will not represent CIWW with respect to Operating Contract or Asset Transfer matters affecting WDMWW or Polk City but will continue to represent WDMWW and Polk City on such matters.

We understand that the Board of CIWW has considered the prior involvement of this firm in matters leading up to the creation of CIWW to offer substantial benefits to CIWW in terms of costs and efficiencies within the scope of this engagement, and that continuing representation of WDMWW, the City of Ankeny, the City of Johnston, the City of Polk City and the City of Waukee, is not considered incompatible with the scope of services contemplated under this engagement or to create a direct conflict because WDMWW, Ankeny, Johnston, Polk City, Waukee, and CIWW

May 14, 2024

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generally share a mutual interest in the prompt, efficient, and cost-effective performance of legal services to CIWW within the scope of this engagement and generally have a community of interest in, and are not adverse to each other with respect to, the matters within the scope of engagement.

To the extent any conflict, or appearance of conflict, is deemed to arise with respect to any item of services, we understand that the Board of CIWW desires to waive the conflicts arising from the circumstances described above, subject to an understanding that ongoing conflicts will also be managed by reliance on one firm or the other in specific matters to avoid direct conflicts between WDMWW, Ankeny, Johnston, Polk City, Waukee, and CIWW, or by deferral or referral of problematic legal matters, such as the Operating Contracts and Asset Transfer, where a direct conflict problem exists, until permanent counsel can be retained.

It is not expected that substantial confidentiality issues will arise because of the community of interest among our clients and more particularly because of the temporary management roles being played by WDMWW and its staff in the organization and formation of CIWW as approved by the Board. Such role warrants and necessitates that WDMWW and its staff will be authorized to be privy to the confidential information of CIWW that is related to this engagement.

We further understand that CIWW understands and agrees that this firm may represent WDMWW in matters adverse to CIWW now and in the future and CIWW waives any objection to such ongoing representation.

Communication and Email: You desire when communicating with me and my office to transmit and receive information from time to time by encrypted or unencrypted email, secure or non-secure internet, cellular telephone or other electronic means of communication. There is a risk that these communications may be intercepted by third parties, and third parties may argue communication by such means is not protected by the attorney-client privilege. We cannot guarantee that third parties will never intercept our communications or that attorney-client privilege will be upheld. With full understanding of these risks, you consent to the transmission of information by encrypted or unencrypted email, secure or non-secure internet, cellular telephone or other electronic means of communication, and accept the risk of diminished confidentiality. We will communicate with you using the email address you provided to us during our initial consultation. This consent will not apply to information or material which you advise us in writing not to transmit by such means. You further understand that we do not regard the transmission of an email as an urgent request for legal services or response. **Any matter that requires our urgent or time sensitive attention must be conveyed to us by a personal telephone call.**

During the course of our representation there may be periods of time when you do not hear from us. In any matter there are often periods of time when attorneys are waiting for information or action from the court, or from opposing and/or third parties. Absence of communication, however, does not mean we are not working on your matter. If you ever have questions about the status of your matter, please do not hesitate to contact us for an update.

Termination of Representation: You will have the right to terminate our representation at any time for any reason. We will have the same right. For example, we may discontinue legal services if invoices are not paid currently. Unless previously terminated, our representation of you

May 14, 2024

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in connection with any particular matter will end when we send our final statement of fees. You are not excused from paying us for our fees when you terminate our representation. After our representation of you in connection with any particular matter ends, there might be changes in laws or regulations that might affect your future rights and liabilities, but my firm does not have an obligation to continue to advise you about future legal developments unless you engage us to do so. After our representation of you in connection with any particular matter ends, my firm will store your file in accordance with my firm's file retention policies. The terms and conditions of this agreement will govern any dispute between us after termination of our representation of you.

File Retention: We will retain our files pertaining to our representation, including material prepared by or for the internal use of our attorneys. We have internal policies that determine retention periods for closed representation files. We will provide such portions of these file materials to you as required by the applicable rules of professional responsibility or other legal requirements upon reasonable request, and if you pay reasonable expenses associated with producing a copy. If you do not request return of file material, this agreement is notice that we have the right to destroy the file material without further notification to you at the end of the defined retention period, which is usually six years after termination of our representation. Unless applicable rules of professional responsibility require an earlier return, we may retain such file material pending receipt of payment of any outstanding fees or costs.

Dispute Resolution: To timely resolve any concerns you may have regarding billing, fees, or costs, you should notify us within ten (10) days of receipt of our billing statement about your concerns. Otherwise, the billing statement will be assumed to be valid. In the unlikely event of a dispute between you and us regarding our representation of you that we are unable to resolve through good faith negotiations, we all agree to submit the dispute to confidential mediation before pursuing any other remedies. If either party desires to pursue litigation based on our representation, you agree that such litigation must be commenced within five (5) years of the date services are billed.

Please review the foregoing and, if it meets with your approval, sign a copy of the agreement and return it to me in the enclosed envelope. This agreement may be executed in multiple counterparts with original, electronic, or facsimile signatures. The signature pages may be returned via email, fax, or regular mail. All of the signature pages when combined will constitute the entire agreement.

Thank you for selecting our firm to represent you. We look forward to serving you and shall use our best efforts on your behalf. If you have questions, please contact me.

Very truly yours,


Amy S. Beattie

Brick Gentry, P.C.

May 14, 2024
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AGREED AND ACCEPTED this _____ day of May 2024.

Central Iowa Water Works

Name: _____
Title: _____

ASB/cj

May 14, 2024

Central Iowa Water Works
2201 George Flagg Parkway
Des Moines, Iowa 50321

Re: Engagement

Dear CIWW Board of Trustees:

I am pleased that you have decided to retain the undersigned and this firm, to represent Central Iowa Water Works (“CIWW”) with respect to initial organizational, formation and other general matters prior to the planned engagement by CIWW of a general counsel as contemplated by the Chapter 28E-28F Agreement under which CIWW has been formed. We understand that you are also engaging Amy Beattie and the Brick Gentry. P.C. firm, to provide services as additional counsel to CIWW with the expectation our firm and that firm will work together, or separately when conflict consideration may so dictate, to provide the required services.

It is understood that this engagement includes work that began on January 2, 2024 and will continue until a permanent general counsel is retained by CIWW.

The scope of this engagement will include matters related to the formation and initial organization of CIWW including: organizational planning; filing of the final CIWW 28E-28F Agreement; attendance at initial CIWW Board meetings; preparation and review of organizational documents such as agendas, resolutions, and bylaws; preparation of RFP’s and agreements for services required by CIWW; and other matters of a legal nature as needed.

This engagement letter describes the agreement under which our firm has provided, and will provide, legal services to you and how we will be compensated for our services within the scope of the present engagement. In the event that you retain us for subsequent matters, the terms of our agreement set forth in this agreement will continue to apply unless otherwise communicated.

As it pertains to this firm I will have primary responsibility for your representation and expect to provide most of the contemplated services, but I will utilize other attorneys and legal assistants in this firm on a limited basis in the best exercise of my professional judgment where appropriate to provided efficient and effective service. Of course, I plan to work closely with Ms. Beattie, as well, to coordinate the services to be provided.

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Questions or Concerns: If, at any time, you have questions, concerns or criticisms, please contact me at once.

No Guarantee of Results: Either at the beginning or during the course of the representation, we might informally express opinions or beliefs concerning the matters involved in the representation and the results that might be anticipated. Any such statement by us is an expression of opinion only and is not a promise or guarantee of results. We will keep you informed of our progress, and we will respond to you as promptly as possible. In return, we need you to keep us informed of any developments that may affect all matters as to which we represent you as soon as you become aware of them and to be available when we need to consult with you.

Fees and Costs: We will bill you monthly for the legal services we provide on an hourly rate basis. My hourly rate will be \$240.00. To the extent other attorneys or legal assistants provide services, their rates will be \$240.00 or their standard hourly rate less a 25% discount, whichever is less.

In addition, we charge and expect reimbursement for out-of-pocket expenses that we have incurred on your behalf. Such expenses may include, but may not be limited to, airfare, mileage expenses outside of Polk County, long-distance telephone costs, filing fees, deposition costs, printing costs, and advertising costs. We do not add any overhead costs to such third party charges. We will not bill for mileage expenses within the Des Moines metro area or basic computer research expenses.

Our statements generally will be prepared and mailed during the month following the month in which services are rendered or costs advanced. We expect payment within a few days after the statement date.

Disclosure of Conflicts and Waiver: We have disclosed to the Board of CIWW, prior to its decision to retain our services, that this firm has represented Founding Member Des Moines Water Works (“DMWW”) as outside general counsel for many years and will continue to represent DMWW generally. This firm also currently represents a Founding Member, the City of Grimes, in pending litigation and will continue to do so.

Our representation of the DMWW has included substantial work related to the development and negotiation of the CIWW’s 28E-28F Agreement, including the Asset Transfer Schedule and other Schedules thereto on behalf of DMWW as well as development of the form of proposed Operating Contract between CIWW and DMWW submitted prior to the approval by the various Founding Members of the 28E-28F Agreement, and which is to be executed by the parties as a pre-condition to asset transfer of the DMWW Water Production Facilities under the 28E-28F Agreement. We will not represent CIWW with respect to Operating Contract or Asset Transfer matters affecting DMWW or Grimes, but will continue to represent DMWW on such matters

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We understand that the Board of CIWW has considered the prior involvement of this firm in matters leading up to the creation of CIWW to offer substantial benefits to CIWW in terms of costs and efficiencies within the scope of this engagement, and that continuing representation of DMWW and Grimes, is not considered incompatible with the scope of services contemplated under this engagement or to create a direct conflict because DMWW, Grimes, and CIWW generally share a mutual interest in the prompt, efficient, and cost-effective performance of legal services to CIWW within the scope of this engagement and generally have a community of interest in, and are not adverse to each other with respect to, the matters within the scope of engagement.

To the extent any conflict, or appearance of conflict, is deemed to arise with respect to any item of services, we understand that the Board of CIWW desires to waive the conflicts arising from the circumstances described above, subject to an understanding that ongoing conflicts will also be managed by reliance on one firm or the other in specific matters to avoid direct conflicts between DMWW, Grimes, and CIWW, or by deferral or referral of problematic legal matters, such as the Operating Contracts and Asset Transfer, where a direct conflict problem exists, until permanent counsel can be retained.

It is not expected that substantial confidentiality issues will arise because of the community of interest among our clients and more particularly because of the temporary management roles being played by DMWW and its staff in the organization and formation of CIWW as approved by the Board. Such role warrants and necessitates that DMWW and its staff will be authorized to be privy to the confidential information of CIWW that is related to this engagement.

We further understand that CIWW understands and agrees that this firm may represent DMWW in matters adverse to CIWW now and in the future and CIWW waives any objection to such ongoing representation.

Communication and Email: You desire when communicating with me and my office to transmit and receive information from time to time by encrypted or unencrypted email, secure or non-secure internet, cellular telephone or other electronic means of communication. There is a risk that these communications may be intercepted by third parties, and third parties may argue communication by such means is not protected by the attorney-client privilege. We cannot guarantee that third parties will never intercept our communications or that attorney-client privilege will be upheld. With full understanding of these risks, you consent to the transmission of information by encrypted or unencrypted email, secure or non-secure internet, cellular telephone or other electronic means of communication, and accept the risk of diminished confidentiality. We will communicate with you using the email address you provided to us during our initial consultation. This consent will not apply to information or material which you advise us in writing not to transmit by such means. You further understand that we do not regard the transmission of an email as an urgent request for legal services or response. **Any matter that requires our urgent or time sensitive attention must be conveyed to us by a personal telephone call.**

During the course of our representation there may be periods of time when you do not hear from us. In any matter there are often periods of time when attorneys are waiting for information or action from the court, or from opposing and/or third parties. Absence of communication,

May 14, 2024

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however, does not mean we are not working on your matter. If you ever have questions about the status of your matter, please do not hesitate to contact us for an update.

Termination of Representation: You will have the right to terminate our representation at any time for any reason. We will have the same right. For example, we may discontinue legal services if invoices are not paid currently. Unless previously terminated, our representation of you in connection with any particular matter will end when we send our final statement of fees. You are not excused from paying us for our fees when you terminate our representation. After our representation of you in connection with any particular matter ends, there might be changes in laws or regulations that might affect your future rights and liabilities, but my firm does not have an obligation to continue to advise you about future legal developments unless you engage us to do so. After our representation of you in connection with any particular matter ends, my firm will store your file in accordance with my firm's file retention policies. The terms and conditions of this agreement will govern any dispute between us after termination of our representation of you.

File Retention: We will retain our files pertaining to our representation, including material prepared by or for the internal use of our attorneys. We have internal policies that determine retention periods for closed representation files. We will provide such portions of these file materials to you as required by the applicable rules of professional responsibility or other legal requirements upon reasonable request, and if you pay reasonable expenses associated with producing a copy. If you do not request return of file material, this agreement is notice that we have the right to destroy the file material without further notification to you at the end of the defined retention period, which is usually six years after termination of our representation. Unless applicable rules of professional responsibility require an earlier return, we may retain such file material pending receipt of payment of any outstanding fees or costs.

Dispute Resolution: To timely resolve any concerns you may have regarding billing, fees, or costs, you should notify us within ten (10) days of receipt of our billing statement about your concerns. Otherwise, the billing statement will be assumed to be valid. In the unlikely event of a dispute between you and us regarding our representation of you that we are unable to resolve through good faith negotiations, we all agree to submit the dispute to confidential mediation before pursuing any other remedies. If either party desires to pursue litigation based on our representation, you agree that such litigation must be commenced within five (5) years of the date services are billed.

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Please review the foregoing and, if it meets with your approval, sign a copy of the agreement and return it to me in the enclosed envelope. This agreement may be executed in multiple counterparts with original, electronic, or facsimile signatures. The signature pages may be returned via email, fax, or regular mail. All of the signature pages when combined will constitute the entire agreement.

On a personal note, I am very pleased that you have selected our firm to represent you. We look forward to serving you and shall use our best efforts on your behalf. If you have questions, please contact me.

Very truly yours,



Richard A. Malm

AGREED AND ACCEPTED this _____ day of _____, 2024.

RAM/kc

INFORMATIONAL NOTICE TO POLICYHOLDERS

OneBeacon Insurance Group has rebranded as Intact Insurance Specialty Solutions. This is the marketing brand for the insurance company subsidiaries (including Homeland Insurance Company of New York) of Intact Insurance Group USA LLC, a member of Intact Financial Corporation (TSX: IFC), the largest provider of property and casualty insurance in Canada and a leading specialty insurance carrier in North America.

Homeland Insurance Company of New York will continue to operate under its current name. The marketing brand change has no impact on policies in force and does not change, amend, or waive any of the policy's terms.

This notice is for information only and does not become a part or condition of this policy.



intactspecialty.com

RE: Management Liability - Primary
Central Iowa Water Works

Policy

Account No: 371617

Policy No: MML-35402-24

199 Scott Swamp Road
Farmington, CT 06032

860.321.2888 t
860.321.2889 f

U.S. TREASURY DEPARTMENT'S OFFICE OF FOREIGN ASSETS CONTROL ("OFAC") ADVISORY NOTICE TO POLICYHOLDERS

No coverage is provided by this Policyholder Notice nor can it be construed to replace any provisions of your policy. You should read your policy and review your Declarations page for complete information on the coverages you are provided.

This Notice provides information concerning possible impact on your insurance coverage due to directives issued by OFAC. **Please read this Notice carefully.**

The Office of Foreign Assets Control (OFAC) administers and enforces 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 web site – <http://www.treas.gov/ofac>.

In accordance with OFAC regulations, if it is determined that you or 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.

POLICYHOLDER DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE

Coverage for acts of terrorism is included in your policy. You are hereby notified that the Terrorism Risk Insurance Act (the Act), as amended, defines an act of terrorism 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.

Under your coverage, any losses resulting from certified acts of terrorism may be partially reimbursed by the United States Government under a formula established by the Terrorism Risk Insurance Act, as amended. 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 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 exceeds \$100 billion in any one calendar year. If the aggregate insured losses for all insurers exceed \$100 billion, your coverage may be reduced.

There is no premium charge for coverage for losses caused by acts of terrorism, as defined in the Act.

Since coverage for acts of terrorism, as defined in the Act, is being provided in your policy you do not need to take any action with respect to this notice.

If you have any questions about this notice, please contact your agent.

Homeland Insurance Company of New York
 605 Highway 169 North
 Suite 800
 Plymouth, MN 55441
 (hereinafter referred to as the "Underwriter")



This policy is issued, pursuant to Iowa Code chapter 515I, by a nonadmitted company in Iowa and as such is not covered by the Iowa Insurance Guaranty Association.

Policy Number: MML-35402-24
 Renewal of: N/A

DECLARATIONS

**NOT-FOR-PROFIT ORGANIZATION
 MANAGEMENT LIABILITY POLICY**

THE COVERAGE AFFORDED BY THIS POLICY DIFFERS IN SOME RESPECTS FROM THAT AFFORDED BY OTHER POLICIES. PLEASE READ THIS POLICY CAREFULLY.

ITEM 1. NAMED ORGANIZATION: Name and Principal Address: Central Iowa Water Works 1505 Railroad Ave. West Des Moines, IA 50265		ITEM 2. POLICY PERIOD: (a) Inception Date: 05.02.2024 (b) Expiration Date: 05.02.2025 Both dates at 12:01 a.m. at the Principal Address in ITEM 1.	
ITEM 3. COVERAGE SECTION(S) PURCHASED AND PENDING OR PRIOR DATE(S):			
<u>Coverage Section</u>	<u>Purchased</u>	<u>Pending or Prior Date</u>	
Directors, Officers & Organization Liability ("D&O")	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	05.02.2024	
Additional Limit of Liability Dedicated for Executives	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	05.02.2024	
Additional Aggregate Limit for Defense Expenses	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	Not Applicable	
Employment Practices Liability ("EPL")	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	Not Applicable	
Additional Aggregate Limit for Defense Expenses	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	Not Applicable	
Fiduciary Liability ("FLI")	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	Not Applicable	
Additional Aggregate Limit for Defense Expenses	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	Not Applicable	
Miscellaneous Professional Liability ("MPL")	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	Not Applicable	
Additional Aggregate Limit for Defense Expenses	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	Not Applicable	
Information Risk and Recovery ("IRR")	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	Not Applicable	
Employed Lawyers Professional Liability ("ELPL")	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	Not Applicable	
Crime Coverage ("Crime")	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	Not Applicable	
ITEM 4. LIABILITY COVERAGE SECTION(S) – LIMITS OF LIABILITY:			
Coverage Section	Separate Limit of Liability	Shared Limit of Liability	Other Applicable Limit(s) of Liability
D&O	\$1,000,000	Shared: N/A	Additional Limit of Liability Dedicated for Executives: \$500,000
		Shared with: N/A	Antitrust Claim Sublimit: Not Covered

			Excess Benefit Transaction Excise Tax Sublimit: \$100,000
			Internal Revenue Code Violation Sublimit: \$100,000 Stakeholder Derivative Demand Sublimit: \$250,000 D&O Crisis Management Expenses Limit: \$25,000
EPL	Not Covered	Shared: Not Covered Shared with: Not Covered	Illegal Hiring or Harboring Sublimit: Not Covered Employment Crisis Management Expenses Limit: Not Covered
FLI	Not Covered	Shared: Not Covered Shared with: Not Covered	HIPAA Penalties Sublimit: Not Covered Section 502(c) Penalties Sublimit: Not Covered Section 507 Penalties Sublimit: Not Covered PPACA Penalties Sublimit: Not Covered Section 4975 Tax Penalties Sublimit: Not Covered Voluntary Settlement Program Coverage Sublimit: Not Covered Pension Crisis Management Expenses Limit: Not Covered
MPL	Not Covered	Shared: Not Covered Shared with: Not Covered	Disciplinary or Licensing Proceeding Expenses Sublimit: Not Covered Subpoena Assistance Limit: Not Covered MPL Crisis Management Expenses Limit: Not Covered
IRR	Not Covered	Shared: Not Covered Shared with: Not Covered	Privacy Administrative Proceeding Aggregate Sublimit: Not Covered Privacy Administrative Fines and Consumer Redress Fund Costs Sublimit: Not Covered Combined First-Party Loss Limit: Not Covered Breach Consultation Services Limit: Not Covered Incident Management Expenses Limit: Not Covered Information Restoration Expenses Limit: Not Covered

			Hardware Replacement Expenses Limit: Not Covered Extortion Payments and Rewards Limit: Not Covered Forensic Expenses Limit: Not Covered
ELPL	Not Covered	Shared: Not Covered Shared with: Not Covered	Intra-Organization Claims Defense Sublimit: Not Covered
POLICY AGGREGATE SUBLIMIT FOR ALL E-DISCOVERY CONSULTANT SERVICES: \$10,000 (for all purchased Liability Coverage Sections combined)			
POLICY AGGREGATE LIMIT OF LIABILITY: \$1,000,000 (for all purchased Liability Coverage Sections combined)			
ADDITIONAL AGGREGATE LIMIT FOR DEFENSE EXPENSES: Not Covered (for all purchased Liability Coverage Sections indicated in ITEM 3 combined)			
ITEM 5. LIABILITY COVERAGE SECTION(S) – RETENTIONS:			
	Coverage Section	Retention	
	D&O	\$0 each Claim under Insuring Agreement (A). \$25,000 each Claim under Insuring Agreement (B), other than an Antitrust Claim . \$25,000 each Claim under Insuring Agreement (C), other than an Antitrust Claim . Not Covered each Antitrust Claim under Insuring Agreement (B) or (C).	
	EPL	Not Covered each Employment Claim under Insuring Agreement (A). Not Covered each Third Party Claim under Insuring Agreement (B).	
	FLI	Not Covered each Fiduciary Claim under Insuring Agreement (A).	
	MPL	Not Covered each Claim under Insuring Agreement (A). Not Covered each Claim under Insuring Agreement (B).	
	IRR	Not Covered each Claim under Insuring Agreement (A)(1). Not Covered each Claim under Insuring Agreement (A)(2). Not Covered each Privacy Administrative Proceeding under Insuring Agreement (A)(3). Not Covered each Information Risk Incident under Insuring Agreement (B)(1). Not Covered each Information Risk Incident or Extortion under Insuring Agreement (B)(2). Not Covered each Information Risk Incident under Insuring Agreement (B)(3).	

	Not Covered	each Information Risk Incident under Insuring Agreement (B)(4).
	Not Covered	each Extortion under Insuring Agreement (B)(5).
	Not Covered	each Information Risk Incident under Insuring Agreement (B)(6).
ELPL	Not Covered	each Claim under Insuring Agreement (A).
	Not Covered	each Claim under Insuring Agreement (B).
ITEM 6. D&O COVERAGE SECTION - CO-INSURANCE PERCENTAGES (If purchased):		
Antitrust Claims: Not Covered		
ITEM 7. RETROACTIVE DATE(S) (If applicable):		
MPL COVERAGE SECTION: Not Applicable		
IRR COVERAGE SECTION: Not Applicable		
ITEM 8. LIABILITY COVERAGE SECTION(S) - TYPE OF CLAIM DEFENSE:		
<input checked="" type="checkbox"/> Duty to Defend		
<input type="checkbox"/> Reimbursement		
ITEM 9. CRIME COVERAGE SECTION – LIMITS OF LIABILITY AND DEDUCTIBLES (If purchased):		
Insuring Agreement	Per Occurrence Limit of Liability	Deductible
(A)(1) Employee Theft Coverage	Not Covered	Not Covered
(A)(2) Employee Theft of Client Property Coverage	Not Covered	Not Covered
(A)(3) Employee Benefit Plan Coverage	Not Covered	Not Covered
(B) Forgery or Alteration Coverage	Not Covered	Not Covered
(C) Premises Coverage– Theft of Money or Securities	Not Covered	Not Covered
(D) Premises Coverage– Robbery or Safe Burglary of Other Property	Not Covered	Not Covered
(E) Outside the Premises Coverage	Not Covered	Not Covered
(F)(1) Computer Fraud Coverage	Not Covered	Not Covered
(F)(2) Computer Data Restoration Expenses Coverage	Not Covered	Not Covered
(G) Funds Transfer Fraud Coverage	Not Covered	Not Covered
(H) Money Orders and Counterfeit Paper Currency Coverage	Not Covered	Not Covered
(I) Social Engineering Fraud Coverage	Not Covered	Not Covered

(J)(1) Personal Accounts Forgery or Alteration Coverage	Not Covered	Not Covered
(J)(2) Identity Fraud Expense Reimbursement Coverage	Not Covered	Not Covered
(K) Investigative Costs Coverage	Not Covered	Not Covered

If "*Not Covered*" is inserted opposite any specified Insuring Agreement above as the Per Occurrence Limit of Liability, such Insuring Agreement and any other reference thereto is deemed to be deleted from this Policy.

ITEM 10. MPL COVERAGE SECTION – PROFESSIONAL SERVICES (If purchased):

Not Covered

ITEM 11. TERMINATION OF PRIOR POLICIES:

N/A

ITEM 12. POLICY PREMIUM: \$10,051

[X] Gross Premium: The Underwriter will pay a percentage of the Premium shown above as brokerage commission. The Underwriter does not pay contingent or deferred commissions. Consult your broker for information concerning commission.

[] Net Premium: The Premium shown above is net, and the Underwriter will pay no brokerage commission of any kind thereon.

[X] This Policy provides coverage for acts of terrorism as defined in the Terrorism Risk Insurance Act in accordance with all of the terms and conditions of this Policy (including all endorsements attached hereto). The premium attributable to this coverage is \$0.00

[] This Policy specifically excludes coverage for acts of terrorism in accordance with all of the terms and conditions of this Policy (including all endorsements attached hereto).

ITEM 13. EXTENDED REPORTING PERIOD OPTION(S):

12 months at 100% of the full annual premium for the applicable **Liability Coverage Section**

ITEM 14. NOTICE TO THE UNDERWRITER:

(A) ALL NOTICES TO THE UNDERWRITER OF CLAIMS, CIRCUMSTANCES, EVENTS OR FIRST-PARTY INCIDENTS UNDER ANY LIABILITY COVERAGE SECTION, OR OF OCCURRENCES UNDER THE CRIME COVERAGE SECTION, MUST BE ADDRESSED TO:

Claims
Intact Insurance
605 Highway 169 North
Suite 800
Plymouth, MN 55441
-or-
claimsusa@intactinsurance.com

Summary of Charges	
Premium	\$10,051.00
Policy Fee	\$500.00
IA Surplus Lines Fee	\$102.87
Total	\$10,653.87
ZIP CODE	50265

(B) ALL OTHER NOTICES REQUIRED TO BE GIVEN TO THE UNDERWRITER MUST BE ADDRESSED TO:

Intact Insurance Management Liability
605 Highway 169 North
Suite 800
Plymouth, MN 55441

ITEM 15. POLICY FORM AND ENDORSEMENTS ATTACHED AT ISSUANCE:

MPF-20002-08-22	Not-For-Profit Organization Management Liability General Terms and Conditions	
MPF-20002-DO-06-18	Not-For-Profit Organization Management Liability Directors, Officers and Organization Liability Coverage Section	
AMP-00008-10-15	Service of Suit	GTC
MPE-03030A-06-18	Cap on Losses from Certified Acts of Terrorism	D&O
MPE-03057-06-18	Privacy Breach Reimbursement Coverage	D&O
MPE-23048-10-22	Public Officials D & O Amendatory	D&O

These Declarations, the completed signed Application, and the Policy (together with any and all endorsements thereto) shall constitute the entire agreement between the Underwriter and the Insured(s).

Homeland Insurance Company of New York

By:



05.03.2024

Its Authorized Representative

Date:

**NOT-FOR-PROFIT ORGANIZATION
MANAGEMENT LIABILITY POLICY**

General Terms and Conditions Section



PORTIONS OF THIS POLICY APPLY ONLY TO CLAIMS FIRST MADE AGAINST THE INSURED DURING THE POLICY PERIOD OR APPLICABLE EXTENDED REPORTING PERIOD WITH DEFENSE EXPENSES INCLUDED IN THE LIMITS OF LIABILITY. PLEASE READ THE ENTIRE POLICY CAREFULLY.

In consideration of the payment of the premium, and in reliance on all statements made and information furnished to the Underwriter, and subject to the Declarations and all of the terms, conditions and limitations of this Policy, the Underwriter and the **Insureds** agree as follows:

I. TERMS AND CONDITIONS

Except for these General Terms and Conditions or unless stated to the contrary in any Coverage Section of this Policy, the terms, conditions and limitations of each Coverage Section shall apply only to that Coverage Section. If any provision in these General Terms and Conditions is inconsistent or in conflict with the terms, conditions and limitations of any Coverage Section, the terms, conditions and limitations of such Coverage Section shall control for purposes of that Coverage Section. Any defined term referenced in these General Terms and Conditions but defined in a Coverage Section shall, for purposes of coverage under that Coverage Section, have the meaning set forth in that Coverage Section.

II. DEFINITIONS

- (A) "**Affiliate**" means any entity, other than a **Subsidiary**, during such time as the **Named Organization** or any **Subsidiary** has the authority to direct the financial or managerial decision making of such entity, whether through the operation of law, contract or agreement, stock ownership or membership, charter, articles of incorporation, or by-law provisions.
- (B) "**Application**" means the application(s) attached to and forming part of this Policy, including any materials submitted and statements made in connection therewith, all of which are on file with the Underwriter and are a part of this Policy, as if physically attached; provided, that any such statements or filings submitted in connection with the application(s) were made within twelve (12) months of the Inception Date of this Policy. If any **Application** uses any terms or phrases that differ from terms defined in this Policy, no inconsistency between any term or phrase used in the **Application** and any term defined in this Policy will waive or change any of the terms and conditions of this Policy.
- (C) "**Claim**" shall have the meaning set forth in the applicable **Liability Coverage Section**.
- (D) "**Defense Expenses**" means reasonable costs, charges, fees (including but not limited to attorneys' fees and experts' fees) and expenses incurred in defending any **Claim**, including the cost of **E-Discovery Consultant Services**, and the premium for appeal, attachment or similar bonds. **Defense Expenses** does not include any remuneration, salaries, wages, fees, overhead or benefit expenses of any **Insured**.

- (E) **"Domestic Partner"** means any natural person qualifying as a domestic partner under the provisions of any applicable federal, state or local law or under the provisions of any formal program established by the **Organization**.
- (F) **"E-Consultant Firm"** means any e-discovery consulting firm selected by the Underwriter to perform **E-Discovery Consultant Services** in connection with a **Claim**.
- (G) **"E-Discovery Consultant Services"** means the following services performed by an **E-Consultant Firm**:
- (1) assisting the **Insured** with managing and minimizing the internal and external costs associated with the development, collection, storage, organization, cataloging, preservation and/or production of electronically stored information ("**E-Discovery**");
 - (2) assisting the **Insured** in developing or formulating an **E-Discovery** strategy which shall include interviewing qualified and cost effective **E-Discovery** vendors;
 - (3) serving as project manager, advisor and/or consultant to the **Insured**, defense counsel and the Underwriter in executing and monitoring the **E-Discovery** strategy; and
 - (4) such other services provided by the **E-Consultant Firm** that the **Insured**, the Underwriter and **E-Consultant Firm** agree are reasonable and necessary given the circumstances of the **Claim**.
- (H) **"Executive"** shall have the meaning set forth in the applicable Coverage Section.
- (I) **"Financial Impairment"** means the status of an **Organization** resulting from:
- (1) the appointment by any state or federal official, agency or court of any receiver, conservator, liquidator, trustee, rehabilitator or similar official to take control of, supervise, manage or liquidate such **Organization**; or
 - (2) such **Organization** becoming a debtor in possession under the United States bankruptcy law or the equivalent of a debtor in possession under the law of any other country.
- (J) **"First-Party Incident"** shall have the meaning set forth in the Information Risk and Recovery Coverage Section.
- (K) **"Foreign Jurisdiction"** means any jurisdiction, other than the United States of America or any of its territories or possessions.
- (L) **"Insured"** shall have the meaning set forth in the applicable Coverage Section.
- (M) **"Insured Person"** shall have the meaning set forth in the applicable **Liability Coverage Section**.
- (N) **"Liability Coverage Section"** means the Directors, Officers and Organization Liability, Employment Practices Liability, Fiduciary Liability, Miscellaneous Professional Liability, Information Risk and Recovery and Employed Lawyers Professional Liability Coverage Sections of this Policy, if purchased as stated in ITEM 3 of the Declarations.
- (O) **"Loss"** shall have the meaning set forth in the applicable **Liability Coverage Section**.

- (P) **"Management Control"** shall mean: (1) owning interests representing more than fifty percent (50%) of the voting, appointment or designation power for the selection of a majority of the Board of Directors of a corporation or organization, the management committee members of a joint venture or partnership, or the members of the management board of a limited liability company; or (2) having the right, pursuant to written contract or the by-laws, charter, operating agreement or similar documents of an organization, to elect, appoint or designate a majority of the Board of Directors of a corporation or organization, the management committee of a joint venture or partnership or the management board of a limited liability company.
- (Q) **"Named Organization"** means the entity designated as such in ITEM 1 of the Declarations.
- (R) **"Occurrence"** shall have the meaning set forth in the Crime Coverage Section.
- (S) **"Organization"** means: (1) the **Named Organization**; (2) subject to the provisions of Section XI of these General Terms and Conditions, any **Subsidiary** thereof; and (3) any **Affiliate** listed by written endorsement to this Policy, but solely with respect to the Coverage Section(s) indicated on such endorsement. **Organization** shall also mean the **Named Organization** or any such **Subsidiary** in its capacity as a debtor in possession.
- (T) **"Per Occurrence Limit of Liability"** means the applicable Per Occurrence Limit of Liability stated in ITEM 9 of the Declarations.
- (U) **"Policy Aggregate Limit of Liability"** means the Policy Aggregate Limit of Liability stated in ITEM 4 of the Declarations.
- (V) **"Policy Period"** means the period from the Inception Date of this Policy stated in ITEM 2(a) of the Declarations to the Expiration Date of this Policy stated in ITEM 2(b) of the Declarations or to any earlier cancellation of this Policy.
- (W) **"Related Claims"** means all **Claims** for **Wrongful Acts** based upon, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving the same or related facts, circumstances, situations, transactions or events or the same or related series of facts, circumstances, situations, transactions or events, whether related logically, causally or in any other way.
- (X) **"Separate Limit of Liability"** means the applicable Separate Limit of Liability, if any, stated in ITEM 4 of the Declarations.
- (Y) **"Shared Limit of Liability"** means the applicable Shared Limit of Liability, if any, stated in ITEM 4 of the Declarations, which limit of liability shall be shared between all **Liability Coverage Sections** listed below such Shared Limit of Liability in the Declarations.
- (Z) **"Subsidiary"** means, subject to the provisions of Section XI of these General Terms and Conditions, any not-for-profit entity, and any for-profit entity whose securities are not publicly traded, during any time which the **Named Organization** has **Management Control** of such entity, either directly or through one or more **Subsidiaries**.
- (AA) **"Wrongful Act"** shall have the meaning set forth in the applicable **Liability Coverage Section**.

III. LIMITS OF LIABILITY

- (A) With respect to the **Liability Coverage Sections**, the following shall apply:
- (1) **Policy Aggregate Limit of Liability**

The **Policy Aggregate Limit of Liability** stated in ITEM 4 of the Declarations is the maximum limit of the Underwriter's liability for all **Loss** under all **Liability Coverage Sections** combined resulting from all **Claims** or **Related Claims** and all **First-Party Incidents** (if the Information Risk and Recovery Coverage Section is purchased as stated in ITEM 3 of the Declarations) for which such **Liability Coverage Sections** provide coverage, subject to the Additional Aggregate Limit for Defense Expenses (if purchased).

(2) **Separate Limits of Liability**

If a **Separate Limit of Liability** is stated in ITEM 4 of the Declarations for any **Liability Coverage Section**, then such **Separate Limit of Liability** shall be the maximum limit of the Underwriter's liability for all **Loss** under such **Liability Coverage Section** resulting from all **Claims** or **Related Claims** and all **First-Party Incidents** (with respect to the Information Risk and Recovery Coverage Section) for which such **Liability Coverage Section** provides coverage, subject to the Additional Aggregate Limit for Defense Expenses (if purchased). Any such **Separate Limit of Liability** shall be part of, and not in addition to, the **Policy Aggregate Limit of Liability** stated in ITEM 4 of the Declarations and shall in no way serve to increase such **Policy Aggregate Limit of Liability**.

(3) **Shared Limits of Liability**

If a **Shared Limit of Liability** is stated in ITEM 4 of the Declarations for any **Liability Coverage Sections**, then such **Shared Limit of Liability** shall be the maximum limit of the Underwriter's liability for all **Loss** under all **Liability Coverage Sections** to which such **Shared Limit of Liability** is applicable, as indicated in ITEM 4 of the Declarations, resulting from all **Claims** or **Related Claims** and all **First-Party Incidents** (with respect to the Information Risk and Recovery Coverage Section) for which such **Liability Coverage Sections** provide coverage, subject to the Additional Aggregate Limit for Defense Expenses (if purchased). Any such **Shared Limit of Liability** shall be part of, and not in addition to, the **Policy Aggregate Limit of Liability** stated in ITEM 4 of the Declarations and shall in no way serve to increase such **Policy Aggregate Limit of Liability**.

(4) **Policy Aggregate Sublimit for E-Discovery Consultant Services**

The Policy Aggregate Sublimit for E-Discovery Consultant Services stated in ITEM 4 of the Declarations shall be the maximum limit of the Underwriter's liability for all **E-Discovery Consultant Services** resulting from all **Claims** or **Related Claims** under all **Liability Coverage Sections** combined. Such Policy Aggregate Sublimit for E-Discovery Consultant Services shall be part of, and not in addition to, the Additional Aggregate Limit for Defense Expenses (if purchased), the **Policy Aggregate Limit of Liability** and the **Separate Limit of Liability** or **Shared Liability of Liability** applicable under such **Liability Coverage Sections**.

(5) Subject to the Additional Aggregate Limit for Defense Expenses (if purchased), **Defense Expenses** are part of and not in addition to the applicable Limits of Liability stated in ITEM 4 of the Declarations, and payment of **Defense Expenses** by the Underwriter will reduce, and may exhaust, such applicable Limits of Liability.

(6) If the Additional Aggregate Limit for Defense Expenses is purchased with respect to the Directors, Officers and Organization Liability Coverage Section, the Employment Practices

Liability Coverage Section, the Fiduciary Liability Coverage Section or the Miscellaneous Professional Liability Coverage Section, as indicated in ITEM 3 of the Declarations, then one single additional Limit of Liability in the amount stated as the Additional Aggregate Limit for Defense Expenses in ITEM 4 of the Declarations will be available under such **Liability Coverage Section(s)** solely for **Defense Expenses** incurred by the **Insureds** in connection with **Claims** for which such **Liability Coverage Section(s)** provide coverage. Such Additional Aggregate Limit for Defense Expenses shall be in addition to, and not part of, the **Policy Aggregate Limit of Liability** and the **Separate Limit of Liability** or **Shared Liability of Liability** applicable under such **Liability Coverage Section(s)**. Payment of **Defense Expenses** by the Underwriter under any such **Liability Coverage Section** shall first reduce the Additional Aggregate Limit for Defense Expenses, and, if the Additional Aggregate Limit for Defense Expenses is exhausted, any further payment of **Defense Expenses** by the Underwriter under any such **Liability Coverage Section** shall thereafter reduce, and may exhaust, the **Policy Aggregate Limit of Liability** and the **Separate Limit of Liability** or **Shared Liability of Liability** applicable under such **Liability Coverage Section(s)**; provided, that payment of **Defense Expenses** by the Underwriter within the Additional Aggregate Limit for Defense Expenses will reduce, and may exhaust, any Sublimit applicable under such **Liability Coverage Section(s)**. Payment of the Additional Aggregate Limit for Defense Expenses pursuant to one applicable **Liability Coverage Section** shall reduce the amount of the Additional Aggregate Limit for Defense Expenses available to all other applicable **Liability Coverage Sections**.

- (7) In the event that a **Claim** is covered under more than one **Liability Coverage Section**, then the maximum limit of the Underwriter's liability for all **Loss** resulting from such **Claim** shall not exceed the largest single applicable Limit of Liability available under any such **Liability Coverage Section**.
 - (8) If the **Separate Limit of Liability** or **Shared Limit of Liability** applicable to any **Liability Coverage Section** is exhausted by the Underwriter's payment of **Loss**, all obligations of the Underwriter under such **Liability Coverage Section(s)** will be completely fulfilled and exhausted, and the premium for such **Liability Coverage Section(s)** will be fully earned.
- (B) With respect to the Crime Coverage Section, the following shall apply:
- The applicable **Per Occurrence Limit of Liability** stated in ITEM 9 of the Declarations shall be the maximum limit of the Underwriter's liability for all loss resulting from an **Occurrence**, regardless of the number of **Insureds** sustaining such loss.

IV. RETENTIONS

- (A) The Retentions stated in ITEM 5 of the Declarations are separate Retentions pertaining only to the **Liability Coverage Section** for which they are stated in the Declarations, subject to paragraph (D) below.
- (B) No retention shall apply to the first \$25,000 of **E-Discovery Consultant Services** incurred by the **Insured** in connection with a **Claim**.
- (C) In the event that different Retentions apply to a **Claim** covered under one **Liability Coverage Section**, it is understood and agreed that only one Retention shall apply to such **Claim**, which shall be the single highest applicable Retention.

- (D) In the event a **Claim** is covered under more than one **Liability Coverage Section**, it is understood and agreed that only one Retention shall apply to such **Claim**, which shall be the single highest applicable Retention.

V. SPOUSES, ESTATES AND LEGAL REPRESENTATIVES

- (A) Subject to all limitations, conditions, provisions and other terms of these General Terms and Conditions and of any applicable **Liability Coverage Section**, coverage shall extend to **Claims** for the **Wrongful Acts** of an **Insured Person** made against:
- (1) the estate, heirs, legal representatives or assigns of such **Insured Person** if such **Insured Person** is deceased or the legal representatives or assigns of such **Insured Person** if such **Insured Person** is incompetent, insolvent or bankrupt; or
 - (2) the lawful spouse or **Domestic Partner** of such **Insured Person** solely by reason of such spouse's or **Domestic Partner's** status as a spouse or **Domestic Partner**, or such spouse's or **Domestic Partner's** ownership interest in property which the claimant seeks as recovery for an alleged **Wrongful Act** of such **Insured Person**.
- (B) All provisions of these General Terms and Conditions and of any applicable **Liability Coverage Section**, including without limitation the Retention, that are applicable to **Loss** incurred by the **Insured Person** shall also apply to loss incurred by the estate, heirs, legal representatives, assigns, spouse and/or **Domestic Partner** of such **Insured Person**. The coverage extended pursuant to this Section V shall not apply with respect to any loss resulting from an actual or alleged act, error or omission by an **Insured Person's** estate, heirs, legal representatives, assigns, spouse or **Domestic Partner**.

VI. CLAIM DEFENSE

- (A) If Duty to Defend coverage is provided with respect to the **Liability Coverage Sections**, as indicated in ITEM 8 of the Declarations, the Underwriter will have the right and duty to defend any **Claim** covered under a **Liability Coverage Section** through counsel of its choice, even if the allegations of such **Claim** are groundless, false, or fraudulent; provided, that the Underwriter's obligation to defend any **Claim** covered under such **Liability Coverage Section** is subject to the applicable Retention and Coinsurance Percentage and the Underwriter's applicable Limits of Liability stated in ITEM 4 of the Declarations. The Underwriter will have no obligation to defend or continue to defend any **Claim** after the Underwriter's applicable Limits of Liability have been exhausted by the payment of **Loss**.
- (B) If Reimbursement coverage is provided with respect to the **Liability Coverage Sections**, as indicated in ITEM 8 of the Declarations:
- (1) It shall be the duty of the **Insureds** and not the duty of the Underwriter to defend any **Claim** covered under a **Liability Coverage Section**. The Underwriter shall have the right to participate with the **Insureds** in the investigation, defense and settlement of any **Claim**, including but not limited to the selection of appropriate defense counsel and the negotiation of a settlement of any **Claim** that appears reasonably likely to be covered in whole or in part by such **Liability Coverage Section**.
 - (2) Upon written request, the Underwriter will pay **Defense Expenses** owed under a **Liability Coverage Section** on a current basis no later than sixty (60) days after receipt by the Underwriter of itemized bills for such **Defense Expenses**. Such advanced payments by the Underwriter shall be repaid to the Underwriter by the **Insureds** severally

according to their respective interests in the event and to the extent that the **Insureds** shall not be entitled to payment of such **Defense Expenses** under such **Liability Coverage Section**. As a condition of any payment of **Defense Expenses** before the final disposition of a **Claim**, the Underwriter may require a written undertaking on terms and conditions satisfactory to the Underwriter guaranteeing the repayment of any **Defense Expenses** paid to or on behalf of any **Insured** if it is finally determined that any such **Claim** or portion of any **Claim** is not covered under such **Liability Coverage Section**. Except for **Defense Expenses** paid in accordance with this paragraph (2), the Underwriter will have no obligation to pay any **Loss** before the final disposition of a **Claim**.

VII. ALLOCATION

- (A) If Duty to Defend coverage is provided with respect to the **Liability Coverage Sections**, as indicated in ITEM 8 of the Declarations, and there is a **Claim** under a **Liability Coverage Section** in which both **Loss** covered by such **Liability Coverage Section** and loss not covered by such **Liability Coverage Section** are incurred, either because such **Claim** made against the **Insureds** includes both covered and uncovered matters, or because such **Claim** is made against both **Insureds** and others not included within the definition of "**Insured**," then such covered **Loss** and uncovered loss shall be allocated as follows:
- (1) one hundred percent (100%) of **Defense Expenses** incurred by the **Insureds** in connection with such **Claim** shall be allocated to covered **Loss**; and
 - (2) all loss, other than **Defense Expenses**, incurred by the **Insureds** in connection with such **Claim** shall be allocated between covered **Loss** and uncovered loss based upon the relative legal and financial exposures of, and relative benefits obtained in connection with the defense and/or settlement of the **Claim** by the **Insured Persons**, the **Organization** and others. In making such a determination, the **Organization**, the **Insured Persons** and the Underwriter agree to use their best efforts to determine a fair and proper allocation of all such amounts. In the event that the Underwriter and the **Insureds** do not reach an agreement with respect to an allocation, then the Underwriter shall be obligated to make an interim payment of the amount of **Loss** which the parties agree is not in dispute until a final amount is agreed upon or determined pursuant to the provisions of this Policy and applicable law.
- (B) If Reimbursement coverage is provided with respect to the **Liability Coverage Sections**, as indicated in ITEM 8 of the Declarations, and there is a **Claim** under a **Liability Coverage Section** in which both **Loss** covered by such **Liability Coverage Section** and loss not covered by such **Liability Coverage Section** are incurred, either because such **Claim** made against the **Insureds** includes both covered and uncovered matters, or because such **Claim** is made against both **Insureds** and others not included within the definition of "**Insured**," the **Organization**, the **Insured Persons** and the Underwriter agree to use their best efforts to determine a fair and proper allocation of all such amounts. The Underwriter's obligation to pay **Loss** under such **Liability Coverage Section** shall relate only to those sums allocated to the **Insureds**. In making such determination, the parties shall take into account the relative legal and financial exposures of, and relative benefits obtained in connection with the defense and/or settlement of the **Claim** by the **Insured Persons**, the **Organization** and others. In the event that the Underwriter and the **Insureds** do not reach an agreement with respect to an allocation, then the Underwriter shall be obligated to make an interim payment of the amount of **Loss** which the parties agree is not in dispute until a final amount is agreed upon or determined pursuant to the provisions of this Policy and applicable law.

VIII. NOTICE

- (A) Any notice to the Underwriter with respect to any Coverage Section shall designate the Coverage Section under which notice is being given and shall be treated as notice only under the Coverage Section(s) so designated.
- (B) Notice to the Underwriter shall be sent to the address designated in ITEM 14 of the Declarations. Any such notice to the Underwriter shall be effective on the date of receipt by the Underwriter at such address.
- (C) Notice to the **Insured** shall be sent to the **Named Organization** at the address designated in ITEM 1 of the Declarations.

IX. TERRITORY

Coverage shall extend anywhere in the world. Any payments under this Policy shall only be made in full compliance with all United States of America economic or trade sanction laws or regulations, including sanctions, laws and regulations administered and enforced by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC").

X. EXTENDED REPORTING PERIOD

If any **Liability Coverage Section** is canceled for any reason other than non-payment of premium or is not renewed by the Underwriter or the **Named Organization**, then solely with respect to such **Liability Coverage Section** that was canceled or not renewed, an additional period of time during which **Claims** may be reported under this Policy (an "Extended Reporting Period") shall be made available as described in this Section X, but any such Extended Reporting Period shall apply only to **Claims** for **Wrongful Acts** committed or allegedly committed before the effective date of such cancellation or non-renewal ("Termination Date") or the effective date of any event described in Section XI (B) or (C) below, whichever is earlier. No Extended Reporting Period shall in any way increase the Underwriter's Limits of Liability stated in ITEM 4 of the Declarations, and the Underwriter's Limits of Liability for **Claims** made during any Extended Reporting Period shall be part of, and not in addition to, the applicable Limits of Liability stated in ITEM 4 of the Declarations. The offer of renewal terms, conditions, limits of liability, retentions or premium different from those in effect prior to renewal shall not constitute cancellation or refusal to renew for purposes of this Section X.

The **Named Organization** may purchase an Extended Reporting Period for one of the periods of time stated in ITEM 13 of the Declarations by notifying the Underwriter in writing of its intention to do so no later than sixty (60) days after the Termination Date. The additional premium for an Extended Reporting Period shall equal the applicable percentage, as stated in ITEM 13 of the Declarations, of the full annual premium (including any premium adjustments made during the **Policy Period**) for the applicable **Liability Coverage Section**, and must be paid no later than sixty (60) days after the Termination Date. The entire additional premium shall be deemed fully earned upon inception of such Extended Reporting Period.

If no election to purchase an Extended Reporting Period is made as described above, or if the additional premium for any such Extended Reporting Period is not paid within sixty (60) days after the Termination Date, there will be no right to purchase any Extended Reporting Period at any later time.

XI. CHANGES IN EXPOSURE

- (A) **Acquisition/Creation of Another Organization**

- (1) If before or during the **Policy Period** any **Organization**:
- (a) acquires **Management Control** in another organization or creates another organization, which as a result of such acquisition or creation becomes a **Subsidiary**; or
 - (b) acquires another organization by merger into or consolidation with the **Organization** such that the **Organization** is the surviving entity,
- then with respect to:
- (i) any **Liability Coverage Section**, other than the Employed Lawyers Professional Liability Coverage Section: coverage shall be provided for such other organization and its **Insureds** solely for **Wrongful Acts** committed or allegedly committed after the effective date of such acquisition or creation unless the Underwriter agrees, after presentation of a complete application and all other appropriate information, to provide coverage by written endorsement for **Wrongful Acts** committed or allegedly committed before such acquisition or creation;
 - (ii) the Information Risk and Recovery Coverage Section, if purchased as stated in ITEM 3 of the Declarations: coverage shall be provided for such organization and its **Insureds** for a **First-Party Incident** that occurred and was discovered (as required by Insuring Agreement (B) of such Information Risk and Recovery Coverage Section) after the effective date of such acquisition or creation;
 - (iii) the Employed Lawyers Professional Liability Coverage Section, if purchased as stated in ITEM 3 of the Declarations: coverage shall be provided for natural persons who became **Insureds** as a result of such acquisition or creation solely for **Wrongful Acts** committed or allegedly committed after the effective date of such acquisition or creation unless the Underwriter agrees, after presentation of a complete application and all other appropriate information, to provide coverage by written endorsement for **Wrongful Acts** committed or allegedly committed before such acquisition or creation; or
 - (iv) the Crime Coverage Section, if purchased as stated in ITEM 3 of the Declarations: coverage shall be provided for such other organization and its **Insureds** after the effective date of such event, pursuant to Section VI(E), Liability for Prior Losses, of such Crime Coverage Section.
- (2) If, at the time of an acquisition or creation described in paragraph (A)(1) above:
- (a) the total assets of any such acquired or created organization exceed thirty-five percent (35%) of the total assets of the **Organization** (as reflected in the most recent audited consolidated financial statements of such organization and the **Organization**, respectively, as of the date of such acquisition or creation); or
 - (b) solely with respect to the Employment Practices Liability Coverage Section, if purchased as stated in ITEM 3 of the Declarations, the total number of employees of the acquired or created organization exceeds thirty-five percent (35%) of the total number of employees of the **Organization** immediately prior to the acquisition or creation,

then the **Organization** shall provide the Underwriter written notice of such acquisition or creation, containing full details thereof, as soon as practicable, but in no event later than ninety (90) days after the date of such acquisition or creation, and the Underwriter, in its sole discretion, may require additional terms, conditions and limitations of coverage and additional premium shall be paid. If the **Organization** fails to give such notice within the time specified in the preceding sentence, or fails to pay the additional premium required by the Underwriter, then no coverage will be available for such acquired or created organization (if applicable) and its **Insureds**: (i) for any **Claim** first made more than ninety (90) days after such acquisition or creation; or (ii) with respect to the Information Risk and Recovery Coverage Section, if purchased as stated in ITEM 3 of the Declarations, for any **First-Party Incident** that occurred or is discovered more than ninety (90) days after such acquisition or creation. Provided, however, that the asset and employee count limitations set forth in this paragraph (A)(2) shall not apply to the **Organization's** acquisition or creation of a not-for-profit organization that is within the scope of paragraph (A)(1) above.

(B) **Acquisition by Another Organization**

If:

- (1) the **Named Organization** merges into or consolidates with another organization and the **Named Organization** is not the surviving entity; or
- (2) another organization or person or group of organizations and/or persons acting in concert acquires **Management Control**, or all or substantially all of the assets, of the **Named Organization**,

then coverage under this Policy with respect to:

- (a) any **Liability Coverage Section**: shall continue until termination of such Coverage Section, but only with respect to **Claims** for **Wrongful Acts** committed or allegedly committed before such merger, consolidation or acquisition;
- (b) the Information Risk and Recovery Coverage Section, if purchased as stated in ITEM 3 of the Declarations: shall terminate with respect to any **First-Party Incident** that occurs after such merger, consolidation or acquisition; or
- (c) the Crime Coverage Section, if purchased as stated in ITEM 3 of the Declarations: shall terminate as of the date of such merger, consolidation or acquisition.

Upon the occurrence of any event described in paragraph (B)(1) or (2) above, the entire premium for this Policy shall be deemed fully earned. The **Named Organization** shall give written notice of such merger, consolidation or acquisition to the Underwriter as soon as practicable, but in no event later than ninety (90) days after the date of such merger, consolidation or acquisition, together with such other information as the Underwriter may require. Upon receipt of such notice and information and at the request of the **Named Organization**, the Underwriter shall provide to the **Named Organization** a quotation for an extension of coverage (for such period as may be negotiated between the Underwriter and the **Named Organization**) with respect to **Claims** for **Wrongful Acts** committed or allegedly committed before such merger, consolidation or acquisition. Any coverage extension pursuant to such quotation shall be subject to such additional or different terms, conditions and limitations of coverage and payment of such additional premium as the Underwriter, in its sole discretion, may require.

(C) **Cessation of Subsidiary**

In the event an organization ceases to be a **Subsidiary** before or during the **Policy Period**, then with respect to:

- (1) any **Liability Coverage Section**, other than the Employed Lawyers Professional Liability Coverage Section: coverage with respect to such former **Subsidiary** and its **Insureds** shall continue until termination of such Coverage Section, but only with respect to **Claims** for **Wrongful Acts** committed or allegedly committed while such organization was a **Subsidiary**;
- (2) the Information Risk and Recovery Coverage Section, if purchased as stated in ITEM 3 of the Declarations: coverage with respect to such former **Subsidiary** and its **Insureds** shall terminate with respect to any **First-Party Incident** that occurs after such organization ceased to be a **Subsidiary**;
- (3) the Employed Lawyers Professional Liability Coverage Section, if purchased as stated in ITEM 3 of the Declarations: coverage with respect to the **Insureds** of such former **Subsidiary** shall continue until termination of such Coverage Section, but only with respect to **Claims** for **Wrongful Acts** committed or allegedly committed while such organization was a **Subsidiary**; or
- (4) the Crime Coverage Section, if purchased as stated in ITEM 3 of the Declarations: such former **Subsidiary** and its **Insureds** shall cease to be **Insureds** as of the effective date of such cessation, and coverage under such Crime Coverage Section shall thereafter apply only as provided in such Crime Coverage Section.

XII. VALUATION AND FOREIGN CURRENCY

All premiums, limits, retentions, loss and other amounts under this Policy are expressed and payable in the currency of the United States of America. Except as otherwise provided in any Coverage Section, if a judgment is rendered, a settlement is denominated or any element of loss under this Policy is stated in a currency other than United States of America dollars, payment under this Policy shall be made in United States of America dollars at the rate of exchange published in *The Wall Street Journal* on the date the judgment becomes final, the amount of the settlement is agreed upon or any element of loss is due, respectively.

XIII. ASSISTANCE AND COOPERATION

In the event of a **Claim, First-Party Incident** or **Occurrence**, the **Insured** shall provide the Underwriter with all information, assistance and cooperation that the Underwriter reasonably requests. At the Underwriter's request, the **Insured** shall assist in: investigating, defending and settling **Claims, First-Party Incidents** or **Occurrences**; enforcing any right of contribution or indemnity against another who may be liable to any **Insured**; the conduct of actions, suits, appeals or other proceedings, including, but not limited to, attending trials, hearings and depositions; securing and giving evidence; and obtaining the attendance of witnesses. The failure of any **Insured Person** to provide the Underwriter such information, assistance or cooperation shall not impair the rights of any other **Insured Person** under this Policy.

XIV. SUBROGATION

In the event of any payment hereunder, the Underwriter shall be subrogated to the extent of any payment to all of the rights of recovery of the **Insureds**. The **Insureds** shall execute all papers

and do everything necessary to secure such rights, including the execution of any documents necessary to enable the Underwriter effectively to bring suit in its name. The **Insureds** shall do nothing that may prejudice the Underwriter's position or potential or actual rights of recovery. The obligations of the **Insureds** under this Section XIV shall survive the expiration or termination of this Policy.

In no event, however, shall the Underwriter seek subrogation against any **Insured** under this Policy unless:

- (A) such **Insured** has been convicted of a criminal act;
- (B) it has been determined by a final and non-appealable adjudication in any judicial or administrative proceeding, other than an action or proceeding commenced by the Underwriter to determine coverage under this Policy, that such **Insured** committed a deliberately fraudulent or dishonest act or omission, or willfully violated any statute, rule or law; or
- (C) it has been determined by a final and non-appealable adjudication in any judicial or administrative proceeding, other than an action or proceeding commenced by the Underwriter to determine coverage under this Policy, that such **Insured** gained any profit, remuneration or advantage to which such **Insured** was not legally entitled.

XV. NO ACTION AGAINST UNDERWRITER

- (A) No action shall be taken against the Underwriter by any **Insured** unless, as conditions precedent thereto, the **Insured** has fully complied with all of the terms of this Policy and the amount of the **Insured's** obligation to pay has been finally determined either by judgment against the **Insured** after adjudicatory proceedings, or by written agreement of the **Insured**, the claimant and the Underwriter.
- (B) No individual or entity shall have any right under this Policy to join the Underwriter as a party to any **Claim** to determine the liability of any **Insured**; nor shall the Underwriter be impleaded by an **Insured** or his, her or its legal representative in any such **Claim**.

XVI. NAMED ORGANIZATION RIGHTS AND OBLIGATIONS

The **Named Organization** will act on behalf of all **Insureds** with respect to: the giving or receiving of any notices under this Policy; the payment of premiums to, and receiving of return premiums from, the Underwriter; the receiving and acceptance of any endorsements issued to form a part of this Policy; and the exercising or declining to exercise any Extended Reporting Period.

XVII. CHANGES

Notice to or knowledge possessed by any agent or other person acting on behalf of the Underwriter shall not effect a waiver or change in any part of this Policy or prevent or estop the Underwriter from asserting any right(s) under this Policy. This Policy can only be altered, waived or changed by written endorsement issued to form a part of this Policy.

XVIII. ASSIGNMENT

No assignment of interest under this Policy shall bind the Underwriter without its written consent issued as a written endorsement to form a part of this Policy.

XIX. CANCELLATION/NONRENEWAL

- (A) The Underwriter may not cancel this Policy except for the **Named Organization's** failure to pay a premium when due, in which case twenty (20) days' written notice will be given to the **Named Organization** by the Underwriter. Notwithstanding the foregoing, if the Underwriter receives no premium whatsoever by the premium due date and no premium whatsoever is received by the last day of such twenty (20) day notice period, the Underwriter may cancel this Policy as of the Inception Date set forth in ITEM 2(a) of the Declarations.
- (B) This Policy may be cancelled by the **Named Organization** at any time by mailing written notice to the Underwriter stating when thereafter such cancellation will be effective. In such event, the earned premium will be computed *pro rata*. Premium adjustment may be made either at the time cancellation is effective or as soon as practicable after cancellation becomes effective, but payment or tender of unearned premium is not a condition of cancellation.
- (C) The Underwriter will not be required to renew this Policy upon its expiration. The Underwriter will provide the **Named Organization** with sixty (60) days' notice of any non-renewal.

XX. TERMINATION OF PRIOR BONDS OR POLICIES

Any bonds or policies issued by the Underwriter or its affiliates and stated in ITEM 11 of the Declarations shall terminate, if not already terminated, as of the Inception Date of this Policy stated in ITEM 2(a) of the Declarations.

XXI. INSOLVENCY OF INSURED

The Underwriter will not be relieved of any of its obligations under this Policy by the bankruptcy or insolvency of any **Insured** or his/her/its estate.

XXII. RISK MANAGEMENT

The Underwriter directly or indirectly may make available risk management services in connection with this Policy for the purpose of managing and reducing the risks covered under this Policy. Such risk management services may cease or change in the Underwriter's sole discretion at any time.

XXIII. ENTIRE AGREEMENT

The **Insureds** agree that this Policy, including the **Application**, Declarations and any endorsements, constitutes the entire agreement between them and the Underwriter or any of its agents relating to this insurance.

XXIV. HEADINGS

The descriptions in the headings and sub-headings of this Policy are solely for convenience, and form no part of the terms and conditions of coverage.

**NOT-FOR-PROFIT ORGANIZATION
MANAGEMENT LIABILITY POLICY**

**Directors, Officers & Organization Liability
Coverage Section**



In consideration of payment of the premium and subject to the Declarations, the General Terms and Conditions, and the terms, conditions and limitations of this Coverage Section, the Underwriter and the **Insureds** agree as follows:

I. INSURING AGREEMENTS

(A) Insured Person Non-Indemnified Loss Coverage:

The Underwriter will pay, on behalf of an **Insured Person, Loss** for which an **Insured Person** is not indemnified by the **Organization** from any **Claim** first made against an **Insured Person** during the **Policy Period** or applicable Extended Reporting Period for a **Wrongful Act**; provided, that such **Claim** is reported to the Underwriter in accordance with Section VII of this Coverage Section.

(B) Insured Person Indemnified Liability Coverage:

The Underwriter will pay, on behalf of the **Organization, Loss** for which the **Organization** grants indemnification to an **Insured Person**, as permitted or required by law, from any **Claim** first made against an **Insured Person** during the **Policy Period** or applicable Extended Reporting Period for a **Wrongful Act**; provided, that such **Claim** is reported to the Underwriter in accordance with Section VII of this Coverage Section.

(C) Organization Liability Coverage:

The Underwriter will pay, on behalf of the **Organization, Loss** from any **Claim** first made against the **Organization** during the **Policy Period** or applicable Extended Reporting Period for a **Wrongful Act**; provided, that such **Claim** is reported to the Underwriter in accordance with Section VII of this Coverage Section.

(D) Stakeholder Derivative Demand Coverage:

Upon satisfactory proof of payment by the **Organization**, the Underwriter will reimburse the **Organization**, up to the Stakeholder Derivative Demand Sublimit stated in ITEM 4 of the Declarations, for **Investigative Costs** actually paid by the **Organization** in connection with any **Stakeholder Derivative Demand** first made during the **Policy Period** or applicable Extended Reporting Period; provided, that such **Stakeholder Derivative Demand** is reported to the Underwriter in accordance with Section VII of this Coverage Section.

(E) Crisis Management Reimbursement Coverage:

Upon satisfactory proof of payment by the **Organization**, the Underwriter will reimburse the **Organization**, up to the D&O Crisis Management Expenses Limit stated in ITEM 4 of the Declarations, for **Crisis Management Expenses** actually paid by the **Organization**

in connection with a **Crisis Management Event** that first occurs during the **Policy Period**; provided, that such **Crisis Management Event** is reported to the Underwriter in accordance with Section VII of this Coverage Section.

(F) **Additional Limit of Liability Dedicated for Executives (Optional):**

- (1) The Additional Limit of Liability Dedicated for Executives, if purchased as stated in ITEM 3 of the Declarations, will be an additional limit of liability in the amount stated in ITEM 4 of the Declarations, which amount is in addition to, and not part of, the **Policy Aggregate Limit of Liability** or any **Separate Limit of Liability** or **Shared Limit of Liability** applicable to this Coverage Section.
- (2) The Additional Limit for Executives is available solely for **Loss** resulting from any **Claim** made against any **Executive** covered under Insuring Agreement (A) of this Coverage Section.
- (3) The Additional Limit for Executives shall be excess of any insurance available that is specifically excess to this Policy and such excess insurance must be completely exhausted by payment of loss, damages or defense expenses thereunder before the Underwriter shall have any obligation to make any payment on account of the Additional Limit of Liability for Executives.

II. DEFINITIONS

- (A) "**Antitrust Claim**" means any **Claim** based upon, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving any **Antitrust Violation**.
- (B) "**Antitrust Violation**" means any: price fixing (including horizontal or other price fixing of wages, hours, salaries, compensation, benefits or any other terms and conditions of employment); restraint of trade; monopolization; or violation of the Interstate Commerce Act of 1887, the Sherman Antitrust Act of 1890, the Clayton Act of 1914, the Robinson-Patman Act of 1936, the Cellar-Kefauver Act of 1950, the Federal Trade Commission Act of 1914, or any other federal statute involving antitrust, monopoly, price fixing, price discrimination, predatory pricing or restraint of trade activities, or of any regulations promulgated under or in connection with any of the foregoing statutes, or of any similar provision of any federal, state or local statute, ordinance, regulation or common law.
- (C) "**Claim**" means:
 - (1)(a) a written demand for monetary, non-monetary or injunctive relief (including any request to toll or waive any statute of limitations or request for mediation); or
 - (b) a civil, criminal, administrative, regulatory or arbitration proceeding for monetary, non-monetary or injunctive relief commenced by:
 - (i) the service of a complaint or similar pleading;
 - (ii) the return of an indictment, information or similar document (in the case of a criminal proceeding); or
 - (iii) the filing of a notice of charges, formal investigative order or similar document,

against an **Insured** for a **Wrongful Act**;

- (2) a civil, criminal, administrative or regulatory investigation of an **Insured Person** for a **Wrongful Act** commenced by the service upon or other receipt by such **Insured Person** of a written notice from the investigating authority specifically identifying such **Insured Person** as a target individual against whom a civil, criminal, administrative or regulatory proceeding may be commenced;
- (3) an official request for **Extradition** against an **Insured Person** for a **Wrongful Act**; and
- (4) for the purposes of coverage under Insuring Agreement (D) of this Coverage Section, a **Stakeholder Derivative Demand**;

provided, that **Claim** does not include any labor or grievance arbitration or other proceeding pursuant to a collective bargaining agreement.

- (D) "**Crisis Management Event**" means any of the following events which, in the good faith opinion of the **Organization**, did cause or is reasonably likely to cause material public harm to the **Organization**:
- (1) the death, incapacity or criminal indictment of any **Executive**, or any **Employee** on whom the **Organization** maintains key person life insurance;
 - (2) the public announcement of layoffs of **Employees**;
 - (3) the public announcement that the **Organization** has defaulted or intends to default on its debt;
 - (4) the public announcement that the **Organization** intends to file for bankruptcy protection or that a third party is seeking to file for involuntary bankruptcy on behalf of the **Organization**, or the imminence of bankruptcy proceedings, whether voluntary or involuntary;
 - (5) the public announcement or accusation that the **Organization** has caused bodily injury, sickness, disease, or death to a group of persons, or damage to or destruction of any tangible group of properties, including the loss of use thereof;
 - (6) the public announcement of the commencement or threat of commencement of governmental or regulatory proceedings against the **Organization**;
 - (7) the public announcement of the termination, suspension or limitation of an **Organization's** right to participate in any program of a federal, state or local governmental, regulatory or administrative agency;
 - (8) the public announcement of the loss of a major funding source of the **Organization**.
- (E) "**Crisis Management Expenses**" means reasonable costs, charges, fees and expenses incurred by the **Organization** for **Crisis Management Services**. **Crisis Management Expenses** do not include any remuneration, salaries, wages, fees, overhead or benefit expenses of any **Insured**.

- (F) **“Crisis Management Firm”** means any public relations, crisis management firm or law firm retained by the **Organization** or its **Executives** with the consent of the Underwriter to perform **Crisis Management Services**.
- (G) **“Crisis Management Services”** means those services performed by a **Crisis Management Firm** in advising the **Organization** or any of its **Executives** on minimizing potential public harm to the **Organization** resulting from a **Crisis Management Event**.
- (H) **“Disqualified Person”** means a “disqualified person” as that term is defined in Section 4958 of the Internal Revenue Code of 1986, as amended.
- (I) **“Employee”** means any employee of the **Organization**, whether such employee is in a supervisory, co-worker or subordinate position or otherwise, including any part-time, seasonal and temporary employee. **Employee** also includes:
- (1) any volunteer working for the **Organization**;
 - (2) any individual who is leased to, and working for, the **Organization**, but only if the **Organization** provides indemnification to such leased individual in the same manner as is provided to the **Organization’s** employees;
 - (3) any independent contractor working for the **Organization**, but only if the **Organization** provides indemnification to such independent contractor, pursuant to a written contract, in the same manner as that provided to the **Organization’s** employees; and
 - (4) any intern working for, and under the supervision of, the **Organization**.
- (J) **“Excess Benefit Transaction”** means an “excess benefit transaction” as that term is defined in Section 4958(c) of the Internal Revenue Code of 1986, as amended.
- (K) **“Excess Benefit Transaction Excise Tax”** means any excise tax imposed by the Internal Revenue Service on an **Insured Person** who is an **Organization Manager** as a result of such **Insured Person’s** participation in an **Excess Benefit Transaction**.
- (L) **“Executive”** means any natural person who was, now is or becomes:
- (1) a duly elected or appointed director, officer, trustee, trustee emeritus, executive director, member of the Board of Managers, duly constituted committee member, member of an Advisory Board, in-house general counsel or risk manager of any **Organization** chartered in the United States of America; or
 - (2) a holder of a position equivalent to any position described in (1) above in any **Organization** that is chartered in a **Foreign Jurisdiction**.
- (M) **“Extradition”** means any formal process by which an **Insured Person** located in any country is surrendered to any other country for trial or to answer to a criminal accusation, or the execution of a warrant for the arrest of an **Insured Person** where the execution of such warrant is an element of the formal process of extradition.
- (N) **“Insured”** means the **Organization** and any **Insured Person**.

- (O) **"Insured Person"** means any natural person who was, now is or becomes:
- (1) an **Executive**; or
 - (2) an **Employee**.
- (P) **"Internal Revenue Code Violation"** means any actual or alleged violation by an **Insured** of any of the following sections of the Internal Revenue Code of 1986, as amended, involving any **Organization** that is exempt from taxation under the Internal Revenue Code of 1986, as amended:
- Section 4911 (Taxes on Excess Expenditures to Influence Legislation);
Section 4941 (a) and (b) (Taxes on Self-Dealing);
Section 4942 (Taxes on Failure to Distribute Income);
Section 4943 (Taxes on Excess Business Holdings);
Section 4944 (Taxes on Investments which Jeopardize Charitable Purpose);
Section 4945 (Taxes on Taxable Expenditures);
Section 6652 (c) (1) (A)(B) (Penalties for Failure to File Certain Information Returns or Registration Statements);
Section 6655 (a)(1) (Penalties for Failure to Pay Estimated Income Taxes); or
Section 6656(a) and (b) (Penalties for Failure to Make Deposit of Taxes).
- (Q) **"Investigative Costs"** means reasonable costs, charges, fees (including but not limited to attorneys' fees and experts' fees) and expenses incurred by the **Organization**, including its board of directors, Board of Managers or any committee thereof, in connection with such **Organization's** investigation or evaluation of any **Stakeholder Derivative Demand**. **Investigative Costs** does not include any remuneration, salaries, wages, fees, overhead or benefit expenses of any **Insured**.
- (R) **"Loss"** means:
- (1) for purposes of coverage under Insuring Agreements (A), (B) and (C) of this Coverage Section, **Defense Expenses** and any monetary amount which an **Insured** is legally obligated to pay as a result of a covered **Claim**, including but not limited to:
 - (a) monetary damages (including punitive or exemplary damages or the multiple portion of any multiplied damage award, to the extent such damages are insurable under the law of any jurisdiction which has a substantial relationship to the **Insureds**, this Policy or the **Claim** giving rise to such damages and which is most favorable to the insurability of such damages);
 - (b) judgments;
 - (c) settlements;
 - (d) pre- and post-judgment interest;
 - (e) **Excess Benefit Transaction Excise Taxes** that an **Insured Person** is obligated to pay as a result of a **Claim**; provided that **Loss** shall not include the twenty-five percent (25%) excise tax assessed against any

Disqualified Person or the 200% tax assessed for failure to correct an **Excess Benefit Transaction**;

- (f) civil fines and penalties levied against an **Insured** for an **Internal Revenue Code Violation**; and
 - (g) civil penalties levied against an **Insured Person** pursuant to Section 2(g)(2)(B) of the Foreign Corrupt Practices Act;
- (2) for purposes of coverage under Insuring Agreement (D) of this Coverage Section, **Investigative Costs**.

Loss does not include:

- (aa) any amount not insurable under the law pursuant to which this Coverage Section is construed, except as provided in paragraph (1)(a) above with respect to punitive or exemplary damages or the multiple portion of any multiplied damage award;
 - (bb) civil or criminal fines or penalties, except as provided in paragraph (1)(a) above with respect to punitive or exemplary damages or the multiple portion of any multiplied damage award and as provided in paragraphs (1)(f) and (1)(g) above with respect to the specified civil fines and penalties;
 - (cc) taxes or tax penalties (whether imposed by a federal, state, local or other governmental authority), except as provided in paragraph (1)(e) above with respect to any **Excess Benefit Transaction Excise Tax**;
 - (dd) any costs incurred by the **Organization** to comply with any order for injunctive or other non-monetary relief, or to comply with an agreement to provide such relief; or
 - (ee) any fees, profits, or other revenue lost, or any costs incurred, by an **Insured** in connection with the termination, suspension or limitation of such **Insured's** right to participate in any program of a federal, state or local governmental, regulatory or administrative agency.
- (S) "**Organization Manager**" means an "organization manager" as that term is defined in Section 4958(f) of the Internal Revenue Code, 26 U.S.C. § 4958(f).
- (T) "**Outside Capacity**" means service by an **Executive** in the position of director, officer, trustee, trustee emeritus or governor of an **Outside Entity**, but only during the time that such service is at the specific request or direction of the **Organization**.
- (U) "**Outside Entity**" means: (1) any not-for-profit entity that is not included in the definition of **Organization**; and (2) any for-profit entity specifically added as an **Outside Entity** by written endorsement to this Coverage Section.
- (V) "**Personal Injury Wrongful Act**" means false arrest, wrongful detention or imprisonment, malicious prosecution, libel, slander, defamation of character, publication of material in violation of a person's right of privacy, wrongful entry or eviction or other invasion of the right of occupancy.

- (W) **"Pollutant"** means (1) any substance located anywhere in the world exhibiting any hazardous characteristics as defined by, or identified on a list of hazardous substances issued by, the United States Environmental Protection Agency or any state, county, municipal or local counterpart thereof, including, without limitation, solids, liquids, gaseous or thermal irritants, contaminants or smoke, vapor, soot, fumes, acids, alkalis, chemicals or waste materials, or (2) any other air emission, odor, waste water, oil or oil products, infectious or medical waste, asbestos or asbestos products or any noise.
- (X) **"Publisher Liability Wrongful Act"** means infringement of copyright or trademark, unauthorized use of title, plagiarism or misappropriation of ideas.
- (Y) **"Stakeholder"** means any natural person member of a not-for-profit **Organization** who has an active interest that such **Organization** fulfill its mission.
- (Z) **"Stakeholder Derivative Demand"** means any written demand, by one or more **Stakeholders** of the **Organization** without the solicitation, assistance, active participation or intervention of any **Executive**, upon the board of directors or Board of Managers of such **Organization** to bring a civil proceeding in a court of law against any **Executive** for a **Wrongful Act** by such **Executive**.
- (AA) **"Wrongful Act"** means:
- (1) any actual or alleged act, error, omission, misstatement, misleading statement or breach of duty by any **Insured Person** in his or her capacity as such, or any matter asserted against any **Insured Person** solely by reason of his or her status as such;
 - (2) for the purposes of Insuring Agreement (C) of this Coverage Section, any actual or alleged act, error, omission, misstatement, misleading statement or breach of duty by the **Organization**;
 - (3) any actual or alleged act, error, omission, misstatement, misleading statement or breach of duty by any **Executive** in his or her **Outside Capacity**; or
 - (4) with respect to both **Insured Persons** and the **Organization**, and subject to paragraphs (1), (2) and (3) above, any actual or alleged:
 - (a) **Antitrust Violation**;
 - (b) **Personal Injury Wrongful Act**; and
 - (c) **Publisher Liability Wrongful Act**.

III. EXCLUSIONS

This Coverage Section does not apply to, and no coverage will be available under this Coverage Section for, **Loss** from any **Claim**:

- (A) based upon, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving any fact, circumstance, situation, transaction, event or **Wrongful Act** that, before the Inception Date of this Policy stated in ITEM 2(a) of the Declarations, was the subject of any notice given and accepted under any directors and officers liability or

other similar management liability policy or coverage section of which this Coverage Section is a direct or indirect renewal or replacement;

- (B) based upon, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving any prior and/or pending litigation or administrative, regulatory or arbitration proceeding against any **Insured** as of the applicable Pending or Prior Date stated in ITEM 3 of the Declarations, or the same or substantially the same fact, circumstance, situation, transaction, event or **Wrongful Act** underlying or alleged therein;
- (C) brought by or on behalf of the **Organization** or any **Insured Person**; provided, that this EXCLUSION (C) shall not apply to:
 - (1) any **Stakeholder Derivative Demand**;
 - (2) any **Claim** brought or maintained derivatively on behalf of the **Organization** by a member, an attorney general, a securityholder or any other such representative party, provided such **Claim** is brought and maintained independently of, and without the solicitation, assistance, active participation or intervention of, any **Executive**, the **Organization** or any **Affiliate**;
 - (3) any **Claim** in the form of a cross-claim, third party claim or other claim for contribution or indemnity by any **Insured Person** which is part of or results directly from a **Claim** which is not otherwise excluded by the terms of this Coverage Section;
 - (4) in any bankruptcy proceeding by or against the **Organization**, any **Claim** brought by the examiner, creditors' committee, trustee, receiver, liquidator or rehabilitator (or any assignee thereof) of such **Organization**;
 - (5) any **Claim** brought or maintained by an **Executive** who has not served as a duly elected or appointed director, officer, trustee, governor, management committee member, member of the management board, general counsel or risk manager (or equivalent position) of, or consultant for, the **Organization** for at least two (2) years prior to the date such **Claim** is first made and who brings and maintains such **Claim** independently of, and without the solicitation, assistance, active participation or intervention of, the **Organization** or any other **Executive** who is serving or has served in any of the listed capacities within such two (2) year period;
 - (6) any **Claim** brought or maintained by an **Employee** who is not a past or present **Executive** if such **Claim** is brought and maintained independently of, and without the solicitation, assistance, active participation or intervention of, any **Executive**;
 - (7) any **Claim** brought or maintained by any **Executive** of an **Organization** formed and operating in a **Foreign Jurisdiction** against such **Organization** or any other **Executive** thereof, provided such **Claim** is brought and maintained outside the United States of America, Canada or any other common law country (including any territories thereof); or
 - (8) any **Claim** brought or maintained as a result of the solicitation, assistance, active participation or intervention of an **Insured Person** where such solicitation,

assistance, active participation or intervention is protected under 18 U.S.C. 1514A ("whistleblower" protection provided under the Sarbanes-Oxley Act of 2002) or any similar "whistleblower" protection provision of any federal, state or local statute, ordinance, regulation or common law;

- (D) for any **Wrongful Act** of an **Executive** in his or her **Outside Capacity**, if such **Claim** is brought by or on behalf of (1) the **Outside Entity** with which such **Executive** is serving or has served in an **Outside Capacity** or (2) any director, officer, trustee, governor or equivalent executive of such **Outside Entity**; provided, that this EXCLUSION (D) shall not apply to:
- (a) any **Claim** brought or maintained derivatively on behalf of the **Outside Entity** by one or more securityholders or members of the **Outside Entity** who are not **Insured Persons** and are not directors, officers, trustees, governors or equivalent executives of the **Outside Entity** and who bring and maintain such **Claim** independently of, and without the solicitation, assistance or active participation of any **Insured Person** or of any director, officer, trustee, governor or equivalent executive of the **Outside Entity**;
 - (b) any **Claim** in the form of a cross-claim, third party claim or other claim for contribution or indemnity by a director, officer, trustee, governor or equivalent executive of the **Outside Entity** which is part of or results directly from a **Claim** which is not otherwise excluded by the terms of this Coverage Section;
 - (c) in any bankruptcy proceeding by or against the **Outside Entity**, any **Claim** brought by the examiner, creditors' committee, trustee, receiver, liquidator or rehabilitator (or any assignee thereof) of such **Outside Entity**;
 - (d) any **Claim** brought or maintained by a director, officer, trustee, governor or equivalent executive of the **Outside Entity** who has not served as a duly elected or appointed director, officer, trustee, governor, management committee member, member of the management board, general counsel or risk manager (or equivalent position) of, or consultant for, the **Outside Entity** for at least two (2) years prior to the date such **Claim** is first made and who brings and maintains such **Claim** independently of, and without the solicitation, assistance or active participation of, any **Insured Person**, the **Outside Entity** or any other director, officer, trustee, governor or equivalent executive of the **Outside Entity** who is serving or has served in any of the listed capacities within such two (2) year period;
 - (e) any **Claim** brought or maintained by any director, officer, trustee, governor or equivalent executive of an **Outside Entity** formed and operating in a **Foreign Jurisdiction**, provided such **Claim** is brought and maintained outside the United States of America, Canada or any other common law country (including any territories thereof); or
 - (f) any **Claim** brought or maintained as a result of the solicitation, assistance, active participation or intervention of any director, officer, trustee, governor or equivalent executive of the **Outside Entity** where such solicitation, assistance, active participation or intervention is protected under 18 U.S.C. 1514A ("whistleblower" protection provided under the Sarbanes-Oxley Act of 2002) or any similar "whistleblower" protection provision of any federal, state or local statute, ordinance, regulation or common law;

- (E) for: (1) any actual, alleged, or threatened exposure to, generation, storage, transportation, discharge, emission, release, seepage, dispersal, escape, treatment, removal, handling, processing or disposal of any **Pollutants**; or (2) any order, direction or request to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize any **Pollutants**; provided, that this EXCLUSION (E) shall not apply to any **Claim** to which Insuring Agreement (A) of this Coverage Section solely applies;
- (F) based upon, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving any actual or alleged nuclear reaction, nuclear radiation, radioactive contamination or radioactive substance;
- (G) for any actual or alleged bodily injury (other than mental anguish or emotional distress), sickness, disease or death of any person, or damage to or destruction of any tangible property including loss of use thereof whether or not it is damaged or destroyed;
- (H) for any actual or alleged violation of the responsibilities, duties or obligations imposed on fiduciaries by the Employee Retirement Income Security Act of 1974, or any amendments thereto or regulations promulgated thereunder, or any similar provisions of any federal, state or local statute, ordinance, regulation or common law;
- (I) based upon, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving any **Wrongful Act** of any **Insured Person** serving in any capacity, other than as an **Executive** or **Employee** or in an **Outside Capacity**;
- (J) made against a **Subsidiary** or listed **Affiliate** or any **Insured Person** of such **Subsidiary** or **Affiliate** for any **Wrongful Act** committed or allegedly committed during any time when such entity was not a **Subsidiary** or **Affiliate**;
- (K) made against any **Insured** based upon, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving:
 - (1) such **Insured** having gained any profit, remuneration or advantage to which such **Insured** is not legally entitled; or
 - (2) the committing of any deliberately fraudulent or dishonest act or omission, or any willful violation of any statute, rule or law, by such **Insured**;

provided, that this EXCLUSION (K) shall not apply unless the gaining by such **Insured** of such profit, remuneration or advantage to which such **Insured** is not legally entitled, or the deliberately fraudulent or dishonest act or omission or willful violation of statute, rule or law, has been established by a final and non-appealable adjudication in any judicial or administrative proceeding other than an action or proceeding commenced by the Underwriter to determine coverage under this Policy;

- (L) based upon, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving any actual or alleged violation of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Act of 1940, any state "blue sky" securities law, or any other federal, state or local securities law, or any amendments thereto or regulations promulgated under any such laws; provided, that this EXCLUSION (L) shall not apply to matters involving tax exempt bonds and tax exempt bond holders;

- (M) for any actual or alleged violation of the responsibilities, duties or obligations imposed under any law concerning Social Security, unemployment insurance, workers' compensation, disability insurance, or any similar provisions of any federal, state or local statute, ordinance, regulation or common law;
- (N) for any actual or alleged violation of the responsibilities, duties or obligations imposed under the Worker Adjustment and Retraining Notification Act (WARN), Occupational Safety and Health Act (OSHA), Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA), the National Labor Relations Act (NLRA), or any amendments thereto or regulations promulgated thereunder, or any similar provisions of any federal, state or local statute, ordinance, regulation or common law;
- (O) for any actual or alleged violation of the responsibilities, duties or obligations imposed under any federal, state or local wage and hour law, including, without limitation, the Fair Labor Standards Act (FLSA);
- (P) for any actual or alleged liability of any **Insured** under any express contract or agreement; provided, that this EXCLUSION (P) shall not apply to:
 - (1) liability which would have attached in the absence of such express contract or agreement; or
 - (2) **Defense Expenses** incurred by the **Insureds** in connection with such **Claim**;
- (Q) for any employment-related **Wrongful Act**;
- (R) based upon, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving any actual or alleged discrimination against, or harassment (whether sexual or non-sexual in nature) of, any person or entity that is not an **Insured**; or
- (S) with respect to Insuring Agreement (C) of this Coverage Section only, for any actual or alleged infringement, misappropriation or violation of any patent, trade secret or any other intellectual property right; provided, that this EXCLUSION (S) shall not apply to any **Claim** for a **Publisher Liability Wrongful Act**.

IV. SEVERABILITY OF EXCLUSIONS

- (A) No fact pertaining to or knowledge possessed by any **Insured Person** shall be imputed to any other **Insured Person** to determine the application of EXCLUSION (K) of this Coverage Section.
- (B) Only facts pertaining to and knowledge possessed by any past, present or future chief executive officer or chief financial officer of the **Organization** (or equivalent positions thereof) shall be imputed to such **Organization** to determine the application of EXCLUSION (K) of this Coverage Section.

V. COVERAGE SECTION SPECIFIC LIMITS OF LIABILITY, RETENTIONS AND COINSURANCE

(A) Antitrust Claim Sublimit:

The Underwriter's maximum limit of liability for all **Loss** resulting from all **Antitrust Claims** shall be the amount stated in ITEM 4 of the Declarations as the Antitrust Claim Sublimit, which amount shall be part of, and not in addition to, the Additional Aggregate Limit for Defense Expenses (if purchased), the **Policy Aggregate Limit of Liability** and any **Separate Limit of Liability** or **Shared Limit of Liability** applicable to this Coverage Section.

(B) Excess Benefit Transaction Excise Tax Sublimit:

The Underwriter's maximum limit of liability for all **Excess Benefit Transaction Excise Taxes** resulting from all **Claims** shall be the amount stated in ITEM 4 of the Declarations as the Excess Benefit Transaction Excise Tax Sublimit, which amount shall be part of, and not in addition to, the **Policy Aggregate Limit of Liability** and any **Separate Limit of Liability** or **Shared Limit of Liability** applicable to this Coverage Section.

(C) Internal Revenue Code Violation Sublimit:

The Underwriter's maximum limit of liability for all civil fines and penalties resulting from all **Claims** for **Internal Revenue Code Violations** shall be the amount stated in ITEM 4 of the Declarations as the Internal Revenue Code Violation Sublimit, which amount shall be part of, and not in addition to, the **Policy Aggregate Limit of Liability** and any **Separate Limit of Liability** or **Shared Limit of Liability** applicable to this Coverage Section.

(D) Stakeholder Derivative Demand Sublimit:

The Underwriter's maximum limit of liability for all **Investigative Costs** resulting from all **Stakeholder Derivative Demands** shall be the amount stated in ITEM 4 of the Declarations as the Stakeholder Derivative Demand Sublimit, which amount shall be part of, and not in addition to, the **Policy Aggregate Limit of Liability** and any **Separate Limit of Liability** or **Shared Limit of Liability** applicable to this Coverage Section.

(E) D&O Crisis Management Expenses Limit:

The Underwriter's maximum limit of liability for all **Crisis Management Expenses** resulting from all **Crisis Management Events** shall be the amount stated in ITEM 4 of the Declarations as the D&O Crisis Management Expenses Limit, which amount shall be in addition to, and not part of, the **Policy Aggregate Limit of Liability** or any **Separate Limit of Liability** or **Shared Limit of Liability** applicable to this Coverage Section.

(F) Retentions:

The following provisions shall apply in addition to the provisions of Section IV of the General Terms and Conditions Section:

- (1) The Underwriter's obligation to pay **Loss** under this Coverage Section shall only be in excess of the applicable Retention stated in ITEM 5 of the Declarations. Such Retention shall only be eroded (or exhausted) by the **Insured's** payment of **Loss** otherwise covered under this Coverage Section, and shall be borne by the **Insureds** uninsured and at their own risk. The Underwriter shall have no obligation whatsoever, either to the **Insureds** or any other person or entity, to pay all or any portion of the applicable Retention on behalf of any **Insured**. The Underwriter shall, however, at its sole discretion, have the right and option to do so, in which event the **Insureds** will repay the Underwriter any amounts so paid. If the Underwriter and the **Insured** agree to use voluntary mediation as a dispute resolution approach with respect to a **Claim** and the Underwriter and the **Insured** consent to a full and final settlement of such **Claim** during such voluntary mediation (as evidenced by a full and final settlement agreement with respect to such **Claim**), the **Insured's** obligation to pay the applicable Retention stated in ITEM 5 of the Declarations for such **Claim** will be reduced by ten percent (10%), subject to a maximum reduction of \$25,000 of the Retention for such **Claim**.
- (2) If the **Organization** fails or refuses, other than for reason of **Financial Impairment**, to indemnify any **Insured Person** for **Loss**, or to advance **Defense Expenses** on behalf of any **Insured Person**, to the fullest extent permitted by statutory or common law, then, notwithstanding any other terms, conditions or limitations of this Coverage Section to the contrary, any payment by the Underwriter of such **Defense Expenses** or other **Loss** shall be subject to the applicable Insuring Agreement (B) Retention stated in ITEM 5 of the Declarations.
- (3) No Retention shall apply under Insuring Agreement (D) of this Coverage Section.
- (G) Coinsurance:

To the extent that **Loss** resulting from any **Claim** covered under this Coverage Section is subject to a Coinsurance Percentage as stated in ITEM 6 of the Declarations and is in excess of the applicable Retention, the **Insureds** shall bear uninsured and at their own risk that percentage of such **Loss** specified as the applicable Coinsurance Percentage in ITEM 6 of the Declarations, and the Underwriter's liability shall apply only to the remaining percentage of such **Loss**.

VI. CLAIM SETTLEMENT

No **Insured** may admit any liability for any **Claim**, settle or offer to settle any **Claim** or incur any **Defense Expenses** without the Underwriter's prior written consent, which consent shall not be unreasonably withheld. The Underwriter will have the right to make investigations and conduct negotiations and, with the consent of the **Insureds**, enter into such settlement of any **Claim** as the Underwriter deems appropriate.

VII. REPORTING OF CLAIMS AND CIRCUMSTANCES

- (A) If, during the **Policy Period** or any applicable Extended Reporting Period, any **Claim** is first made against an **Insured**, the **Insureds** must, as a condition precedent to any right to coverage under this Coverage Section, give the Underwriter written notice of such **Claim** as soon as practicable after the **Organization's** risk manager or general

counsel (or an equivalent position thereof) first becomes aware of such **Claim**, and in no event later than:

- (1) with respect to any **Claim** first made during the **Policy Period**, ninety (90) days after the end of the **Policy Period**; or
- (2) with respect to any **Claim** first made during any applicable Extended Reporting Period, ninety (90) days after the end of the Extended Reporting Period.

Timely and sufficient notice by one **Insured** of a **Claim** shall be deemed timely and sufficient notice for all **Insureds** involved in the **Claim**. Such notice shall give full particulars of the **Claim**, including, but not limited to: a description of the **Claim** and **Wrongful Act**; the identity of all potential claimants and any **Insureds** involved; a description of the injury or damages that resulted from such **Wrongful Act**; information on the time, place and nature of the **Wrongful Act**; and the manner in which the **Insureds** first became aware of such **Wrongful Act**.

(B) If, during the **Policy Period**, an **Insured** first becomes aware of a specific **Wrongful Act** which may subsequently give rise to a **Claim**, and:

- (1) gives the Underwriter written notice of such **Wrongful Act** with full particulars as soon as practicable thereafter but in any event before the end of the **Policy Period**; and
- (2) requests coverage under this Coverage Section for any **Claim** subsequently arising from such **Wrongful Act**;

then any **Claim** subsequently made against an **Insured** arising out of such **Wrongful Act** shall, subject to paragraph (D) below, be treated as if it had been first made during the **Policy Period**. The full particulars required in any notice given under paragraph (B)(1) above must include, without limitation, a description of the **Wrongful Act**, the identities of the potential claimants and involved **Insureds**, the injury or damages which have resulted and/or may result from such **Wrongful Act**, the manner in which the **Insureds** first became aware of such **Wrongful Act**, and the reasons why the **Insureds** believe the **Wrongful Act** is likely to result in a **Claim** being made.

(C) As a condition precedent to any right to reimbursement under Insuring Agreement (E) of this Coverage Section, the **Insureds** must give the Underwriter written notice of any **Crisis Management Event** no later than thirty (30) days after the **Organization's** risk manager or general counsel (or an equivalent position thereof) first becomes aware of such **Crisis Management Event**. Within sixty (60) days of making any payment of **Crisis Management Event Expenses**, the **Insureds** must provide the Underwriter with a detailed breakdown of all **Crisis Management Event Expenses** for which the **Organization** seeks reimbursement under Insuring Agreement (E) of this Coverage Section, together with satisfactory proof of payment and any additional information as the Underwriter may reasonably request.

(D) All **Related Claims**, whenever made, shall be deemed a single **Claim** made when the earliest of such **Related Claims** was first made, or when the earliest of such **Related Claims** is treated as having been made in accordance with paragraph (B) above, whichever is earlier.

VIII. OTHER INSURANCE

This Coverage Section is specifically excess of and will not contribute with:

- (A) any other valid and collectible insurance available to any **Insured**, including but not limited to any insurance under which there is a duty to defend, unless such other insurance is written specifically in excess of this Policy; or
- (B) any indemnification to which any **Insured Person** is entitled from any entity other than the **Organization**.

This Coverage Section will not be subject to the terms of any other insurance.

IX. PAYMENT OF LOSS

In the event payment of **Loss** is due under this Coverage Section but the amount of such **Loss** in the aggregate exceeds the remaining available **Separate Limit of Liability** or **Shared Limit of Liability** applicable to this Coverage Section, the Underwriter shall:

- (A) first pay such **Loss** for which coverage is provided under Insuring Agreement (A) of this Coverage Section; then
- (B) to the extent of any remaining amount of such **Separate Limit of Liability** or **Shared Limit of Liability** after payment under paragraph (A) above, pay such **Loss** for which coverage is provided under any other Insuring Agreement of this Coverage Section.

Except as otherwise provided in this Section IX, the Underwriter may pay covered **Loss** as it becomes due under this Coverage Section without regard to the potential for other future payment obligations under this Coverage Section.

X. REPRESENTATIONS AND SEVERABILITY; INCORPORATION OF APPLICATION

- (A) The **Insureds** represent that the particulars and statements contained in the **Application** attached to this Policy are true, accurate and complete, and agree that:
 - (1) this Coverage Section is issued and continued in force by the Underwriter in reliance upon the truth of such representation;
 - (2) those particulars and statements are the basis of the coverage granted by this Coverage Section; and
 - (3) the **Application** and those particulars and statements are incorporated in and form a part of this Policy.
- (B) The **Insureds** agree that in the event of any material untruth, misrepresentation or omission in connection with any of the particulars or statements in the **Application**, this Coverage Section shall be void *ab initio* with respect to any **Insured** who knew, as of the Inception Date stated in ITEM 2(a) of the Declarations, of such facts that were not accurately and completely disclosed in the **Application** (whether or not such **Insured** knew that such facts were not accurately and completely disclosed in the **Application**). Solely for the purposes of determining whether this Coverage Section shall be void *ab initio* with respect to an **Insured**:

- (1) no knowledge possessed by any **Insured Person** will be imputed to any other **Insured Person**; and
- (2) the knowledge of any past or present chief executive officer or chief financial officer (or an equivalent position thereof) of the **Organization** shall be imputed to such **Organization**.

Notwithstanding the foregoing, the Underwriter shall not be entitled under any circumstances to void, whether by rescission or otherwise, Insuring Agreement (A) of this Coverage Section.

ENDORSEMENT NO. 1
SERVICE OF SUIT ENDORSEMENT

This Endorsement, effective at 12:01 a.m. on May 2, 2024, forms part of

Policy No.	MML-35402-24
Issued to	Central Iowa Water Works
Issued by	Homeland Insurance Company of New York
Section(s)	GTC

In consideration of the premium charged:

- (1) We designate and authorize the following person as our agent for service of process for any proceeding brought by or on behalf of the insured, or any beneficiary under this policy, and arising out of this policy of insurance. Such service of process must be made by certified mail return receipt requested to:

General Counsel
OneBeacon Insurance Group – Legal Department
605 North Highway 169
Suite 800
Plymouth, MN 55441

- (2) If required by applicable statute, we also designate the Superintendent, Commissioner or Director of Insurance, or other officer or individual specified in the law of the jurisdiction in which this policy is issued, to receive on our behalf service of process for any proceeding brought by or on behalf of the insured, or any beneficiary under this policy, and arising out of this policy of insurance. We authorize the Superintendent, Commissioner, Director or other officer or individual upon whom service is made to mail a copy of the process to the person identified in Paragraph 1. above.

- (3) In Rhode Island, we also designate and authorize the following person as our agent for service of process for any proceeding brought by or on behalf of the insured, or any beneficiary under this policy, and arising out of this policy of insurance:

Sherry A. Goldin
10 Weybosset Street
Providence, Rhode Island 02903

- (4) In Oregon, service of process for any proceeding brought by or on behalf of the insured, or any beneficiary under this policy, and arising out of this policy of insurance may be made upon the insurance producer in the courts for the county where the insurance producer who registered or delivered the policy resides or transacts business.

- (5) By agreeing to the service of process provisions above, we do not waive our right to commence an action in any court of competent jurisdiction in the United States, remove an action to a United States District Court or seek a transfer of a case to another court as permitted by the laws of the United States or of any state within the United States.

As used above, the word "insured" means any person or organization qualifying as an insured under the policy, and the words "we" and "our" refer to the company providing this insurance.

All other terms, conditions and limitations of this Policy shall remain unchanged.

ENDORSEMENT NO. 2
CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM ENDORSEMENT

This Endorsement, which is effective at 12:01 a.m. on May 2, 2024, forms part of:

Policy No.	MML-35402-24
Issued to	Central Iowa Water Works
Issued by	Homeland Insurance Company of New York
Section(s)	D&O

In consideration of the premium charged:

(1) If aggregate insured losses attributable to **Certified Acts of Terrorism** exceed \$100 billion in a calendar year and the Underwriter has met its insurer deductible under the Terrorism Risk Insurance Act ("the Act"), the Underwriter 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.

(2) For the purposes of this endorsement, Section II DEFINITIONS of the Coverage Section identified above is amended to include the following term:

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

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

(3) 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** from any **Claim** that is otherwise excluded under the Coverage Section identified above.

All other terms, conditions and limitations of this Policy shall remain unchanged.

ENDORSEMENT NO. 3
PRIVACY BREACH REIMBURSEMENT COVERAGE ENDORSEMENT

This Endorsement, effective at 12:01 a.m. on May 2, 2024, forms part of

Policy No.	MML-35402-24
Issued to	Central Iowa Water Works
Issued by	Homeland Insurance Company of New York
Section(s)	D&O

In consideration of the premium charged:

- (1) Upon satisfactory proof of payment by the **Organization**, the Underwriter will reimburse the **Organization**, up to the limit set forth in paragraph (3) of this endorsement, for any **Privacy Breach Event Expenses** actually paid by the **Organization** in connection with a **Privacy Breach Event** that first occurs during the **Policy Period**, regardless of whether or not a **Claim** is made against an **Insured** as a result of such **Privacy Breach Event**. The Underwriter will have no liability whatsoever for fines, penalties, assessments of costs or other financial awards associated with any such **Privacy Breach Event** unless such fines, penalties, assessments of costs or other financial awards are otherwise covered under the Coverage Section identified above.
- (2) For the purposes of the coverage afforded under this endorsement, the following terms shall have the meaning set forth below and Section II DEFINITIONS of the Coverage Section identified above shall be deemed amended to include such terms:

“**Privacy Breach Event**” means any failure by an **Insured** to maintain the confidentiality of non-public, medical or financial personally identifiable information which is in the care, custody and control of the **Organization**.

“**Privacy Breach Event Expenses**” means:

- (a) reasonable fees and costs of attorneys, experts and consultants, including third-party media consultants, incurred in the management or investigation of an actual or alleged **Privacy Breach Event**;
- (b) reasonable fees and costs incurred in connection with notification of a **Privacy Breach Event** to those individuals whose information has been accessed, released or used;
- (c) reasonable fees and costs of providing credit monitoring services to those individuals whose information has been accessed, released or used in connection with a **Privacy Breach Event**; and
- (d) reasonable costs incurred in the management of public relations with respect to a **Privacy Breach Event**;

provided, that **Privacy Breach Event Expenses** does not include: (i) any remuneration, salaries, overhead, fees, loss of earning reimbursement or benefit expenses of any **Insured**; or (ii) any fees, costs, charges or expenses incurred in defending any claim or suit resulting from a **Privacy Breach Event**.

- (3) The Underwriter's maximum limit of liability for all **Privacy Breach Event Expenses** resulting from all **Privacy Breaches** occurring during the **Policy Period** shall be \$50,000, which amount shall be in addition to, and not part of, the **Policy Aggregate Limit of Liability** or any **Separate Limit of Liability** or **Shared Limit of Liability** applicable to the Coverage Section identified above.
- (4) As a condition precedent to any right to reimbursement under paragraph (1) of this endorsement, the **Insureds** must give the Underwriter written notice of any **Privacy Breach Event** no later than thirty (30) days after the **Organization's** risk manager or general counsel (or an equivalent position thereof) first becomes aware of such **Privacy Breach Event**. Within sixty (60) days of making any payment of **Privacy Breach Event Expenses**, the **Insureds** must provide the Underwriter with a detailed breakdown of all **Privacy Breach Event Expenses** for which the **Organization** seeks reimbursement under paragraph (1) of this endorsement, together with satisfactory proof of payment and any additional information as the Underwriter may reasonably request.

All other terms, conditions and limitations of this Policy shall remain unchanged.

ENDORSEMENT NO. 4
PUBLIC OFFICIALS D&O AMENDATORY ENDORSEMENT

This Endorsement, which is effective at 12:01 a.m. on May 2, 2024, forms part of:

Policy No.	MML-35402-24
Issued to	Central Iowa Water Works
Issued by	Homeland Insurance Company of New York
Section(s)	D&O

In consideration of the premium charged:

- (1) The term "**Employee**," as defined in Section II DEFINITIONS of the Coverage Section identified above, is amended to read in its entirety as follows:

"Employee" means any employee of the **Organization**, whether such employee is in a supervisory, co-worker or subordinate position or otherwise, including any part-time, seasonal and temporary employee. **Employee** also includes:

- (1) any volunteer working for the **Organization**; and
- (2) any individual who is leased to, and working for, the **Organization**, but only if the **Organization** provides indemnification to such leased individual in the same manner as is provided to the **Organization's** employees.

Employee shall not include any independent contractor for the **Organization**.

- (2) The term "**Executive**," as defined in Section II DEFINITIONS of the Coverage Section identified above, is amended to read in its entirety as follows:

"Executive" means any natural person who was, now is or becomes:

- (1) a lawfully elected or duly appointed official of the **Named Organization**; and
- (2) a member of any commission or board operated by and under the jurisdiction of the **Named Organization** and within an apportionment of the total operating budget of the **Named Organization**.

- (3) Subparagraph (4) of the term "**Wrongful Act**" as defined in Section II DEFINITIONS of the Coverage Section identified above, is amended to read in its entirety as follows:

- (4) with respect to both **Insured Persons** and the **Organization**, and subject to paragraphs (1), (2) and (3) above, any **Antitrust Violation**.

- (4) Section III EXCLUSIONS (G) of the Coverage Section identified above is amended to read in its entirety as follows:

- (G) based upon, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving any actual or alleged bodily injury, mental anguish, emotional distress, sickness, disease or death of any person, or damage to or destruction of any tangible property including loss of use thereof whether or not it is damaged or destroyed;

- (5) Section III EXCLUSIONS (P) of the Coverage Section identified above is amended to read in its

entirety as follows:

- (P) based upon, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving any actual or alleged liability of any **Insured** under any express contract or agreement; provided, that this EXCLUSION (P) shall not apply to liability which would have attached in the absence of such express contract or agreement;
- (6) Section III EXCLUSIONS (S) of the Coverage Section identified above is amended to read in its entirety as follows:
- (S) based upon, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving any actual or alleged **Publisher Liability Wrongful Act** or any actual or alleged infringement, misappropriation or violation of any patent, service mark, trade secret or other intellectual property right.
- (7) No coverage will be available under the Coverage Section identified above for **Loss** from any **Claim** based upon, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving any actual or alleged:
- (a) **Personal Injury Wrongful Act;**
 - (b) inverse condemnation, temporary or permanent taking, adverse possession or dedication by adverse use;
 - (c) strike, riot or civil commotion;
 - (d) failure to effect or maintain any insurance or bond, including but not limited to, any insurance provided by self-insurance arrangements, pools, self-insurance trusts, captive insurance companies, retention groups, reciprocal exchanges or any other plan or agreement of risk transfer or assumption; provided, that this exclusion shall not apply to **Defense Expenses** incurred by the **Insureds** in connection with such **Claim**;
 - (e) violation of the Federal False Claims Act or any similar federal, state or local statute or common law, or amendments to or regulations promulgated under any such law;
 - (f) failure to pay any bond, interest on any bond, debt, financial guarantee or debenture; provided, that this exclusion shall not apply to any **Claim** to which Insuring Agreement (A) of the Coverage Section identified above solely applies;
 - (g) **Sexual Misconduct** or child abuse or neglect, including any actual or alleged lack of supervision or mismanagement which allowed such **Sexual Misconduct**, abuse or neglect to occur;
 - (h) rendering of, or actual or alleged failure to render, professional services for others for a fee;
 - (i) unauthorized, unlawful, or unintentional taking, obtaining, accessing, using, disclosing, distributing, disseminating, transmitting, gathering, collecting, acquiring, corrupting, damaging, destroying, deleting, or impairing of any non-public personally identifiable information; or
 - (j) failure or inability of any computer, computer component (including but not limited to any hardware, network, terminal device, data storage device, input and output device, or back

up facility), application, program, software, code, or script of any kind (a "System") to perform or function as planned or intended, including but not limited to any failure or inability of any System to prevent any hack, virus, contaminant, worm, trojan horse, logic bomb, or unauthorized or unintended accessing or use involving any System.

- (8) For purposes of this endorsement "**Sexual Misconduct**" means any sexual behavior, sexual abuse, sexual assault or molestation intended to lead to or culminating in any sexual act against any individual.
- (9) It is understood and agreed that the Underwriter's maximum limit of liability for all **Defense Expenses** resulting from all **Claims** seeking only relief or redress in any form other than monetary damages shall be \$250,000, which amount shall be part of, and not in addition to, the Additional Aggregate Limit for Defense Expenses (if purchased), the **Policy Aggregate Limit of Liability** and any **Separate Limit of Liability** or **Shared Limit of Liability** applicable to the Coverage Section identified above.
- (10) The **Named Organization's** purchase of the Coverage Section identified above does not constitute a waiver of any governmental immunity that would be available to any **Insured** had the **Named Organization** not purchased such Coverage Section.

All other terms, conditions and limitations of this Policy shall remain unchanged.