

Policy Managers®

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A Division of Chamber Insurance Agency Services, LLC

June 30, 2014

Andrew Cooper
World Risk Management Llc
20 N Orange Ave Suite 500
Orlando, FL 32801-

Re: TankGuard Liability Insurance Program
Insured: City of Avon Park

Policy Number: 012896047
Policy Period: 10/07/14 to 10/07/15

Dear Andrew;

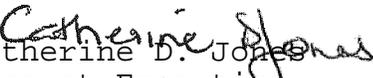
On behalf of Commerce and Industry Insurance Company, we are pleased to attach your client's TankGuard Liability Insurance Policy and related documents. The delivery of these policy documents completes the placement of this coverage for the captioned year.

The captioned policy was issued based on the representations, contained in your client's most recent application.

Thank you for placing this important insurance protection. Should you require further assistance, do not hesitate to call us at 1-800-475-4055. You may also contact us at our web-site address, which is www.policymanagers.com

Sincerely,

POLICY MANAGERS®


Catherine D. Jones
Account Executive
Direct Dial Phone: (321)433-4053

COMMERCE AND INDUSTRY INSURANCE COMPANY

175 WATER STREET
NEW YORK, N. Y. 10038

A Capital Stock Company
(herein called the "Company")

**STORAGE TANK THIRD-PARTY LIABILITY, CORRECTIVE ACTION AND CLEANUP COSTS
POLICY**

DECLARATIONS

THIS IS A CLAIMS-MADE AND REPORTED POLICY. PLEASE READ CAREFULLY.

POLICY NUMBER: 012896047

Item 1. NAMED INSURED: City of Avon Park

ADDRESS: 110 East Main Street
Avon Park, FL 33825

Item 2. POLICY PERIOD: FROM 10/07/14 TO 10/07/15
12:01 AM Standard Time at the Address of the Named Insured shown above

Item 3. LIMIT OF LIABILITY: \$ 1,000,000 EACH INCIDENT LIMIT
\$ 1,000,000 AGGREGATE LIMIT

Item 4. DEDUCTIBLE: \$ 5,000 EACH INCIDENT

Item 5. COVERED STORAGE TANK SYSTEM(S): See Storage Tank Schedule

Item 6. RETROACTIVE DATE: See Storage Tank Schedule

Item 7. POLICY PREMIUM: \$512.60

Premium for Certified Acts of Terrorism Coverage Under TRIA 2002:
\$6.00 Included in Policy Premium

Item 8. FORMS, ENDORSEMENTS AND SCHEDULES ATTACHED TO THIS POLICY: See Attached Form Schedule

BROKER: Policy Managers®

By 

AUTHORIZED REPRESENTATIVE
or countersignature (in states where applicable)

STORAGE TANK PROGRAM

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POLICYHOLDER NOTICE

Thank you for purchasing insurance from a member company of American International Group, Inc. (AIG). The AIG member companies generally pay compensation to brokers and independent agents, and may have paid compensation in connection with your policy. You can review and obtain information about the nature and range of compensation paid by AIG member companies to brokers and independent agents in the United States by visiting our website at www.aigproducercompensation.com or by calling AIG at 1-800-706-3102.

STORAGE TANK THIRD-PARTY LIABILITY, CORRECTIVE ACTION AND CLEAN-UP COSTS POLICY

NOTICE: THIS IS A CLAIMS-MADE-AND-REPORTED POLICY. PLEASE READ CAREFULLY. ADDITIONALLY, THIS POLICY HAS CERTAIN PROVISIONS AND REQUIREMENTS UNIQUE TO IT AND MAY BE DIFFERENT FROM OTHER POLICIES THE INSURED MAY HAVE PURCHASED. DEFINED TERMS, OTHER THAN HEADINGS, APPEAR IN BOLD FACE TYPE.

THE DESCRIPTIONS IN ANY HEADINGS OR SUB-HEADINGS OF THIS POLICY ARE INSERTED SOLELY FOR CONVENIENCE AND DO NOT CONSTITUTE ANY PART OF THE TERMS OR CONDITIONS HEREOF.

In consideration of the payment of the premium, in reliance upon the statements in the Declarations and the Application, annexed hereto and made a part of this Policy or, if not annexed hereto, which are deemed to be annexed hereto and made a part of this Policy, and pursuant to all of the terms of this Policy, the Company agrees with the **Named Insured** as follows:

I. INSURING AGREEMENT

1. COVERAGES:

COVERAGE A - THIRD PARTY BODILY INJURY AND PROPERTY DAMAGE DUE TO A STORAGE TANK RELEASE

To pay on behalf of the **Insured**, **Loss** that the **Insured** becomes legally obligated to pay as a result of **Claims** for **Bodily Injury** or **Property Damage** resulting from **Pollution Conditions** from a covered **Storage Tank System**, provided such **Claims** are first made against the **Insured** and reported to the Company in writing during the **Policy Period** or during the **Extended Reporting Period**, if applicable. The **Pollution Condition** must commence on or after the **Retroactive Date** as shown in Item 6 of the Declarations.

COVERAGE B - CLEAN-UP COSTS OR CORRECTIVE ACTION DUE TO A STORAGE TANK RELEASE

To pay on behalf of the **Insured**, **Clean-Up Costs** or **Corrective Action** that the **Insured** becomes legally obligated to pay as a result of a **Confirmed Release** from a covered **Storage Tank System**, provided such **Confirmed Release** is first reported to the Company in writing during the **Policy Period** or during the **Extended Reporting Period**, if applicable. The **Pollution Condition** must commence on or after the **Retroactive Date** as shown in Item 6 of the Declarations.

2. DEFENSE:

The Company shall have the right and duty to defend any **Claims** covered under Coverage A or any civil or administrative proceedings or suits which seek to impose a legal obligation upon the **Insured** to undertake **Clean-Up Costs** or **Corrective Action** for a **Confirmed Release** to which Coverage B applies. The Company's duty to defend or continue defending any such **Claims**, civil or administrative proceedings or suits and to pay any **Loss**, **Corrective Action**, **Clean-Up Costs** or defense costs, charges and expenses, shall cease once the applicable limit of liability, as described in Section V. **LIMITS OF LIABILITY AND DEDUCTIBLE**, has been exhausted.

3. INDEPENDENT COUNSEL:

In the event the **Insured** is entitled by law to select independent counsel to defend the **Insured** at the Company's expense, the attorney fees and all other litigation expenses the Company must pay to that counsel are limited to the rates the Company would actually pay to counsel that the Company retains in the ordinary course of business in the defense of similar **Claims** in the community where the **Claim** arose or is being defended.

Additionally, the Company may exercise the right to require that such counsel have certain minimum qualifications with respect to their competency, including experience in defending **Claims** similar to the one pending against the **Insured**, and to require such counsel to have errors and omissions insurance coverage. As respects any such counsel, the **Insured** agrees that counsel will timely respond to the Company's request for information regarding the **Claim**. The **Insured** may at any time, by its signed consent, freely and fully waive its right to select independent counsel.

4. SETTLEMENT:

The Company will present any settlement offers to the **Insured**, and if the **Insured** refuses to consent to any settlement within the limits of liability of this Policy recommended by the Company and acceptable to the claimant, the Company's duty to defend the **Insured** shall then cease and the **Insured** shall thereafter negotiate or defend such **Claim** independently of the Company and the Company's liability shall not exceed the amount, less the Deductible or any outstanding Deductible balance, for which the **Claim** could have been settled if such recommendation was consented to.

II. EXCLUSIONS

1. COMMON EXCLUSIONS - APPLICABLE TO ALL COVERAGES:

This Policy does not apply to **Claims, Clean-Up Costs or Corrective Action, or Loss:**

A. CRIMINAL FINES, PENALTIES, AND ASSESSMENTS:

Due to any criminal fines, criminal penalties or criminal assessments.

B. CONTRACTUAL LIABILITY:

Arising from liability of others assumed by the **Insured** under any contract or agreement, unless the liability of the **Insured** would have attached in the absence of such contract or agreement or the contract or agreement is an **Insured Contract**.

C. INTENTIONAL NONCOMPLIANCE:

Arising from **Pollution Conditions** based upon or attributable to any **Responsible Insured's** intentional, willful or deliberate noncompliance with any statute, regulation including those set forth in Title 40 of the Code of Federal Regulations, ordinance, administrative complaint, notice of violation, notice letter, executive order, or instruction of any governmental agency or body.

D. INTERNAL EXPENSES:

For costs, charges or expenses incurred by the **Insured** for goods supplied or services performed by the staff or salaried employees of the **Insured**, or its parent, subsidiary or affiliate, except if in response to an emergency or pursuant to **Environmental Laws** that require immediate remediation of **Pollution Conditions**, or unless such costs, charges or expenses are incurred with the prior written approval of the Company in its sole discretion.

E. INSURED vs. INSURED:

Arising from a **Claim** brought by any **Insured** against any other person or entity who is also an **Insured** under this Policy. This exclusion does not apply to **Claims** initiated by third parties or **Claims** that arise out of an indemnification given by one **Named Insured** to another **Named Insured** in an **Insured Contract**.

F. EMPLOYER LIABILITY:

Arising from **Bodily Injury** to an **Insured** or its parent, subsidiary or affiliate arising out of and in the course of employment by the **Insured** or its parent, subsidiary or affiliate. This exclusion applies whether the **Insured** may be liable as an employer or in any other capacity and to any obligation to share damages with or repay third parties who must pay damages because of the injury.

G. PRIOR KNOWLEDGE/NON-DISCLOSURE:

Arising from **Pollution Conditions** existing prior to the **Inception Date** and known by a **Responsible Insured** and not disclosed in the application for this Policy, or any previous policy for which this Policy is a renewal thereof.

H. COST TO CONFIRM A RELEASE FROM A STORAGE TANK SYSTEM:

For any costs, charges or expenses incurred to investigate or certify that a **Confirmed Release** has taken place.

I. COST TO REPAIR, REPLACE OR UPGRADE A STORAGE TANK SYSTEM:

For any costs arising out of the reconstruction, repair, replacement, upgrading or rebuilding of any **Storage Tank System** or for any other improvements, site enhancements or routine maintenance on, within or under the site at which **Storage Tank Systems** are located.

J. DIVESTED STORAGE TANK SYSTEMS OR SITES:

Arising from **Pollution Conditions** or **Confirmed Releases** which commence after the date that a covered **Storage Tank System**, or the site at which the **Storage Tank System** is located, is sold, given away, abandoned, or subleased, unless the sublease has been approved in writing by the underwriter prior to the commencement of the sublease.

K. STORAGE TANK SYSTEM CONTENTS:

1. Arising from physical injury, including but not limited to contamination, of the contents of a **Storage Tank System**; or
2. Arising out of **Property Damage** due to physical injury, including but not limited to contamination, of the contents of a **Storage Tank System**; or
3. For any costs arising out of the removing, replacing or recycling of the contents of any **Storage Tank System**.

L. WAR

Arising directly or indirectly as a result of or in connection with war, whether declared or not, or any act or condition incident to war. War includes civil war, insurrection, act of foreign enemy, civil commotion, factional civil commotion, military or usurped power, rebellion or revolution.

III. NOTICE REQUIREMENTS AND CLAIM PROVISIONS

The **Insured** shall provide the Company with notice of **Confirmed Release**, **Claim** and **Pollution Conditions**, as follows:

1. In the event of a **Confirmed Release, Claim or Pollution Condition**, the **Insured** shall give written notice to:

Manager, Pollution Insurance Products Dept.
AIG Property Casualty Claims, Inc
Attn.: CID
101 Hudson Street, 31st Floor
Jersey City, NJ 07302
Fax: 866-260-0104
Email: severityfnol@aig.com

or other address(es) as substituted by the Company in writing.

2. The **Insured** shall give written notice of **Claims, a Confirmed Release or Pollution Conditions** as soon as possible, but in any event during the **Policy Period** or during the **Extended Reporting Period**, if applicable. Notice under all coverages shall include, at a minimum, information sufficient to identify the **Named Insured**, the **Storage Tank System**, the names of persons with knowledge of the **Pollution Conditions** and all known and reasonably obtainable information regarding the time, place, cause, nature of and other circumstances of the **Pollution Conditions**. The **Insured** shall forward the following to the Company as soon as possible:
 - (a) All reasonably obtainable information with respect to the time, place and circumstances thereof, and the names and addresses of the claimant(s) and available witnesses;
 - (b) All correspondence between the **Insured** and any third party Claimant, including but not limited to any **Implementing Agency**; and all demands, summonses, notices or other process or papers filed with a court of law, administrative agency, **Implementing Agency** or an investigative body; and
 - (c) Other information in the possession of the **Insured** or its hired experts which the Company reasonably deems necessary.

IV. RIGHTS OF THE COMPANY AND DUTIES OF THE INSURED IN THE EVENT OF POLLUTION CONDITIONS

A. The Company's Rights

The Company shall have the right but not the duty to clean up or mitigate **Pollution Conditions** upon receiving notice as provided in Section III. of this Policy. Any sums expended in taking such action by the Company will be deemed incurred or expended by the **Insured** and shall be applied against the limits of liability and deductible under this Policy.

B. Duties of the Insured

The **Named Insured** shall have the duty to clean up **Pollution Conditions** to the extent required by **Environmental Laws**, by retaining competent professional(s) or contractor(s) mutually acceptable to the Company and the **Named Insured**. The Company shall have the right but not the duty to review and approve all aspects of any such clean-up. The **Named Insured** shall notify the Company of actions and measures taken pursuant to this Paragraph.

V. LIMITS OF LIABILITY AND DEDUCTIBLE

Regardless of the number of **Claims, Claimants, Confirmed Releases, Pollution Conditions or Insureds** under this Policy, the following limits of liability apply:

A. Coverage A and B Aggregate

The Company's total liability for all **Loss** covered under Coverage A and **Clean-Up Costs** and **Corrective Action** covered under Coverage B shall not exceed the "Aggregate Limit" stated in Item 3 of the Declarations.

B. Each Incident Limit

Subject to Paragraph V.A. above, the most the Company will pay for all **Loss** and **Clean-Up Costs** and **Corrective Action** arising from the same, related or continuous **Pollution Conditions** is the "Each Incident" limit of coverage stated in Item 3 of the Declarations. "Each Incident" as used within this Policy shall mean each same, related or continuous **Pollution Condition**.

C. Related Claims

1. If the **Insured** first reports a **Claim**, **Confirmed Release** or discovers **Pollution Conditions** during the **Policy Period** and reports them to the Company in accordance with Section III., all continuous or related **Pollution Conditions** reported to the Company under a subsequent policy issued by the Company or its affiliate providing substantially the same coverages as this Policy shall be deemed to have been first discovered and reported during this **Policy Period** and shall be subject to the same Limit of Liability.
2. All **Claims** and reports of **Confirmed Releases** made during one or more policy periods issued by the Company or its affiliate providing substantially the same coverages, resulting in **Loss**, or **Clean-Up Costs** or **Corrective Action**, or in any combination thereof, and arising out of the same, or continuous or related **Pollution Conditions**, shall be considered one incident and will be subject to the same Limit of Liability. Such **Claims** or reports of **Confirmed Releases** shall be deemed first reported to the Company during the policy period in which the first such **Claim** or report of **Confirmed Release** was reported to the Company or an affiliate and will be subject to the Limit of Liability applicable to that policy period.

D. Deductible

Subject to Paragraphs V. A. and V. B. above, this Policy will pay **Clean-Up Costs**, **Corrective Action** or **Loss** in excess of the Deductible amount stated in Item 4 of the Declarations up to but not exceeding the applicable "Each Incident" limit of coverage.

The **Insured** shall promptly reimburse the Company for advancing any element of **Clean-Up Costs** or **Corrective Action** or **Loss** falling within the Deductible.

VI. CONDITIONS

- A. **Assignment** - This Policy may be assigned with the prior written consent of the Company, which consent shall not be unreasonably withheld or delayed. Assignment of interest under this Policy shall not bind the Company until its consent is endorsed thereon.
- B. **Subrogation** - In the event of any payment under this Policy, the Company shall be subrogated to all the **Insured's** rights of recovery therefor against any person or organization and the **Insured** shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights including without limitation, assignment of the **Insured's** rights against any person or organization who caused **Pollution Conditions** on account of which the Company made any payment under this Policy. The **Insured** shall do nothing to prejudice the Company's rights under this Paragraph subsequent to **Loss**.

Any recovery as a result of subrogation proceedings arising out of the payment of **Loss**, **Clean-Up Costs** or **Corrective Action** covered under this Policy shall accrue first to the **Insured** to the extent of any payments in excess of the limit of coverage; then to the Company to the extent of its payment under the

Policy; and then to the **Insured** to the extent of its Deductible. Expenses incurred in such subrogation proceedings shall be apportioned among the interested parties in the recovery in the proportion that each interested party's share in the recovery bears to the total recovery.

- C. **Cooperation** - The **Insured** shall cooperate with the Company and offer all reasonable assistance in the investigation and defense of **Claims** under the applicable Coverages purchased. The Company may require that the **Insured** submit to examination under oath, and attend hearings, depositions and trials. In the course of investigation or defense, the Company may require written statements or the **Insured's** attendance at meetings with the Company. The **Insured** must assist the Company in effecting settlement, securing and providing evidence and obtaining the attendance of witnesses.
- D. **Changes** - Notice to any agent or knowledge possessed by any agent or by any other person shall not effect a waiver or a change in any part of this Policy or estop the Company from asserting any rights under the terms of this Policy; nor shall the terms of this Policy be waived or changed, except by endorsement issued by the Company to form a part of this Policy.
- E. **Voluntary Payments** - No **Insured** shall voluntarily enter into any settlement, or make any payment or assume any obligation unless in response to an emergency or pursuant to **Environmental Laws** that require immediate remediation of **Pollution Conditions**, without the Company's consent which shall not be unreasonably withheld, except at the **Insured's** own cost.
- F. **Concealment or Fraud** - This entire Policy shall be void if, whether before or after **Clean-Up Costs** or **Corrective Action** are incurred or a **Claim** is first made, the **Named Insured** has willfully concealed or misrepresented any fact or circumstance material to the granting of coverage under this Policy, including but not limited to, the description of the **Storage Tank System**, or the interest of the **Insured** therein.
- G. **Cancellation** - This Policy may be cancelled by the **Named Insured** by surrender thereof to the Company or any of its authorized agents or by mailing to the Company written notice stating when thereafter the cancellation shall be effective. This Policy may be cancelled by the Company only for the reasons stated below by mailing to the **Named Insured** at the address shown in the Policy, written notice stating when, not less than 60 days (10 days for nonpayment of premium or material misrepresentation by the **Insured**), thereafter such cancellation shall be effective. Proof of mailing of such notice shall be sufficient proof of notice.
 - 1. Material misrepresentation by the **Insured**;
 - 2. The **Insured's** failure to comply with the material terms, conditions or contractual obligations under this Policy, including failure to pay any premium when due;
 - 3. A change in operations at a facility containing a **Storage Tank System** during the **Policy Period** that materially increases a risk covered under this Policy.

The time of surrender or the effective date and hour of cancellation stated in the notice shall become the end of the **Policy Period**. Delivery of such written notice either by the **Named Insured** or by the Company shall be equivalent to mailing. If the **Named Insured** cancels, earned premium shall be computed in accordance with the customary short rate table and procedure. If the Company cancels, earned premium shall be computed pro-rata. Premium adjustment may be either at the time cancellation is effected or as soon as practicable after cancellation becomes effective, but payment or tender of unearned premium is not a condition of cancellation.

- H. **Other Insurance** - If other valid and collectible insurance or funds from any **Tank Fund** are available to the **Insured** for **Loss**, **Clean-Up Costs** or **Corrective Action** covered by this Policy, the **Insured** shall promptly, upon the request of the Company, provide the Company with copies of all such policies or fund documentation. The Company's obligations are limited as follows:

1. Except as set forth in subparagraph 3. of this Paragraph, this insurance is primary, and the Company's obligations are not affected unless any of the other insurance is also primary. In that case, the Company will share with all such other insurance by the method described in Paragraph 2. below.
 2. If all of the other insurance permits contribution by equal shares, the Company will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first. If any of the other insurance does not permit contribution by equal shares, the Company will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.
 3. This insurance shall apply as excess insurance over any **Tank Fund**, provided that in the event of the receivership, insolvency, or inability to pay of any state fund or program, this insurance shall act as primary insurance. Where this insurance is excess, the Company will pay only its share of the amount of **Loss, Clean-Up Costs or Corrective Action**, if any, that exceeds the total amount available through the **Tank Fund**.
- I. **Right of Access and Inspection** - To the extent the **Insured** has such rights, any of the Company's authorized representatives shall have the right and opportunity but not the obligation to interview persons employed by the **Insured** and to inspect at any reasonable time, during the **Policy Period** or thereafter, the **Storage Tank System** or the site at which the **Storage Tank System** is located. Neither the Company nor its representatives shall assume any responsibility or duty to the **Insured** or to any other party, person or entity, by reason of such right or inspection. Neither the Company's right to make inspections, sample and monitor, nor the actual undertaking thereof nor any report thereon shall constitute an undertaking on behalf of the **Insured** or others, to determine or warrant that property or operations are safe, healthful or conform to acceptable engineering practices or are in compliance with any law, rule or regulation. The **Named Insured** agrees to provide appropriate personnel to assist the Company's representatives during any inspection.
 - J. **Access to Information** - The **Named Insured** agrees to provide the Company with access to any information developed or discovered by the **Insured** concerning **Loss, Clean-Up Costs or Corrective Action**, or **Pollution Conditions** covered under this Policy, whether or not deemed by the **Insured** to be relevant to such **Loss, Clean-Up Costs or Corrective Action**, or **Pollution Conditions** and to provide the Company access to interview any **Insured** and review any documents of the **Insured**.
 - K. **Representations** - By acceptance of this Policy, the **Named Insured** agrees that the statements in the Declarations, the Application and, if applicable, the Report/Worksheet are their warranties, agreements and representations, that this Policy is issued in reliance upon the truth of such warranties, agreements and representations and that this Policy embodies all agreements existing between the **Insured** and the Company or any of its agents relating to this insurance.
 - L. **Action Against Company** - No third-party action shall lie against the Company, unless as a condition precedent thereto there shall have been full compliance with all of the terms of this Policy, nor until the amount of the **Insured's** obligation to pay shall have been finally determined either by judgment against the **Insured** after actual trial or by written agreement of the **Insured**, the claimant and the Company.

Any person or organization or the legal representative thereof who has secured such judgment or written agreement shall thereafter be entitled to recover under this Policy to the extent of the insurance afforded by the Policy. No person or organization shall have any right under this Policy to join the Company as a party to any action against the **Insured** to determine the **Insured's** liability, nor shall the Company be impleaded by the **Insured** or his legal representative. Bankruptcy or insolvency of the **Insured** or of the **Insured's** estate shall not relieve the Company of any of its obligations hereunder.

- M. Arbitration** - It is hereby understood and agreed that all disputes or differences that may arise under or in connection with this Policy, whether arising before or after termination of this Policy, including any determination of the amount of **Loss**, may be submitted to the American Arbitration Association ("AAA") under and in accordance with the United States Arbitration Act (9 U.S.C.) and the then prevailing commercial arbitration rules of the AAA. The arbitrators shall be chosen in the manner and within the time frames provided by such rules. If permitted under such rules, the arbitrators shall be three disinterested individuals having knowledge of the legal, corporate management, or insurance issues relevant to the matters in dispute.

Any party may commence such arbitration proceeding and the arbitration shall be conducted in the **Insured's** state of domicile. The arbitrators shall give due consideration to the general principles of the law of the **Insured's** state of domicile in the construction and interpretation of the provisions of this Policy; provided, however, that the terms, conditions, provisions and exclusions of this Policy are to be construed in an evenhanded fashion as between the parties. Where the language of this Policy is alleged to be ambiguous or otherwise unclear, the issue shall be resolved in the manner most consistent with the relevant terms, conditions, provisions or exclusions of the Policy (without regard to the authorship of the language, the doctrine of reasonable expectation of the parties and without any presumption or arbitrary interpretation or construction in favor of either party or parties, and in accordance with the intent of the parties).

The written decision of the arbitrators shall set forth its reasoning, shall be provided simultaneously to both parties and shall be binding on them. The arbitrators' award shall not include attorney fees or other costs. Judgment on the award may be entered in any court of competent jurisdiction. Each party shall bear equally the expenses of the arbitration.

- N. Choice of Law** - In the event that the **Insured** and the Company dispute the validity or formation of this Policy or the meaning, interpretation or operation of any term, condition, definition or provision of this Policy resulting in litigation, arbitration or other form of dispute resolution, the **Insured** and the Company agree that the law of the State of New York shall apply.
- O. Acknowledgment of Shared Limits** - By acceptance of this Policy, the **Named Insureds** understand, agree and acknowledge that the Policy contains an **Aggregate Limit** that is applicable to, and will be shared by, all **Named Insureds** and all other **Insureds** who are or may become insured hereunder. In view of the operation and nature of this shared **Aggregate Limit**, the **Named Insureds** and all other **Insureds** understand and agree that prior to filing a **Claim** or reporting a **Confirmed Release** under the Policy, the **Aggregate Limit** may be exhausted or reduced by prior payments for other **Claims**, **Clean-Up Costs** or **Corrective Action** under the Policy.

VII. EXTENDED REPORTING PERIOD FOR CLAIMS

The **Named Insured** shall be entitled to an **Automatic Extended Reporting Period**, and (with certain exceptions as described in Paragraph B. of this Section) be entitled to purchase an **Optional Extended Reporting Period** for any Coverages terminated, upon termination of coverage as defined in Paragraph B.3. of this Section. Neither the **Automatic** nor the **Optional Extended Reporting Period** shall reinstate or increase any of the Limits of Liability of this Policy.

A. Automatic Extended Reporting Period

Provided that the **Named Insured** has not purchased any other insurance to replace this insurance and which applies to a **Claim** or a **Confirmed Release** otherwise covered hereunder, the **Named Insured** shall have the right to the following: a period of six (6) months following the effective date of such termination of coverage in which to provide written notice to the Company of a **Claim** first made during the **Policy Period** or **Automatic Extended Reporting Period** and first reported within the **Automatic Extended Reporting Period**, or **Confirmed Release** first reported within the **Automatic Extended Reporting Period**.

A **Claim** first made during the **Policy Period** or **Automatic Extended Reporting Period** and first reported within the **Automatic Extended Reporting Period**, or **Confirmed Release** first reported within the **Automatic Extended Reporting Period** will be deemed to have been made on the last day of the **Policy Period**, provided that the **Claim** or **Confirmed Release** arises from **Pollution Conditions** that commenced before the end of the **Policy Period** and is otherwise covered by this Policy. No part of the **Automatic Extended Reporting Period** shall apply if the **Optional Extended Reporting Period** is purchased.

B. Optional Extended Reporting Period

The **Named Insured** shall be entitled to purchase an **Optional Extended Reporting Period** upon termination of coverage as defined herein (except in the event of nonpayment of premium), as follows:

1. A **Claim** first made during the **Policy Period** or during the **Optional Extended Reporting Period** and first reported during the **Optional Extended Reporting Period**, or a **Confirmed Release** first reported within the **Optional Extended Reporting Period**, if purchased in accordance with the provisions contained in Paragraph 2. below, will be deemed to have been made on the last day of the **Policy Period**, provided that the **Claim** or **Confirmed Release** arises from **Pollution Conditions** that commenced before the end of the **Policy Period** and is otherwise covered by this Policy.
2. The Company shall issue an endorsement providing an **Optional Extended Reporting Period** of up to forty (40) months from termination of coverage hereunder for all **Storage Tank Systems**, or for a **Storage Tank System** located at a specific facility, provided that the **Named Insured**:
 - (a) makes a written request for such endorsement which the Company receives within sixty (60) days after termination of coverage as defined herein; and
 - (b) pays when due an amount equal to the premium for the **Optional Extended Reporting Period** plus any premium for the **Policy Period** which is owed and has not yet been paid. If these premiums are paid when due, the **Extended Reporting Period** may not be cancelled, provided that all other terms and conditions of the Policy are met.
3. Termination of coverage occurs:
 - (a) at the end of the **Policy Period**, or
 - (b) at the time the Policy or renewal policy becomes effective with a decrease in the limit of liability, a reduction of coverage, an increased deductible or self-insured retention, new exclusion or any other change in coverage less favorable to the **Insured**.
4. The **Optional Extended Reporting Period** is available to the **Named Insured** for not more than 100% of the policy premium of this Policy.

VIII. DEFINITIONS

- A. **Bodily Injury** means physical injury, or sickness, disease, mental anguish or emotional distress sustained by any person including death resulting therefrom.
- B. **Claim** means a written demand received by an **Insured** seeking a remedy and alleging liability or responsibility on the part of the **Insured** for **Loss**.
- C. **Clean-Up Costs** means:

Reasonable and necessary expenses for the investigation, removal or remediation of **Pollution Conditions** including associated monitoring, or disposal of soil, surfacewater, groundwater or other contamination:

- (a) To the extent required by **Environmental Laws**; or
- (b) That have been actually incurred by the government or any political subdivision of the United States of America or any state thereof or Canada or any province thereof, or by third parties.

Clean-Up Costs also include **Restoration Costs**.

- D. **Confirmed Release** means **Pollution Conditions** from a **Storage Tank System**, including those from an overflow of a **Storage Tank System**, that has been investigated and confirmed by or on behalf of the **Insured** during the **Policy Period** through a system tightness test, site check, or other procedure approved by the **Implementing Agency** in accordance with **Environmental Law**.
- E. **Corrective Action** means:
 - 1. Reasonable and necessary costs for response, abatement, investigative, and removal actions resulting from a **Confirmed Release** as legally required by Subpart F of the federal underground storage tank regulations, 40 C.F.R. 280.60 through 280.66, and 280.72, or as legally required by other applicable federal regulations or by other applicable regulations promulgated by a state under an underground storage tank program approved by the United States Environmental Protection Agency in accordance with Section 9004 of the Resource Conservation and Recovery Act of 1976, as amended;
 - 2. Reasonable and necessary costs for the cleanup, pursuant to a written order from the **Implementing Agency** and with the prior written approval of the Company, of **Pollution Conditions** in soil or groundwater due to a **Confirmed Release**, including the preparation, development, modification and implementation of a "corrective action plan" as defined in 40 C.F.R. 280.66, and the monitoring, evaluation and reporting of the results of the implementation of such plan.
- F. **Environmental Laws** means any federal, state, provincial or local laws (including, but not limited to, statutes, rules, regulations, ordinances, guidance documents, and governmental, judicial or administrative orders and directives) that are applicable to **Pollution Conditions**.
- G. **Extended Reporting Period** means either the automatic additional period of time or the optional additional period of time, whichever is applicable, in which to report **Claims** or **Confirmed Releases** following termination of coverage, as described in Section VII. of this Policy.
- H. **Implementing Agency** means the Federal Environmental Protection Agency or a state or local agency having jurisdiction pursuant to **Environmental Laws**.
- I. **Inception Date** means the first date set forth in Item 2 of the Declarations.
- J. **Insured** means the **Named Insured**, and any past or present director, officer, partner or employee thereof, including a temporary or leased employee, while acting within the scope of his or her duties as such.
- K. **Insured Contract** means a contract or agreement submitted to and approved by the Company, and listed on a Scheduled Insured Contract Endorsement to this Policy.
- L. **Loss** means, under the applicable Coverages:

1. Monetary awards or settlements of compensatory damages; where allowable by law, punitive, exemplary, or multiple damages; and civil fines, penalties, or assessments for **Bodily Injury** or **Property Damage**; or
 2. **Clean-Up Costs** or **Corrective Action**.
- M. Named Insured** means the person or entity named in Item 1 of the Declarations acting on behalf of all other **Insureds**, if any, for the payment or return of any premium, payment of any deductible, receipt and acceptance of any endorsement issued to form a part of this Policy, giving and receiving notice of cancellation or nonrenewal, and the exercise of the rights provided in the **Extended Reporting Period** clause.
- N. Policy Period** means the period set forth in Item 2 of the Declarations, or any shorter period arising as a result of:
1. Cancellation of this Policy; or
 2. With respect to particular **Storage Tank System(s)**:
 - (a) the deletion or addition of such **Storage Tank System** from this Policy by the Company at the **Named Insured's** written request, but solely with respect to that **Storage Tank System**.
 - (b) the sale, giving away or abandonment of a **Storage Tank System**, or the sub-leasing of such **Storage Tank System**, unless the sub-lease has been approved in writing by the Company prior to the commencement of the sub-lease.
- O. Pollution Conditions** means the discharge, dispersal, release or escape of any solid, liquid, gaseous or thermal irritant or contaminant, including, but not limited to, smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, medical waste and waste materials into or upon land, or any structure on land, the atmosphere or any watercourse or body of water, including groundwater, provided such conditions are not naturally present in the environment in the amounts or concentrations discovered.
- P. Property Damage** means:
1. Physical injury to or destruction of tangible property of parties other than the **Insured** including the resulting loss of use thereof;
 2. Loss of use of tangible property of parties other than the **Insured** that has not been physically injured or destroyed;
- Property Damage** does not include **Clean-Up Costs** or **Corrective Action**.
- Q. Responsible Insured** means the manager or supervisor of the **Named Insured** responsible for environmental affairs, control or compliance, or any owner or operator of a **Storage Tank System**, or any officer, director or partner of the **Named Insured**.
- R. Restoration Costs** means reasonable and necessary costs incurred by the **Insured** with the Company's written consent, which consent shall not be unreasonably withheld or delayed, to repair, replace or restore real or personal property to substantially the same condition it was in prior to being damaged during work performed in the course of incurring **Clean-Up Costs** or **Corrective Action**. However, such **Restoration Costs** shall not exceed the net present value of such property prior to incurring **Clean-Up Costs** or **Corrective Action**. **Restoration Costs** do not include costs associated with improvements or betterments.

- S. **Storage Tank System** means a stationary tank or tanks owned or operated by the **Insured** and shown in Item 5 of the Declarations. **Storage Tank System** includes any on site integral piping or dispensing equipment, ancillary equipment and containment system associated with the tanks.
- T. **Tank Fund** means any state storage tank trust fund, state administered insurance program, or restoration funding for **Storage Tank Systems** whose owners qualify for reimbursement, or any self insurance fund established for the purpose of funding **Clean-Up Costs** or **Corrective Action for Pollution Conditions** from a **Storage Tank System**.

The remainder of this page has been intentionally left blank. Policy Signature Page shall immediately follow.

NOTICE OF LOSS/NOTICE OF CLAIM

INSTRUCTIONS: PLEASE ATTACH ALL CORRESPONDENCE RELATING TO THIS NOTICE OF LOSS AND MAIL COPIES OF THIS NOTICE TO EACH ADDRESS BELOW:

Manager, Pollution Insurance Products Dept.
AIG Property Casualty Claims, Inc
Attn.: CID
101 Hudson Street, 31st Floor
Jersey City, NJ 07302
Fax: 866-260-0104
Email: severityfnol@aig.com

Date of Notice: _____

NAMED INSURED: _____ Telephone: () _____
Contact: _____

ADDRESS OF INSURED: _____

BROKER NAME: _____ Telephone: () _____
Contact: _____

BROKER ADDRESS: _____

POLICY INFORMATION:

Policy Number: _____

Policy Period: From: _____ To: _____

Loss Information:

Loss Location: _____

Date & Description of Loss: _____

For AIG Use Only:

Date Claim Notice Received: _____

Date of Claim: _____

Company/Person Filing Suit (if applicable): _____

NOTE: Any person who knowingly files a Statement of Claim containing any false or misleading information is subject to criminal and civil penalties.

FORMS SCHEDULE

Named Insured: City of Avon Park

Policy Number: 012896047

Effective 12:01 AM: 10/07/14

<u>Form Name</u>	<u>Form Number/ Edition Date</u>
C&I Storage Tank 3rd Party Liability Decpage	81206(08/09)
Table of Contents	83115(10/03)
C&I Storage Tank 3rd Party Liability Policy	81106(08/09)
Notice of Loss/Notice of Claim	91968(12/06) CI2940
Site Schedule	81029(02/13)
Schedule of Covered Storage Tank Systems	81017(10/02)
Separation of Insureds Endorsement	81026(06/10)
Limitation of Loss for Cert. Acts of Terrorism	81290(12/02)
Gaining the Ultimate Value-Added Advantage Through AIG 111209	(07/13)
Economic Sanctions Endorsement	89644(06/13)
Florida Surcharge Endorsement	94191(03/07)
Florida Cancellation/Nonrenewal Endorsement	76105(06/10)
Florida Amendatory Endorsement	83111(05/10)
Florida Addendum To The Declarations	74825(08/09)
Florida Notice of Loss Control Services	90231(08/13)

ENDORSEMENT

This endorsement, effective 12:01 AM, 10/07/14

Forms a part of Policy No: 012896047

Issued to: City of Avon Park

By: Commerce and Industry Insurance Company

AIG ENVIRONMENTAL® STORAGE TANK

THIRD-PARTY LIABILITY AND CLEAN-UP COSTS POLICY

SITE SCHEDULE

<u>Site#</u>	<u>Facility Name/Address, City, State, Zip</u>
1	Bell Street Well 1350 W Bell St Avon Park, FL 33825
2	Glenwood 100 S Glenwood Ave Avon Park, FL 33825
3	Wastewater Plant 2504 US Hwy 27 S Avon Park, FL 33825

All other terms, conditions, and exclusions shall remain the same.



AUTHORIZED REPRESENTATIVE
or countersignature(in states where applicable)

ENDORSEMENT

This endorsement, effective 12:01 AM, 10/07/14

Forms a part of Policy No: 012896047

Issued to: City of Avon Park

By: Commerce and Industry Insurance Company

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SCHEDULE OF COVERED STORAGE TANK SYSTEMS

It is agreed that any previous Schedule of Coverage Storage Tank Systems is deleted in its entirety and replaced with the following:

The following Storage Tank System(s) are included in Item 5. COVERED STORAGE TANK SYSTEM(S) of the Declarations, subject to all of the terms and conditions of the Policy and the Policy Period and Retroactive date indicated below. If no dates are indicated below for Policy Period for a subject Storage Tank System, the dates indicated in Item 2. Policy Period of the Declarations shall apply. If no date is indicated below for Retro Date for a subject Storage Tank System, the date indicated in Item 6. Retroactive Date of the Declarations shall apply. If a Policy Period is indicated below for a subject Storage Tank System, Item. 2 Policy Period of the Declarations is deleted in its entirety and replaced with the Policy Period, below, for such Storage Tank System. If a date is indicated below for Retro Date for a subject Storage Tank System, the date indicated in Item 6. Retroactive Date of the Declarations is deleted in its entirety and replaced with Retro Date, below, for such Storage Tank System.

Site* #	Tank #	AST/ UST	Install Date	Capacity (Gal.)	Tank Const.	Effective Date	Expiration Date	Retro Date
1	1	AST	2003	500		10/07/14	10/07/15	10/07/13
2	1	AST	2003	1,300		10/07/14	10/07/15	10/07/13
3	1	AST	1995	500		10/07/14	10/07/15	10/07/13

*Site#, name and address are located within the Site Schedule attached to the Policy.

All other terms, conditions, and exclusions shall remain the same.



AUTHORIZED REPRESENTATIVE
or countersignature(in states where applicable)

ENDORSEMENT NO.

This endorsement, effective 12:01 AM, 10/07/14

Forms a part of Policy No.: 012896047

Issued to: City of Avon Park

By: Commerce and Industry Insurance Company

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SEPARATION OF INSUREDS CONDITION ENDORSEMENT

It is agreed that the Policy is amended by the addition of the following condition to Section VI. **CONDITIONS:**

Separation of Insureds - It is agreed that except with respect to the Limit of Liability, Section II. E. (Insured vs. Insured exclusion), and any rights and duties specifically assigned to the first **Named Insured**, this insurance applies:

1. As if each **Named Insured** were the only **Named Insured**; and
2. Separately to each **Named Insured** against whom a **Claim** is made.

Misrepresentation, concealment, breach of a term or condition, or violation of any duty under this Policy by one **Named Insured** shall not prejudice the interest of coverage for another **Named Insured** under this Policy. Provided, however, that this Condition shall not apply to any **Named Insured** who is a parent, subsidiary or affiliate of the first **Named Insured**.

All other terms, conditions, and exclusions shall remain the same.



AUTHORIZED REPRESENTATIVE
or countersignature (in states where applicable)

ENDORSEMENT NO.

This endorsement, effective 12:01 AM, 10/07/14

Forms a part of Policy No.: 012896047

Issued to: City of Avon Park

By: Commerce and Industry Insurance Company

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LIMITATION OF LOSSES FOR CERTIFIED ACTS OF TERRORISM

Our liability for loss, injury, damage, claim or suit, arising directly or indirectly as a result of or in connection with a certified "act of terrorism" defined by Section 102. Definitions., of the Terrorism Risk Insurance Act of 2002 (the Act), and any revisions or amendments, is limited by Section 103. Terrorism Insurance Program, of the Act.

All other terms, conditions, and exclusions shall remain the same.



AUTHORIZED REPRESENTATIVE
or countersignature (in states where applicable)

Gaining the Ultimate Value-Added Advantage Through AIG Environmental

Insured:

City of Avon Park

Policy #:

Effective Date: 012896047

10/07/14

Thank you for purchasing your environmental insurance policy through AIG Environmental!

At AIG Environmental, we enhance the coverage of every environmental insurance policy by providing insureds complimentary access to the following tools and programs to help manage environmental risk, mitigate environmental loss, and conduct loss control:

PIER (Pollution Incident and Environmental Response)[®]

Policyholders have access to pre-screened crisis management specialists who respond in a timely manner to environmental incidents, including indoor air quality issues such as mold and Legionella pneumophila. Rates are pre-negotiated, thus helping insureds to minimize or mitigate loss associated with such incidents. Environmental insurance policyholders are automatically enrolled in this program.

- To access the right resources to respond to an environmental incident, call 1-877-PIER-NOW (743-7669) and speak with a representative regarding the nature of your incident

Claims Expertise

Our pollution claims operation, with 80+ claims specialists, is the largest in the industry. The depth and breadth of our operation means we can devote expertise to environmental claims of all types.

- Report your claim by sending a fax to 866-260-0104 or emailing SeverityFNOL@aig.com.

GLP RiskTool System[®]

The complimentary, web-based system brings together a myriad of information that a company needs to manage Environmental, Health and Safety (EH&S) programs in one virtual "reference desk." By supporting on-line management and tracking of EH&S issues and providing templates, GLP RiskTool System presents a turnkey approach to establish your own EH&S program.

- Register for GLP RiskTool System by visiting www.risktool.com. All you need is your environmental insurance policy number.

Transportation Loss Control Programs

We provide a number of transportation-related programs for insureds that reinforce positive driving behavior and potential improvements in loss reduction. These programs include preventive driving sessions and mock Department of Transportation audits.

- To learn more, contact environmental@aig.com.

Environmental Portal

Portal is a secure, Internet-based system that allows our clients to track environmental insurance policies for multiple site portfolios. Policyholders can check the status of coverage requests 24/7, upload and download policy-related reports and documents, and more.

- Register for Environmental Portal by visiting www.aig.com

AIG Environmental is committed to the achievement of effective risk management objectives for clients as well as providing them access to incident response assistance in the event of a pollution-release event.

Thank you,



Lana Fulton Keppel
Environmental Division Executive



ENDORSEMENT NO.

This endorsement, effective 12:01 AM, 10/07/14

Forms a part of Policy No.: 012896047

Issued to: City of Avon Park

By: Commerce and Industry Insurance Company

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ECONOMIC SANCTIONS ENDORSEMENT

The Insurer shall not be deemed to provide cover and the Insurer shall not be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose the Insurer, its parent company or its ultimate controlling entity to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union or the United States of America.

All other terms, conditions, and exclusions shall remain the same.



AUTHORIZED REPRESENTATIVE
or countersignature (in states where applicable)

ENDORSEMENT NO.

This endorsement, effective 12:01 AM, 10/07/14

Forms a part of Policy No.: 012896047

Issued to: City of Avon Park

By: Commerce and Industry Insurance Company

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FLORIDA SURCHARGES ENDORSEMENT

Notice: In addition to the premium due under this policy, the following Florida surcharges are payable under this policy:

Florida Hurricane Catastrophe Fund Surcharge	\$	6.60
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All other terms, conditions, and exclusions shall remain the same.



AUTHORIZED REPRESENTATIVE
or countersignature (in states where applicable)

ENDORSEMENT NO.

This endorsement, effective 12:01 AM, 10/07/14

Forms a part of Policy No.: 012896047

Issued to: City of Avon Park

By: Commerce and Industry Insurance Company

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FLORIDA CANCELLATION/NONRENEWAL ENDORSEMENT

Wherever used in this endorsement: 1) "we", "us", "our", and "Insurer" mean the insurance company which issued this policy, and 2) "you", "your", "named Insured" and "Insured" mean the Named Corporation, Named Organization, Named Sponsor, Named Insured, or Insured stated in the declarations page; and 3) "Other Insured(s)" means all other persons or entities afforded coverage under this policy.

It is agreed and understood that the cancellation provision of this policy is to be deleted in its entirety and to be replaced with the following:

A. The Insured shown in the Declarations may cancel this policy by mailing or delivering to the Insurer advance written notice of cancellation.

B.1. Cancellation for Policies in Effect Ninety (90) Days or Less

If this policy has been in effect ninety (90) days or less the Insurer may cancel this policy by mailing or delivering to the Insured written notice of cancellation, accompanied by the reasons for cancellation, at least:

- a) Ten (10) days before the effective date of cancellation if the Insurer cancels for nonpayment of premium; or
- b) Twenty (20) days before the effective date of cancellation if the Insurer cancels for any other reason, except the Insurer may cancel immediately if there has been:
 - 1. A material misstatement or misrepresentation; or
 - 2. A failure to comply with underwriting requirements established by the Insurer.

B.2. Cancellation for Policies in Effect for More Than Ninety (90) Days

If this policy has been in effect for more than ninety (90) days the Insurer may cancel this policy only for one or more of the following reasons:

- a) Nonpayment of premium;
- b) The policy was obtained by a material misstatement;
- c) There has been a failure to comply with underwriting requirements established by us within ninety (90) days of the date of effectuation of coverage;
- d) There has been a substantial change in the risk covered by the policy; or

ENDORSEMENT NO. (CONTINUED)

e) The cancellation is for all insureds under such policies for a given class of Insureds.

If the Insurer cancels this policy for any of these reasons, the Insurer will mail or deliver to the Named Insured written notice of cancellation, accompanied by the reasons for the cancellation, at least:

1. Ten (10) days before the effective date of cancellation if cancellation is for the reason stated in B.2. (a) above; or
2. Forty-five (45) days before the effective date of cancellation if cancellation is for the reasons stated in B.2. (b), (c), (d), or (e) above.

B.3. If this policy is cancelled, the Insurer will send the Named Insured any premium refund due. If the Insurer cancels, the refund will be pro rata. If the Named Insured cancels, the refund may be less than pro rata. If the return premium is not refunded with the notice of cancellation or when this policy is returned to us, we will mail the refund within 15 working days after the date cancellation takes effect.

The following is added:

C.1. Non-Renewal

- (a) If the Insurer decides not to renew this policy the Insurer will mail or deliver to the Insured written notice of nonrenewal, accompanied by the reason for nonrenewal, at least forty-five (45) days prior to the expiration of this policy.
- (b) Any notice of nonrenewal will be mailed or delivered to the Insured's last mailing address known to the Insurer. If notice is mailed, proof of mailing will be sufficient proof of notice.

C.2. Renewal

The Insurer shall give the Named Insured at least forty-five (45) days advance written notice of the renewal premium.

All other terms, conditions, and exclusions shall remain the same.



AUTHORIZED REPRESENTATIVE
or countersignature (in states where applicable)

ENDORSEMENT NO.

This endorsement, effective 12:01 AM, 10/07/14

Forms a part of Policy No.: 012896047

Issued to: City of Avon Park

By: Commerce and Industry Insurance Company

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**STORAGE TANK PROGRAM
FLORIDA AMENDATORY ENDORSEMENT**

The Policy is amended as follows:

Section VI. **CONDITIONS**, Paragraph K. **Representations**, is deleted in its entirety, and replaced with the following:

- K. Representations** - By acceptance of this Policy, the **Named Insured** agrees that the statements in the Declarations, the Application and, if applicable, the Report/Worksheet are their agreements and representations, that this Policy is issued in reliance upon the truth of such agreements and representations and that this Policy embodies all agreements existing between the **Insured** and the Company or any of its agents relating to this insurance.

Section VI. **CONDITIONS**, Paragraph M. **Arbitration**, is deleted in its entirety, and replaced with the following:

- M. Arbitration** - It is hereby understood and agreed that all disputes or differences that may arise under or in connection with this Policy, whether arising before or after termination of this Policy, including any determination of the amount of **Loss**, may be submitted to the American Arbitration Association ("AAA") under and in accordance with the United States Arbitration Act (9 U.S.C.) and the then prevailing commercial arbitration rules of the AAA. The arbitrators shall be chosen in the manner and within the time frames provided by such rules. If permitted under such rules, the arbitrators shall be three disinterested individuals having knowledge of the legal, corporate management, or insurance issues relevant to the matters in dispute.

Any party may commence such arbitration proceeding and the arbitration shall be conducted in the **Insured's** county of domicile. The arbitrators shall give due consideration to the general principles of the law of the **Insured's** county of domicile in the construction and interpretation of the provisions of this Policy; provided, however, that the terms, conditions, provisions and exclusions of this Policy are to be construed in an evenhanded fashion as between the parties. Where the language of this Policy is alleged to be ambiguous or otherwise unclear, the issue shall be resolved in the manner most consistent with the relevant terms, conditions, provisions or exclusions of the Policy (without regard to the authorship of the language, the doctrine of reasonable expectation of the parties and without any presumption or arbitrary interpretation or construction in favor of either party or parties, and in accordance with the intent of the parties).

The written decision of the arbitrators shall set forth its reasoning, shall be provided simultaneously to both parties and shall be binding on them. The arbitrators' award shall not include attorney fees or other costs. Judgment on the award may be entered in any court of competent jurisdiction. Each party shall bear equally the expenses of the arbitration.

Section VI. CONDITIONS, Paragraph N. Choice of Law, is deleted in its entirety, and replaced with the following:

- N. **Choice of Law** - In the event that the **Insured** and the Company dispute the validity or formation of this Policy of the meaning, interpretation or operation of any term, condition, definition or provision of this Policy resulting in litigation, arbitration or other form of dispute resolution, the **Insured** and the Company agree that the law of the State of Florida shall apply.

All other terms, conditions, and exclusions shall remain the same.



AUTHORIZED REPRESENTATIVE
or countersignature (in states where applicable)

FLORIDA ADDENDUM TO THE DECLARATIONS

If you have questions about your insurance policy, or questions about claims relating to your insurance policy, please contact your insurer at the following:

**Chartis
175 Water Street
New York, NY 10038
212 458 5000**

ENDORSEMENT NO.

This endorsement, effective 12:01 AM, 10/07/14

Forms a part of Policy No.: 012896047

Issued to: City of Avon Park

By: Commerce and Industry Insurance Company

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FLORIDA NOTICE OF LOSS CONTROL SERVICES

Pursuant to Florida Administrative Code ("FAC") 690-166.040, we would like to inform you of the risk management programs that we have developed and that are available to you.

For your consideration, we offer the services of AIG PC Global Services, Inc. With more than 25 years experience and expertise in assisting with the prevention and mitigation of losses, AIG PC Global Services, Inc. can help address a range of problems related to loss control in various lines of business. Certain risk management programs are available to you, free of charge, as part of your commercial insurance coverage; contact your insurance broker for more details on these plans. Other, more substantive risk management programs can be purchased which include, but are not limited to the following services: surveys/analysis for identifying exposures related to your specific operations, safety management training and counseling for your staff, adoption of relevant testing strategies, and evaluations of current loss control practices.

Upon your written request, we could provide you with specific guidelines for risk management programs as established by FAC 690-166.040. Such guidelines would provide instructions and offer basic criteria to assist you in creating your own risk management plan. Should you request such guidelines and, subsequently, wish to further explore the purchase of a risk management plan, developed by AIG PC Global Services, Inc., which is specific to your company's needs, we would be willing to discuss with you both the availability of such a plan, and if available, its specific content and cost.

Again, we welcome all inquiries regarding the services of AIG PC Global Services, Inc.

POLICY SIGNATURE PAGE

This Policy Signature Page,
forms a part of Policy No: 012896047

By signing below, the President and the Secretary of the Insurer agree on behalf of the Insurer to all the terms of this Policy.



Secretary
Commerce and Industry Insurance Company



President
Commerce and Industry Insurance Company

This Policy shall not be valid unless signed at the time of issuance by an authorized representative of the Insurer, either below or on the Declarations page of the Policy.



Authorized Representative



**Storage Tank Third Party Liability
TankGuard® Renewal Warranty**

NAMED INSURED: City of Avon Park
INSURER: Commerce and Industry Insurance Company
POLICY NUMBER: FPL012896047
POLICY PERIOD: 10/07/14 to 10/07/15

The undersigned warrants and represents that there have been no changes to the schedule of covered tanks or locations:

THIS RENEWAL WARRANTY DOES NOT BIND THE APPLICANT TO BUY, OR THE COMPANY TO ISSUE THE INSURANCE, BUT IT IS AGREED THAT THIS FORM SHALL BE THE BASIS OF THE CONTRACT SHOULD A POLICY BE ISSUED, AND IT WILL BE ATTACHED TO THE ORIGINAL APPLICATION AND MADE A PART OF THE POLICY. THE UNDERSIGNED APPLICANT DECLARES, WARRANTS AND REPRESENTS THAT THE STATEMENTS SET FORTH IN THIS WARRANTY ARE TRUE AND THAT NO MATERIAL FACTS HAVE BEEN SUPPRESSED OR MISSTATED. THE APPLICANT FURTHER DECLARES, WARRANTS AND REPRESENTS THAT IF THE INFORMATION SUPPLIED ON THIS WARRANTY CHANGES BETWEEN THE EXECUTION DATE OF THE WARRANTY AND THE RENEWAL POLICY EFFECTIVE DATE, THE APPLICANT WILL IMMEDIATELY NOTIFY THE COMPANY OF SUCH CHANGES, AND THE COMPANY MAY WITHDRAW OR MODIFY ANY OUTSTANDING QUOTATIONS AND/OR AUTHORIZATION OR AGREEMENT TO BIND THE INSURANCE.

ALL WRITTEN STATEMENTS AND MATERIALS FURNISHED TO THE COMPANY IN CONJUNCTION WITH THE MOST RECENT LONG FORM APPLICATION AS WELL AS THE RENEWAL WARRANTY SIGNED HEREUNDER ARE INCORPORATED BY REFERENCE INTO THIS APPLICATION AND MADE A PART HEREOF.

In the event that the company issues a policy, the undersigned acting on behalf of the applicant and all proposed insureds, acknowledges that the company, in providing coverage, will have relied upon, as representations, the declarations and statements which are contained in or attached to or incorporated by reference into this warranty and which are incorporated into the policy.

If insured would like an indication for higher limits, please indicate.

LIMITS DESIRED: (each incident/aggregate)

\$1 million/\$1 million \$1 million/\$2 million \$2 million/\$2 million OTHER: _____

DEDUCTIBLE DESIRED: (each incident)

\$5,000 \$10,000 \$25,000 \$50,000 \$100,000

For Deductibles above \$50,000, please include your most current audited financial statement.



INCLUDE IMPRISONMENT AND/OR FINES. IN ADDITION, AN INSURER MAY DENY INSURANCE BENEFITS IF FALSE INFORMATION MATERIALLY RELATED TO A CLAIM WAS PROVIDED BY THE APPLICANT.

NOTICE TO FLORIDA APPLICANTS: ANY PERSON WHO KNOWINGLY AND WITH INTENT TO INJURE, DEFRAUD, OR DECEIVE ANY INSURER FILES A STATEMENT OF CLAIM OR AN APPLICATION CONTAINING ANY FALSE, INCOMPLETE OR MISLEADING INFORMATION IS GUILTY OF A FELONY IN THE THIRD DEGREE.

NOTICE TO KENTUCKY APPLICANTS: ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR OTHER PERSON FILES AN APPLICATION FOR INSURANCE CONTAINING ANY MATERIALLY FALSE INFORMATION, OR CONCEALS FOR THE PURPOSE OF MISLEADING, INFORMATION CONCERNING ANY FACT MATERIAL THERETO, COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME.

NOTICE TO LOUISIANA APPLICANTS: ANY PERSON WHO KNOWINGLY PRESENTS A FALSE OR FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT OR KNOWINGLY PRESENTS FALSE INFORMATION IN AN APPLICATION FOR INSURANCE IS GUILTY OF A CRIME AND MAY BE SUBJECT TO FINES AND CONFINEMENT IN PRISON.

NOTICE TO MAINE APPLICANTS: IT IS A CRIME TO KNOWINGLY PROVIDE FALSE, INCOMPLETE OR MISLEADING INFORMATION TO AN INSURANCE COMPANY FOR THE PURPOSE OF DEFRAUDING THE COMPANY. PENALTIES MAY INCLUDE IMPRISONMENT, FINES OR A DENIAL OF INSURANCE BENEFITS.

NOTICE TO NEW JERSEY APPLICANTS: ANY PERSON WHO INCLUDES ANY FALSE OR MISLEADING INFORMATION ON AN APPLICATION FOR AN INSURANCE POLICY IS SUBJECT TO CRIMINAL AND CIVIL PENALTIES.

NOTICE TO NEW YORK APPLICANTS: ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR OTHER PERSON FILES AN APPLICATION FOR INSURANCE OR STATEMENT OF CLAIM CONTAINING ANY MATERIALLY FALSE INFORMATION, OR CONCEALS FOR THE PURPOSE OF MISLEADING, INFORMATION CONCERNING ANY FACT MATERIAL THERETO, COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME, AND SHALL ALSO BE SUBJECT TO A CIVIL PENALTY NOT TO EXCEED FIVE THOUSAND DOLLARS AND THE STATED VALUE OF THE CLAIM FOR EACH SUCH VIOLATION.

NOTICE TO OHIO APPLICANTS: ANY PERSON WHO, WITH INTENT TO DEFRAUD OR KNOWING THAT HE IS FACILITATING A FRAUD AGAINST AN INSURER, SUBMITS AN APPLICATION OR FILES A CLAIM CONTAINING A FALSE OR DECEPTIVE STATEMENT IS GUILTY OF INSURANCE FRAUD.

NOTICE TO OKLAHOMA APPLICANTS: WARNING: ANY PERSON WHO KNOWINGLY, AND WITH INTENT TO INJURE, DEFRAUD OR DECEIVE ANY INSURER, MAKES ANY CLAIM FOR THE PROCEEDS OF AN INSURANCE POLICY CONTAINING ANY FALSE, INCOMPLETE OR MISLEADING INFORMATION IS GUILTY OF A FELONY (365:15-1-10, 36 §3613.1).

NOTICE TO PENNSYLVANIA APPLICANTS: ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR OTHER PERSON FILES AN APPLICATION FOR INSURANCE OR STATEMENT OF CLAIM CONTAINING ANY MATERIALLY FALSE INFORMATION OR CONCEALS FOR THE PURPOSE OF MISLEADING, INFORMATION CONCERNING ANY FACT MATERIAL THERETO COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME AND SUBJECTS SUCH PERSON TO CRIMINAL AND CIVIL PENALTIES.

NOTICE TO TENNESSEE AND VIRGINIA APPLICANTS: IT IS A CRIME TO KNOWINGLY PROVIDE FALSE, INCOMPLETE OR MISLEADING INFORMATION TO AN INSURANCE COMPANY FOR THE PURPOSE OF DEFRAUDING THE COMPANY. PENALTIES INCLUDE IMPRISONMENT, FINES AND DENIAL OF INSURANCE BENEFITS.

CERTIFICATE OF INSURANCE
FLORIDA

Name: City of Avon Park
Address: See Schedule Below

Policy Number: 012896047

Endorsement: Not Applicable

Period of Coverage: From 10/07/14 To 10/07/15

Name Of Insurer: Commerce and Industry Insurance Company
Address Of Insurer: 175 Water Street
New York, NY 10038

Name Of Insured: City of Avon Park

Address Of Insured: 110 East Main Street
Avon Park, FL 33825

CERTIFICATION:

1. COMMERCE & INDUSTRY INSURANCE COMPANY, the Insurer, as identified above, hereby certifies that it has issued liability insurance covering the following underground and/or aboveground storage tank(s):

See "Item 5. Covered Storage Tank System(s)" on policy referenced above, for taking corrective action and compensating third parties for bodily injury and property damage caused by accidental releases, in accordance with and subject to the limits of liability, exclusions, conditions and other terms of the policy arising from operating the underground and/or aboveground storage tank(s) identified above.

The limits of liability are \$ 1,000,000 each occurrence and \$ 1,000,000 annual aggregate exclusive of legal defense costs which are subject to a separate limit under the policy. This coverage is provided under 012896047. The effective date of said policy is 10/07/14.

2. The Insurer further certifies the following with respect to the insurance described in Paragraph 1:

- a. Bankruptcy or insolvency of the Insured shall not relieve the Insurer of its obligations under the policy to which this certificate applies.
- b. The Insurer is liable for the payment of amounts within any deductible applicable to the policy to the provider of corrective action or a damaged third-party, with a right of reimbursement by the insured for any such payment made by the Insurer. This provision does not apply with respect to that amount of any deductible for which coverage is demonstrated under another mechanism or combination of mechanisms as specified in 40 CFR 280.95-280.102.

- c. Whenever requested by a Director of an implementing agency, the Insurer agrees to furnish to the Director a signed duplicate original of the policy and all endorsements.
- d. Cancellation or any other termination of the insurance by the Insurer, except for non-payment of premium or misrepresentation by the Insured, will be effective only upon written notice and only after the expiration of sixty(60) days after a copy of such written notice is received by the Insured. Cancellation for non-payment of premium or misrepresentation by the Insured will be effective only upon written notice and only after expiration of a minimum of ten(10) days after a copy of such written notice is received by the Insured.
- e. The insurance covers claims otherwise covered by the policy that are reported to the Insurer within six months of the effective date of cancellation or non-renewal of the policy except where the new or renewed policy has the same retroactive date or a retroactive date earlier than that of the prior policy, and which arise out of any covered occurrence that commenced after the policy retroactive date, if applicable, and prior to such policy renewal or termination date. Claims reported during such extended reporting period are subject to the terms, conditions, limits, including limits of liability and exclusions of the policy.

I hereby certify that the wording of this instrument is identical to the wording in 40 CFR 280.97(b)(2) and that the Insurer is licensed to transact the business of insurance in one or more states.



Signature of Authorized Representative of Insurer
Sean M. Pattwell
The Director

Authorized Representative of Commerce & Industry Insurance Company
Policy Managers®

ENDORSEMENT

This endorsement, effective 12:01 AM, 10/07/14

Forms a part of Policy No: 012896047

Issued to: City of Avon Park

By: Commerce and Industry Insurance Company

AIG ENVIRONMENTAL® STORAGE TANK

THIRD-PARTY LIABILITY AND CLEAN-UP COSTS POLICY

SITE SCHEDULE

<u>Site#</u>	<u>Facility Name/Address, City, State, Zip</u>
1	Bell Street Well 1350 W Bell St Avon Park, FL 33825
2	Glenwood 100 S Glenwood Ave Avon Park, FL 33825
3	Wastewater Plant 2504 US Hwy 27 S Avon Park, FL 33825

All other terms, conditions, and exclusions shall remain the same.



AUTHORIZED REPRESENTATIVE
or countersignature (in states where applicable)

ENDORSEMENT

This endorsement, effective 12:01 AM, 10/07/14

Forms a part of Policy No: 012896047

Issued to: City of Avon Park

By: Commerce and Industry Insurance Company

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SCHEDULE OF COVERED STORAGE TANK SYSTEMS

It is agreed that any previous Schedule of Coverage Storage Tank Systems is deleted in its entirety and replaced with the following:

The following Storage Tank System(s) are included in Item 5. COVERED STORAGE TANK SYSTEM(S) of the Declarations, subject to all of the terms and conditions of the Policy and the Policy Period and Retroactive date indicated below. If no dates are indicated below for Policy Period for a subject Storage Tank System, the dates indicated in Item 2. Policy Period of the Declarations shall apply. If no date is indicated below for Retro Date for a subject Storage Tank System, the date indicated in Item 6. Retroactive Date of the Declarations shall apply. If a Policy Period is indicated below for a subject Storage Tank System, Item. 2 Policy Period of the Declarations is deleted in its entirety and replaced with the Policy Period, below, for such Storage Tank System. If a date is indicated below for Retro Date for a subject Storage Tank System, the date indicated in Item 6. Retroactive Date of the Declarations is deleted in its entirety and replaced with Retro Date, below, for such Storage Tank System.

Site* #	Tank #	AST/ UST	Install Date	Capacity (Gal.)	Tank Const.	Effective Date	Expiration Date	Retro Date
1	1	AST	2003	500		10/07/14	10/07/15	10/07/13
2	1	AST	2003	1,300		10/07/14	10/07/15	10/07/13
3	1	AST	1995	500		10/07/14	10/07/15	10/07/13

*Site#, name and address are located within the Site Schedule attached to the Policy.

All other terms, conditions, and exclusions shall remain the same.



AUTHORIZED REPRESENTATIVE
or countersignature(in states where applicable)

Policy Managers®

317 Riveredge Boulevard, Suite 206 ♦ Cocoa, Florida 32922 ♦ 800.475.4055 ♦ Fax: 321.433.1093 ♦ www.policymanagers.com
A Division of Chamber Insurance Agency Services, LLC

BINDER OF INSURANCE

To: Andrew Cooper
World Risk Management Llc
20 N Orange Ave Suite 500
Orlando, FL 32801-

Insured: City of Avon Park
110 East Main Street
Avon Park, FL 33825

Inception Date	Expiration Date	Policy Number	Name of Insurer
10/07/14	10/07/15	012896047	Commerce and Industry Insurance Company

COVERAGE DESCRIPTION

COVERAGE TYPE: Storage Tank third-party liability, corrective action and cleanup costs policy

LIMITS OF LIABILITY: 1,000,000/ 1,000,000

DEDUCTIBLE: 5,000

RETROACTIVE DATE: As Stated in Quote Letter #108661 Seq.# 03

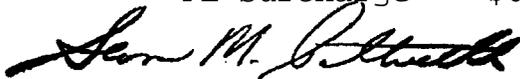
POLICY FORM: 81106(08/09)

COMMISSION: 5.00 %

ENDORSEMENTS: As Stated in Quote Letter #108661 Seq. 3

ANNUAL PREMIUM: 512.60
Premium for Certified Acts of Terrorism Coverage Under
TRIA 2002: \$6.00 Included in Policy Premium
FL Surcharge \$6.60

BY:



DATE: 6/30/14

In accordance with your instructions, we have taken action as described above. Please review this confirmation to be sure it accurately reflects those instructions. The policy and/or amendments are being prepared and will be sent to you with an invoice or credit memorandum in due course. Thank you for this opportunity to be of service.