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No. SP 4051401

SPECIFIC EXCESS
WORKERS' COMPENSATION AND
EMPLOYERS' LIABILITY INSURANCE AGREEMENT

SAFETY NATIONAL CASUALTY CORPORATION

ST. LOUIS, MISSOURI

(Hereinafter called the CORPORATION)

In consideration of the payment of premium and subject to all the terms of this Agreement, hereby agrees with the EMPLOYER named in the Declarations (hereinafter called the EMPLOYER), as follows:

A. Coverage of Agreement

This Agreement applies only to Loss sustained by the EMPLOYER because of liability imposed upon the EMPLOYER by the Workers' Compensation or Employers' Liability Laws of:

(1) the State(s) designated in the Declarations, or
(2) other State(s), provided that the Loss shall not be greater than it would have been had liability been imposed by the State(s) specified in the Declarations,

on account of bodily injury by accident or bodily injury by occupational disease due to Occurrences taking place within the Liability Period to Employees of the EMPLOYER engaged in the business operations specified in the Declarations and all other operations necessary, incidental, or appurtenant thereto. Bodily injury includes resulting death.

The inclusion of more than one EMPLOYER in the Declarations shall not increase the EMPLOYER's Self-Insured Retention nor the CORPORATION's Maximum Limit of Indemnity.

The insurance afforded by this Agreement applies to operations in the State(s) specified in the Declarations, including, however, incidental operations conducted by Employees who are regularly engaged in operations in the specified State(s), but who may be temporarily outside the specified State(s).

B. Insurance Under This Agreement

(1) Specific Excess Insurance

With respect to each Occurrence taking place within a Liability Period, the EMPLOYER shall retain as its own Loss, as defined below, the amount specified in Item 7 of the Declarations, and the CORPORATION agrees to reimburse the EMPLOYER only for such Loss in excess of such Self-Insured Retention, subject to the Maximum Limit of Indemnity Per Occurrence, or the Employers' Liability Maximum Limit of Indemnity Per Occurrence, whichever is applicable, as specified in Item 8 of the Declarations. The separate Employers' Liability Maximum Limit of Indemnity Per Occurrence shall not operate, in any case, to increase the total amount the CORPORATION agrees to reimburse the EMPLOYER for Loss per any one Occurrence as per Item 8(a) of the Declarations.

C. Definitions

(1) "Loss" – shall mean actual payments, less recoveries, legally made by the EMPLOYER to Employees and their dependents in satisfaction of: (a) statutory benefits, (b) settlements of suits and claims, and (c) awards and judgments. Loss shall also include Claim Expenses, paid by the EMPLOYER, as defined in Paragraph (2) of this Section. The term Loss shall not include the items specifically excluded by Paragraph (3) of this Section.

(2) "Claim Expenses" – shall mean court costs, interest upon awards and judgments and the reasonable allocated costs of investigation, adjustment, defense, and appeal, including pension or appeal bond costs (provided that the prosecution of such appeal and/or the posting of such pension or appeal bond is approved by the CORPORATION) of claims, suits or proceedings brought against the EMPLOYER under the Workers' Compensation or Employers' Liability Laws of the State(s) designated in the Declarations, or other State(s), as provided in Section A, even though such claims, suits, proceedings or demands are wholly groundless, false or fraudulent. Claim Expenses shall not include fees to the EMPLOYER's Service Company.

(3) "Exclusions from Loss" – shall refer to the following amounts paid by the EMPLOYER, and specifically excluded from the term Loss:

(a) Salaries, wages, and remuneration provided to Employees;
(b) Fees to the EMPLOYER's Service Company and/or costs of self-administration of claims;
(c) Punitive or exemplary damages as they relate to claims made under the Employers' Liability coverage provided by this Agreement;
(d) Fines or penalties assessed against the EMPLOYER for any violation by the EMPLOYER, or its representative(s), of any statute or regulation, unless the fines or penalties result from a reasonable dispute as to Workers' Compensation benefits owed by the EMPLOYER;
(e) Assessments and taxes made upon the EMPLOYER as self-insurer whether imposed by statute, regulation, or otherwise;

(f) Any amounts required to be paid by the EMPLOYER because of:
   1) Serious and willful misconduct of the EMPLOYER, including intentional torts and intentional acts or omissions resulting in injury, acts or omissions taken with reckless disregard of the possible occurrence of an injury or acts or omissions taken that are substantially certain to result in injury, regardless of whether or not said actions may be classified in the State(s) as intentional torts,
   2) Coercion, criticism, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination against or termination of any Employee and/or related personnel practices, policies, acts or omissions by the EMPLOYER,
   3) Knowingly employing an Employee in violation of law,
   4) Rejection by the EMPLOYER of any Workers' Compensation Law,
   5) Failure to comply with any health, safety, or notification law or regulation,

(g) Loss voluntarily assumed by the EMPLOYER under any contract or agreement, whether express or implied;

(h) Loss for which the EMPLOYER carries a full coverage Workers' Compensation and Employers' Liability policy; and

(i) Any amount owed by the EMPLOYER pursuant to provision of any law that provides non-occupational disability benefits.

(4) "Occurrence" – shall mean accident. In addition, bodily injury by occupational disease must be caused or aggravated by the conditions of employment and shall be deemed to have occurred on the last day of the last exposure to those conditions of employment causing or aggravating such injury by occupational disease, or such dates as is otherwise established by the Workers' Compensation and Employers' Liability Laws of the appropriate State(s). Bodily injury by occupational disease sustained by each Employee shall be deemed to be a separate Occurrence unless such disease results directly from an accident.

(5) "Employee" – as respects liability imposed upon the EMPLOYER by the Workers' Compensation Law of any State, the word Employee shall mean any person performing work which renders the EMPLOYER liable under the Workers' Compensation Law of a State named in Item 2 of the Declarations, which is the State of the injured Employee's normal employment, for bodily injuries or occupational disease sustained by such person.

(6) "State" – shall mean any state, territory, or possession of the United States of America and the District of Columbia.

D. Reimbursement

If the EMPLOYER pays any Loss incurred in any Liability Period in excess of the Self-Insured Retention Per Occurrence, the CORPORATION shall reimburse the EMPLOYER upon receipt of a formal proof of loss and other evidence acceptable to the CORPORATION of such payment. Within a reasonable period of time, reimbursement payments shall be made by the CORPORATION.

The CORPORATION shall have, and may exercise at any time, and from time to time, the right to offset any balance or balances, whether on account of premiums, Losses or otherwise, due from the EMPLOYER to the CORPORATION against any balance or balances due from the CORPORATION to the EMPLOYER under this Agreement.

E. Liability Period

The liability of the CORPORATION for Loss hereunder shall be determined separately for each Liability Period. The initial Liability Period shall commence at 12:01 A.M. on the Effective Date and end at 12:01 A.M. on the Anniversary Date, designated in Items 3 and 4 respectively, of the Declarations. Each succeeding Liability Period shall begin concurrently with the end of the previous Liability Period and continue for the same number of consecutive months as the initial Liability Period. All time is stated in local time for the State(s) designated in the Declarations.

In the event the EMPLOYER fails to give express written intent to continue coverage at the end of a given Liability Period, the Agreement shall be deemed terminated, and the Anniversary Date shall serve as the termination date of the Agreement.

F. Premium

Upon acceptance of the Agreement and at the beginning of each Payroll Reporting Period, as specified in Item 12 of the Declarations, the EMPLOYER shall pay to the CORPORATION the amount of the Deposit Premium specified in Item 11 of the Declarations. The EMPLOYER shall pay premiums when due. The Deposit Premium shall be held by the CORPORATION until the expiration of the Payroll Reporting Period. Within thirty (30) days after the close of each Payroll Reporting Period, the EMPLOYER shall render to the CORPORATION a report, upon a form satisfactory to the CORPORATION, exhibiting, by classification, the amount of such remuneration earned by Employees during such reporting period, and the EMPLOYER shall therewith pay to the CORPORATION the excess of the Earned Premium over the Deposit Premium previously paid. In case the Deposit Premium paid exceeds the Earned Premium, the CORPORATION shall return to the EMPLOYER the amount of such excess or give appropriate credit, subject to the proportion of Minimum Premium for the Liability Period in the case of multi-year Liability Periods.

Upon expiration of a Liability Period, a summary of voluntary payroll reports for such Liability Period shall be made to determine the Earned Premium under this Agreement. In no event, however, shall the Earned Premium in respect of any Liability Period be less than the Minimum Premium specified in the Declarations.

For each Payroll Reporting Period, the CORPORATION shall compute the Earned Premium as follows:

(1) Remuneration – The remuneration earned, or man hours accumulated during such period by all Employees, including volunteers, engaged in each classification covered by this Agreement shall be computed in accordance with the rules set forth in the appropriate Manual of Workers' Compensation and Employers' Liability Insurance.
(2) Manual and Standard Premium – The remuneration, or man-hours, so computed for Employees engaged in each such classification shall be multiplied by the Manual Rate per $100 of remuneration/man-hour, in effect at the inception of each Payroll Reporting Period, and the products so obtained shall be added together to determine the Manual Premium. An Experience Modification Factor may be applied to the Manual Premium to determine a Standard Premium. Such Experience Modification Factor shall be determined at the inception of this Agreement and is subject to annual review and possible revision. A Standard Premium takes precedence over any Manual Premium.
(3) Earned Premium – Against the Manual or Standard Premium shall be applied the Premium Rate, as specified in Item 9 of the Declarations, to determine the appropriate Earned Premium.

This Agreement is issued by the CORPORATION and accepted by the EMPLOYER subject to the agreement that, in the event of any change in the Rates per $100 remuneration/man-hour, as stated in Item 6 of the Declarations, because of any general rate increase or any legislative amendment affecting the benefits under the Workers' Compensation Law of any State(s) named in Item 2 of the Declarations, such change, upon the effective date thereof, shall be, without endorsement, made a part of this Agreement.

G. Self-Insurer

The EMPLOYER, by acceptance of this Agreement, warrants that it is a duly qualified Self-Insurer in the State(s) designated in the Declarations, and will continue to maintain such qualifications during the currency of this Agreement. In the event the EMPLOYER should at any time while this Agreement is in force terminate such qualifications or if they should be cancelled or revoked, such loss of qualifications shall operate as notice of cancellation of this Agreement by the EMPLOYER, subject to the additional terms of the Cancellation Section of this Agreement.

H. Service and Administration

This Agreement contemplates the concurrent and continued existence of a separate service agreement between the EMPLOYER and the Service Company, its designated representative, named in Item 5 of the Declarations, providing services approved by the CORPORATION. The EMPLOYER agrees that its Service Company shall furnish the CORPORATION with quarterly loss runs concurrent with each Liability Period of this Agreement. The provision of loss runs alone does not relieve the EMPLOYER of its reporting obligations as set forth in Section I of this Agreement. In addition, the electronic transfer of loss information by a Service Company of the EMPLOYER shall not constitute notice of a claim.

Cancellation of the service agreement between the Service Company and the EMPLOYER shall operate as a notice of cancellation of this Agreement by the EMPLOYER, subject to the additional terms of the Cancellation Section of this Agreement. Any change in service companies must be immediately communicated to and approved by the CORPORATION, and this obligation shall survive the termination or non-renewal of this Agreement.

I. Prompt Reporting of Claims

As soon as the EMPLOYER becomes aware, the EMPLOYER must provide prompt notice to the CORPORATION of: (a) any claim or action commenced against the EMPLOYER which exceeds, or is likely to exceed, fifty percent (50%) of the Self-Insured Retention Per Occurrence specified in Item 7 of the Declarations and (b) the reopening of any claim in which a further award might involve liability of the CORPORATION under this Agreement.

In addition, the following categories of claims shall be reported to the CORPORATION immediately, regardless of any question of potential involvement of the CORPORATION:

1. Fatalities;
2. Paraplegics and quadriplegics;
3. Serious burns, defined as 2nd or 3rd degree burns involving 25% or more of the body;
4. Brain injury;
5. Spinal cord injury;
6. Amputation of a major extremity; and
7. Any Occurrence which results in a serious injury to two or more Employees.

If the CORPORATION is prejudiced by the EMPLOYER's failure to provide prompt notice of a claim in accordance with the requirements set forth above and/or as otherwise provided by the Law of any State(s), the CORPORATION may elect to deny coverage for Loss arising from such claim. To constitute prompt, sufficient notice, the EMPLOYER must provide complete information as to the details of the injury, disease, or death.

J. Defense of Claims

The EMPLOYER shall investigate and settle or defend all claims and shall conduct the defense and appeal of all actions, suits, and proceedings commenced against it. The EMPLOYER shall forward promptly to the CORPORATION copies of any pleadings or reports as may be requested. The CORPORATION shall not be obliged to assume charge of the investigation, defense, appeal or settlement of any claim, suit, or proceeding brought against the EMPLOYER, but the CORPORATION shall be given the opportunity to investigate, defend, or participate with the EMPLOYER in the investigation and defense of any claim, if, in the opinion of the CORPORATION, its liability under this Agreement might be involved.

K. Good Faith Claims Administration
The EMPLOYER shall use diligence, prudence, and good faith in the investigation, defense, pursuit of recovery from others and settlement of all claims. The EMPLOYER shall not unreasonably refuse to settle any claim which, in the exercise of sound judgment with respect to the entire claim, should be settled, provided, however, that the EMPLOYER shall not make any payment or agree to any settlement for any sum which would involve the limits of the CORPORATION's liability hereunder without the approval of the CORPORATION.

If the CORPORATION is prejudiced by the EMPLOYER's failure to exercise diligence, prudence, and good faith, the CORPORATION may elect to disclaim coverage for Loss from such claim.

L. Inspection and Audit
The CORPORATION shall have the right, but not the obligation, to inspect the premises and equipment and/or to audit the books and records of the EMPLOYER and of its agents and representatives, including all records relating to payroll and claims matters, at any reasonable time during the period of this Agreement and within three (3) years after final settlement of all claims due to Occurrences happening during the term of this Agreement. An audit to determine Manual or Standard Premium shall supersede any and all prior voluntary payroll reports by the EMPLOYER, and will be used to determine the final adjustment of premiums due to the CORPORATION. Should a determination be made that additional audit premium is due to the CORPORATION, the due date for payment of such audit premium shall be thirty (30) days after the date of billing.

M. Other Insurance
If the EMPLOYER carries other valid and collectible insurance, reinsurance, or indemnity with any other insurer or reinsurer covering a Loss also covered by this Agreement (other than insurance or reinsurance that is purchased to apply in excess of the sum of the Self-Insured Retention and the Maximum Limits of Indemnity hereunder), the insurance afforded by this Agreement shall apply in excess of and shall not contribute with such other insurance or reinsurance.

N. Recovery from Others
The EMPLOYER agrees to prosecute any and all valid claims the EMPLOYER may have against any other party or source that may mitigate any Loss under this Agreement and return to the CORPORATION any amount so recovered, less the reasonable expense of collecting such amounts.

The CORPORATION shall have the EMPLOYER's rights to prosecute any and all valid claims against any other party or source that may mitigate any Loss under this Agreement. The EMPLOYER agrees that it will assist the CORPORATION in any prosecution of any and all valid claims against any other party or source that may mitigate any Loss under this Agreement. Any amounts recovered by the EMPLOYER or the CORPORATION from any party or source that may mitigate any Loss under this Agreement shall first by used to pay the expenses of collection and to reimburse the CORPORATION for any amount it may have paid the EMPLOYER for the Liability Period concerned, and all remaining amounts collected shall be paid to the EMPLOYER.

O. Change in Agreement
No condition, provision, or declaration of this Agreement shall be waived or altered at any time, except as specified in Section F, except by endorsement signed by the President or a Senior Vice President and the Secretary or an Assistant Secretary of the CORPORATION.

This Agreement hereby terminates, supersedes, and replaces all previously issued Workers' Compensation Insurance or Reinsurance Agreements, as amended, between the EMPLOYER and the CORPORATION.

If terms of this Agreement are in conflict with any law applicable to this Agreement, this statement amends this Agreement to conform to such law. In addition, in the event any terms are in conflict with applicable laws, the remaining terms of the Agreement shall be enforceable.

P. Cancellation
This Agreement may be cancelled by either party giving the other party written notice not less than sixty (60) days prior to the date of cancellation, except, that if the CORPORATION cancels for non-payment of any premium, the cancellation shall become effective ten (10) days after dispatch of notice by the CORPORATION. The date of cancellation then becomes the termination date of the final Liability Period. This Agreement does not apply to Loss as a result of Occurrences taking place after the effective date of such cancellation.

If cancellation is effected by the EMPLOYER, the Manual or Standard Premium shall be determined by the short rate tables used for casualty insurance, and the Earned Premium shall be the product of the Premium Rate (Item 9) times the Manual or Standard Premium (or the Total Annual Remuneration) so arrived at, but not less than the Minimum Premium specified in the Declarations.

If cancellation is effected by the CORPORATION for non-payment of premium, the EMPLOYER shall pay the CORPORATION Earned Premium for the period up to the date of cancellation.

If the CORPORATION cancels for any other reason, the Manual or Standard Premium (or the Total Annual Remuneration) shall be determined upon a pro rata basis and the Earned Premium adjusted in accordance therewith.

Q. Assignment
An assignment of interest under this Agreement will not bind the CORPORATION unless an endorsement signed by the President or a Senior Vice President and the Secretary or an Assistant Secretary of the CORPORATION assigning interest under this Agreement is issued by the CORPORATION.

R. Bankruptcy or Insolvency of Employer

The bankruptcy or insolvency of the EMPLOYER will not relieve the CORPORATION or the EMPLOYER of its duties and liabilities under this Agreement. After payments have been made by or on behalf of the EMPLOYER, reimbursements due under this Agreement will be made by the CORPORATION as if the EMPLOYER had not become bankrupt or insolvent, but not in excess of the CORPORATION's limit of indemnity.

S. Sole Representative

If more than one EMPLOYER is named in Item 1 of the Declarations, or an endorsement related thereto, the EMPLOYER first named in Item 1, or a related endorsement, will act on behalf of all EMPLOYERS to give or receive notice of cancellation, to receive return premium or reimbursement, or to request changes in this Agreement.

T. Acceptance

By acceptance of this Agreement, the EMPLOYER agrees that the statements in this Agreement, in the Declarations, and in the application are the EMPLOYER's representations; that this Agreement is issued in reliance upon such representations; that this Agreement embodies all agreements existing between the EMPLOYER and the CORPORATION, or any of its agents, relating to this excess insurance, and that full compliance by the EMPLOYER with all terms of this Agreement is a condition precedent to the CORPORATION's liability hereunder.

IN WITNESS WHEREOF, SAFETY NATIONAL CASUALTY CORPORATION has caused this Agreement to be executed by printing below the facsimile signatures of its President and Secretary and by the actual signature of its Secretary on the Declarations.

Secretary

President

SAFETY NATIONAL CASUALTY CORPORATION
1832 SCHUETZ ROAD
ST. LOUIS, MO 63146

DECLARATIONS – SPECIFIC EXCESS **SP 4051401**

Item 1. **Employer:** CITY OF GLENDALE

Address: 5850 W. GLENDALE AVE., SUITE B56, GLENDALE, AZ 85301

Item 2. **This Agreement covers all business operations of the EMPLOYER as a Self-Insurer in the following State(s):** ARIZONA

Item 3. **Effective Date: 12:01 A.M.** July 01, 2014

Item 4. **Anniversary Date: 12:01 A.M.** July 01, 2015

Item 5. **The Service Company shall be** CORVEL CORPORATION

Item 6. CLASSIFICATIONS OF OPERATIONS	Code Number	Estimated Total Annual Remuneration/Manhours	Rate Per $ 100 Remuneration/Manhours
See Attached			
		Total Estimated Manual Premium	N/A
		SNCC Experience Modification Factor	N/A
		Total Estimated Standard Premium	N/A

Item 7. **Self-Insured Retention Per Occurrence** $ 800,000

Item 8. **(a) Maximum Limit of Indemnity Per Occurrence** Statutory
(b) Employers' Liability Maximum Limit of Indemnity Per Occurrence $ 2,000,000

Item 9. **Premium Rate** $ 0.1703 per $100 of Payroll

Item 10. **Minimum Premium for the Liability Period** $ 159,023

Item 11. **Deposit Premium for the Payroll Reporting Period** $ 167,393

Item 12. **Payroll Reporting Period** Annually as of July 01

Item 13. **Endorsements** See Endorsement Schedule

Signed at St. Louis, Missouri on July 11, 2014

Secretary

Countersigned this day of

By: N/A

DSP-0195

1005 00 1101 (XWC)

ITEM 6

RE: CITY OF GLENDALE

Policy No: SP 4051401
Effective Date: 12:01 A.M. July 01, 2014

Declarations:

Item 6.

St	Classifications of Operations	Code No.	Estimated Total Annual Remuneration/ Manhours	Rate per $100 Remuneration/ Manhours	Estimated Premium
AZ					
	Street or Road Construction: Paving or Repaving & Drivers	5506	$ 1,702,567	N/A	N/A
	Excavation & Drivers	6217	$ 426,815		
	Aircraft/Helicopter Operation: Air Carrier Scheduled/Supplemental: All Other Employees	7403	$ 156,389		
	Waterworks Operation & Drivers	7520	$ 6,081,627		
	Firefighters & Drivers	7710	$ 18,358,029		
	Police Officers & Drivers	7720	$ 28,791,755		
	Automobile Service or Repair Center & Drivers	8380	$ 1,336,139		
	Bus Co.: Garage Employees	8385	$ 1,115,183		
	Salesperson, Collectors or Messengers - Outside	8742	$ 195,306		
	Auditors, Accountant or Factory Cost or Office Systematizer	8803	$ 983,543		
	Clerical Office Employees NOC	8810	$ 27,273,286		
	Attorney-All Employees & Clerical, Messengers, Drivers	8820	$ 1,416,398		
	Building - Operation by Owner or Lessee	9015	$ 2,041,823		
	Parks NOC-All Employees & Drivers	9102	$ 1,623,027		
	Garbage, Ashes or Refuse Collection & Drivers	9403	$ 3,016,306		
	Municipal, Township, County or State Employee NOC	9410	$ 3,774,949		
			$ 98,293,142		
		Total Payroll	$ 98,293,142		

1004 00 1101 (XWC)

Endorsement Schedule

RE: CITY OF GLENDALE

Policy No: SP 4051401

Effective Date: 12:01 A.M. July 01, 2014

Number	Title
0079 00 0792 (XWC)	ARIZONA CANCELLATION ENDORSEMENT
0275 00 0908 (XWC)	WAIVER OF SUBROGATION - NEGLIGENCE EXCLUDED
0276 02 0408 (XWC)	BROAD FORM ALL STATES FOR EMPLOYEE TRAVEL
0291 00 0708 (XWC)	VOLUNTARY COMPENSATION ENDORSEMENT-PREMIUM DELINEATION
0293 00 0906 (XWC)	FOREIGN VOLUNTARY WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY
0339 01 0908 (XWC)	SAME COMMUNICABLE DISEASE-SPECIFIC EXCESS
1061 10 1207 (XWC)	POLICYHOLDER DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE

0079 00 0792 (XWC)

ENDORSEMENT

ARIZONA CANCELLATION ENDORSEMENT

Effective 12:01 A.M., Local Time, July 01, 2014

In consideration of the payment of premium and adherence by both parties to the terms of this Agreement, it is hereby understood and agreed that the Cancellation Section of the Agreement is amended to read as follows:

(1) The EMPLOYER may cancel this Agreement by mailing or delivering written notice of cancellation to the CORPORATION stating when the cancellation is to take effect.

(2) The CORPORATION may cancel this Agreement if the EMPLOYER fails to pay premium when it becomes due. To effect cancellation, the CORPORATION must mail or deliver to the EMPLOYER and the Industrial Commission of Arizona not less than sixty (60) days advance written notice stating when the cancellation is to take effect. Mailing such notice to the EMPLOYER at the mailing address shown in the Declarations will be sufficient to prove notice.

(3) The policy period will end on the day and hour stated in the cancellation notice.

All other terms, conditions, agreements and stipulations remain unchanged.

Attached to and forming a part of Excess Workers' Compensation and Employers' Liability Insurance Agreement No. SP 4051401, issued by SAFETY NATIONAL CASUALTY CORPORATION of St. Louis, Missouri to CITY OF GLENDALE, dated July 01, 2014.

SAFETY NATIONAL CASUALTY CORPORATION

Secretary

President

0275 00 0908 (XWC)

ENDORSEMENT

WAIVER OF SUBROGATION - NEGLIGENCE EXCLUDED

Effective 12:01 A.M., Local Time, July 01, 2014

In consideration of the payment of premium and adherence by both parties to the terms of this Agreement, it is hereby understood and agreed as follows:

The RECOVERY FROM OTHERS section of this Agreement shall recognize any "waiver of subrogation" executed by the EMPLOYER in favor of the below listed third parties, and such RECOVERY FROM OTHERS section shall be waived only to the extent of the actual terms, conditions and legality of the executed "waiver", unless the damage or injury is based upon the sole or concurrent, active, negligent participation of the below listed third party(ies).

Waiver in favor of:	ARIZONA DEPARTMENT OF TRANSPORTATION PERMITS SECTION DISTRICT 1 2140 W. HILTON PHOENIX, AZ 85009-3740
Job Description:	PROPERTY PARCEL# CM-GLN-0(222)A, SS846-01C AS RESPECTS THE CONSTRUCTION OF THE NEW RIVER MULTI-USE PATHWAY ALONG THE EAST SIDE OF THE NEW RIVER BETWEEN BETHANY HOME OUTFALL CHANNEL AND NORTHERN AVENUE PER ADOT INTERMODAL TRANSPORTATION DIVISION HIGHWAY ENCROACHMENT PERMIT APPLICATION.
Length of Contract:	ONGOING

All other terms, conditions, agreements and stipulations remain unchanged.

Attached to and forming a part of Excess Workers' Compensation and Employers' Liability Insurance Agreement No. SP 4051401, issued by SAFETY NATIONAL CASUALTY CORPORATION of St. Louis, Missouri to CITY OF GLENDALE, dated July 01, 2014.

SAFETY NATIONAL CASUALTY CORPORATION

0276 02 0408 (XWC)

ENDORSEMENT

BROAD FORM ALL STATES FOR EMPLOYEE TRAVEL

Effective 12:01 A.M., Local Time, July 01, 2014

In consideration of the payment of premium and adherence by both parties to the terms of this Agreement, it is hereby understood and agreed that this Agreement shall include the following:

1. If the EMPLOYER undertakes operations in or, at the request of the EMPLOYER, an Employee travels to or is temporarily assigned to, any State not designated in Item 2 of the Declarations, this Agreement applies to such operations, travel or temporary assignment. Should EMPLOYER undertake operations in a state not designated in Item 2 of the Declarations, the EMPLOYER shall give notice to the CORPORATION before or within a reasonable time after the commencement of such operations. The EMPLOYER shall take whatever action is necessary to come within the Workers' Compensation and occupational disease laws of such State.

2. Should an Employee, at the direction of the EMPLOYER, travel to or be temporarily assigned to any State or States not designated in Item 2 of the Declarations, this Agreement shall provide coverage for Loss sustained by the EMPLOYER because of liability imposed upon the EMPLOYER by the Workers' Compensation or Employers' Liability Laws of such non-designated State.

3. This Agreement also applies to Loss sustained by the EMPLOYER because of liability imposed upon the EMPLOYER by the Workers' Compensation and Employers' Liability Laws of such non-designated State.

4. Any Loss covered by this Endorsement shall be subject to all the limitations of this Agreement including but not limited to the Self-Insured Retention Per Occurrence or the Limitation Per Occurrence and the Maximum Limit(s) of Indemnity of the CORPORATION for the Liability Period.

5. The word "State" as used in this Endorsement shall mean any State of the United States of America and the District of Columbia.

6. The insurance afforded by this Endorsement does not cover fines or penalties imposed on the EMPLOYER for failure to comply with the requirements of any Workers' Compensation Law.

7. All of the provisions of this Agreement, insofar as such provisions are not inconsistent herewith, are applicable to the insurance afforded by the Agreement by virtue of this Endorsement.

All other terms, conditions, agreements and stipulations remain unchanged.

Attached to and forming a part of Excess Workers' Compensation and Employers' Liability Insurance Agreement No. SP 4051401, issued by SAFETY NATIONAL CASUALTY CORPORATION of St. Louis, Missouri to CITY OF GLENDALE, dated July 01, 2014.

SAFETY NATIONAL CASUALTY CORPORATION

Secretary

President

0291 00 0708 (XWC)

ENDORSEMENT

VOLUNTARY COMPENSATION ENDORSEMENT-PREMIUM DELINEATION

Effective 12:01 A.M., Local Time, July 01, 2014

In consideration of the payment of premium and adherence by both parties to the terms of this Agreement, it is hereby understood and agreed that this Endorsement adds voluntary compensation insurance to this Agreement as follows:

A. Coverage

It is the intent of this endorsement to extend the coverage provided by this Agreement to non-compensated volunteer Employees, operating at the direction of the EMPLOYER, as if the volunteer Employees were subject to the Workers' Compensation and Employers' Liability Laws stipulated in the Schedule below, even though these laws may not require payment of benefits to such volunteer Employees.

This insurance applies to Loss sustained by the EMPLOYER because of bodily injury and occupational disease, including death resulting therefrom, due to Occurrences taking place within the Liability Period of this Agreement.

1. The bodily injury or occupational disease must be sustained by an Employee included in the group of Employees described in the Schedule.

2. The bodily injury or occupational disease must occur in the course of employment necessary or incidental to work in a State listed in the Schedule.

3. The bodily injury or occupational disease must occur in the United States of America, its territories or possessions or Canada and may occur elsewhere if the Employee is an American or Canadian citizen temporarily away from their home country.

B. Indemnification

The CORPORATION will indemnify the EMPLOYER for Loss in satisfaction of statutory benefits that would be imposed if the EMPLOYER and Employees described in the Schedule were subject to the Workers' Compensation Law shown in the Schedule. Naturally, indemnification for any such Loss is subject to the Self-Insured Retention Per Occurrence, Loss Fund(s) and Maximum Limit(s) of Liability as specified in the Declarations.

C. Exclusions

This insurance does not cover:

1. Any obligation imposed by a workers' compensation or occupational disease law, or any similar law.

2. Bodily injury intentionally caused or aggravated by the EMPLOYER.

ENDORSEMENT (CONTINUED)

D. Before Indemnification

Before the CORPORATION indemnifies the EMPLOYER, the injured Employee, or his legal representative in the case of his incapacity or death, must:

1. Release the EMPLOYER and the CORPORATION, in writing, of all responsibility for the injury or death.

2. Transfer to the EMPLOYER and the CORPORATION their right to recover from others who may be responsible for the injury or disease.

3. Cooperate and do everything necessary to enable the EMPLOYER and the CORPORATION to enforce the right to recover from others.

If the injured Employee, or his legal representative(s), fails to perform as required above, or if they claim damages from the EMPLOYER or the CORPORATION for the injury or disease, the CORPORATION'S duty to indemnify the EMPLOYER is immediately terminated.

E. Recovery From Others

If the CORPORATION makes a recovery from others, the CORPORATION will keep an amount equal to its expenses of recovery and the Loss paid by the CORPORATION. The CORPORATION will pay the balance to the parties entitled to payment. If the parties entitled to the benefits of this insurance make a recovery from others, they must reimburse the CORPORATION for the Loss previously paid by the CORPORATION to such parties.

F. Employers' Liability Insurance

Employers' Liability Insurance applies to Loss covered by this endorsement as though the State of employment shown in the Schedule were shown in Item 2 of the Declarations.

G. Premium

It is agreed that all persons who donate their services to the EMPLOYER will be reported for purposes of premium computation at an hourly wage of $7.25 per hour minimum, unless the work they do is similar to the work being done by a paid Employee who is receiving more than a $7.25 per hour wage, in which event the wage reported for the unpaid voluntary Employee will be the same as the wage reported for the paid Employee.

SCHEDULE

Employees	State of Employment	Designated Workers Compensation Law
Authorized volunteers, student workers, etc, while not subject to any Workers' Compensation Law	ARIZONA	State(s) of ARIZONA

0291 00 0708 (XWC)

ENDORSEMENT (CONTINUED)

All other terms, conditions, agreements and stipulations remain unchanged.

Attached to and forming a part of Excess Workers' Compensation and Employers' Liability Insurance Agreement No. SP 4051401, issued by SAFETY NATIONAL CASUALTY CORPORATION of St. Louis, Missouri to CITY OF GLENDALE, dated July 01, 2014.

SAFETY NATIONAL CASUALTY CORPORATION

Secretary

President

0293 00 0906 (XWC)

ENDORSEMENT

FOREIGN VOLUNTARY WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY

Effective 12:01 A.M., Local Time, July 01, 2014

SECTION 1. SCOPE OF INSURANCE

A. The insurance afforded by this Agreement also applies to Employees, as defined in Section 2 of this Endorsement, who are employed to work at locations within the following country or countries:

anywhere in the world outside the United States or United States possessions and territories, except: Afghanistan, Algeria, Belarus, Burma, Burundi, Central African Republic, Chad, Colombia, Cote d'Ivoire, Cuba, Democratic Republic of Congo, El Salvador, Eritrea, Guinea, Haiti, Honduras, Iran, Iraq, Israel, Kenya, Lebanon, Libya, Mali, Mauritania, Niger, Nigeria, North Korea, Pakistan, Philippines, Republic of South Sudan, Saudi Arabia, Somalia, Sudan, Syria, Tunisia, Ukraine, Venezuela, West Bank and Gaza, Yemen, and Zimbabwe.

B. Benefits payable under this Endorsement are the same as those that would be payable if the Employees in question were subject to the Worker's Compensation Law of the following State or States: ARIZONA

C. Benefits payable under this Endorsement shall include repatriation expense in an amount up to *$ 25,000* with respect to any one Employee and as otherwise subject to the CORPORATION'S Foreign Voluntary Endorsement Limit of Liability for Coverage B – Employer's Liability.

D. The CORPORATION'S Foreign Voluntary Endorsement Limit of Liability for Coverage B – Employer's Liability is limited to *$ 100,000* and applies in excess of the Self-Insured Retention Per Occurrence.

SECTION 2. EMPLOYEES COVERED

A. It is agreed that the insurance provided by this Agreement also applies to those Employees of the EMPLOYER who are hired or assigned by the EMPLOYER to work at locations within the country or countries not excluded in this Endorsement.

B. This insurance, with respect to any such Employee, shall attach from the moment such Employee is hired or assigned for such work and shall cease from the moment the employment or assignment for such work is terminated. If the Employee has been hired in the United States of America, coverage continues after termination of employment until the Employee returns to the United States of America or for a reasonable period of time for the opportunity to return to the United States of America, unless termination of employment is due to the Employee's resignation.

C. This insurance shall not apply to persons other than citizens or residents of the United States of America within the country or countries stated in this Endorsement except as stated herein: NONE.

0293 00 0906 (XWC)

ENDORSEMENT (CONTINUED)

All other terms, conditions, agreements and stipulations remain unchanged.

Attached to and forming a part of Excess Workers' Compensation and Employers' Liability Insurance Agreement No. SP 4051401, issued by SAFETY NATIONAL CASUALTY CORPORATION of St. Louis, Missouri to CITY OF GLENDALE, dated July 01, 2014.

SAFETY NATIONAL CASUALTY CORPORATION

Secretary

President

0339 01 0908 (XWC)

ENDORSEMENT

SAME COMMUNICABLE DISEASE-SPECIFIC EXCESS

Effective 12:01 A.M., Local Time, July 01, 2014

In consideration of the payment of premium and adherence by both parties to the terms of this Agreement, it is hereby understood and agreed that the Definitions of this Agreement shall be revised as follows:

1. Paragraph (4) shall be revised to include the following:

   With respect to bodily injury caused by the Same Communicable Disease, Occurrence shall mean an accident or a series of related events having a detectable common source of causation at the workplace, that results in bodily injury to two or more Employees who are infected with the Same Communicable Disease, which infection is manifested during the Liability Period of this Agreement.

2. Paragraph (7) shall be added and shall read as follows:

   (7) "Same Communicable Disease" - shall mean specifically diagnosed infectious disease caused by an infectious organism which is transmitted from one source to another, directly or indirectly, which is the same proximate cause of bodily injury to each infected Employee.

All other terms, conditions, agreements and stipulations remain unchanged.

Attached to and forming a part of Excess Workers' Compensation and Employers' Liability Insurance Agreement No. SP 4051401, issued by SAFETY NATIONAL CASUALTY CORPORATION of St. Louis, Missouri to CITY OF GLENDALE, dated July 01, 2014.

SAFETY NATIONAL CASUALTY CORPORATION

Secretary

President

SAFETY NATIONAL CASUALTY CORPORATION

PRIVACY STATEMENT

Our Commitment To Our Customers

Safety National Casualty Corporation ("Safety National") is proud to have provided quality products and services to its customers for over 50 years. We greatly appreciate the trust that you and all of our customers place in us. We protect that trust by respecting the privacy of all of our customers, both present and past. The following will explain our privacy practices so that you will understand our commitment to your privacy.

We Respect Your Privacy

When you apply to Safety National for any type of insurance, you disclose information about you to us. The collection, use and disclosure of such information is regulated by law. Safety National and its affiliates maintain physical, electronic and procedural safeguards that comply with state and federal regulations to guard your personal information. Our employees are also advised of the importance of maintaining the confidentiality of your information.

Types Of Information We Collect

Safety National obtains most of our information directly from you, your agent or broker. The application you complete, as well as any additional information you provide, generally gives us most of the details we need to know. Depending on the nature of your insurance transaction, we may need further details about you.

We may obtain information from third parties, such as other insurance or reinsurance companies, medical providers, government agencies, information clearinghouses and other public records. We may also obtain information about you from your other transactions with us, our affiliates or others.

What We Do With Your Information

Information that has been collected about you will be retained in our files. We will review your information in evaluating your request for insurance coverage, determining your rates or underwriting risk, servicing your policy or adjusting claims. We may retain information about our former customers and would disclose that information only to affiliates and to non-affiliates as described in this notice or as otherwise permitted by law.

To Whom Do We Disclose Your Information

We will not disclose any non-public, personal information about our customers or former customers, except as permitted by law. That means we may disclose information we have collected about you to the following types of third parties:

- Our affiliated companies (Members and subsidiaries of the Tokio Marine Holdings, Inc. group of companies).
- Your agent or broker.
- Parties who perform a business or insurance function for Safety National, including reinsurance, underwriting, claims administration or adjusting, investigation, loss control and computer systems companies.
- Other insurance companies or agents as reasonably necessary concerning your application, policy or claim.
- Insurance regulatory or statistical reporting agencies.
- Law enforcement or governmental authorities in connection with suspected fraud or illegal activities.
- Authorized persons as ordered by subpoena, warrant or court order, or as required by law.

We do <u>not</u> disclose any non-public, personal information about you to non-affiliated companies for marketing purposes or for any other purpose except those specifically allowed by law and described above.

Independent Sales Agents or Brokers

Your policy may have been placed with us through an independent agent or broker ("Sales Agent"). Your Sales Agent may have gathered information about you. The use and protection of information obtained by your Sales Agent is their responsibility, not Safety National's. If you have questions about how your Sales Agent uses or discloses your information, please contact them directly.

CRISIS PROTECTION

- BENEFIT INFORMATION -

Available Exclusively to Safety National's Excess and Large Deductible Workers' Compensation Policyholders

SAFETY NATIONAL CRISIS PROTECTION NOTIFICATION EMAIL ADDRESS:
crisisprotection@safetynational.com

SAFETY NATIONAL CRISIS PROTECTION 24-HOUR HOTLINE:
(855) 687-3254

DEFINITIONS

A. **Domestic Crisis Event** means a man-made emergency situation limited to an explosion, arson, bombing, workplace violence, structural fire or a vehicular accident occurring entirely in the United States and/or any territories or possessions of the same. Domestic Crisis Event also means a natural disaster at owned, leased or designated workplace locations limited to a tornado, explosion, wildfire, structural fire, earthquake and any resulting tsunami, hurricane or flood occurring entirely in the United States and/or any territories or possessions of the same. In order to qualify as a Domestic Crisis Event, an event must directly involve the death of two (2) or more of Your Employees. Safety National Casualty Corporation ("Safety National") shall solely determine what qualifies as a Domestic Crisis Event for purposes of this benefit.

B. **International Extraction Crisis Event** means an international crisis directly involving Your Employees and resulting in their immediate need of removal from a geographic location to avoid imminent serious injury or death as the result of an existing emergency situation. An International Extraction Crisis Event is limited to employee extraction from a man-made emergency situation only as the result of an explosion, arson, bombing, riot, or government collapse and political unrest. An International Extraction Crisis Event that necessitates employee extraction as the result of a natural disaster is limited to a tornado, explosion, wildfire, earthquake and any resulting tsunami, cyclone/typhoon/hurricane or flood. Safety National shall solely determine what qualifies as an International Extraction Crisis Event for purposes of this benefit.

C. **Your Employees** means any of Your full-time employees that are direct employees of Your company and directly involved in a qualifying event. It specifically excludes any contractors, temporary or part-time workers. Safety National specifically restricts Safety National Crisis Protection to, and will only provide benefits for, Your Employees who are directly covered by any excess or large deductible workers' compensation insurance policy issued to You by Safety National and who are currently employed at the time of the qualifying event.

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* Safety National Crisis Protection is a complimentary benefit for Safety National's excess and large deductible workers' compensation customers only and is NOT an insurance coverage or policy of any type.

D. **Immediate Family Member** means spouse, child or children and parents of Your Employee directly involved in a Domestic Crisis Event.
E. **You, Your and Yours** shall refer to an excess or large deductible workers' compensation policyholder of Safety National who has an active and fully-paid policy at the time of the qualifying event.
F. **Warning Country** shall refer to any country, territory, province or geographical location listed by the United States Department of State at http://travel.state.gov/content/passports/english/alertswarnings.html as a location for which a travel warning has been issued and is currently active. Safety National shall solely determine whether a certain country, territory, province or geographical location is considered a Warning Country at the time of the qualifying event.
G. **Sanctioned Country** shall refer to any country, territory, province or geographical location listed by the United States Department of the Treasury at http://www.treasury.gov/resource-center/sanctions/Programs/Pages/Programs.aspx as the subject of any current Office of Foreign Assets Control ("OFAC") sanctions program. Safety National shall solely determine whether a certain country, territory, province or geographical location is considered a Sanctioned Country at the time of the qualifying event.

*YOUR BENEFITS UNDER SAFETY NATIONAL CRISIS PROTECTION**

As a valued policyholder, Safety National has developed the Safety National Crisis Protection program as a complimentary benefit available to You. If a qualifying Domestic Crisis Event occurs that directly involves You as a Safety National excess or large deductible workers' compensation policyholder, Safety National will pay to cover the cost of either a Safety National approved crisis management firm, crisis response firm, public relations firm and/or for emergency psychological services up to the annual, aggregate limit of the benefit. If You choose to use an unapproved vendor, reimbursement will be made directly to You for services that are approved by Safety National, up to the annual, aggregate limit of this benefit.

In the event that a qualifying International Extraction Crisis Event occurs that directly involves You as a Safety National excess or large deductible workers' compensation policyholder, Safety National will reimburse You to cover the cost of expenses approved by Safety National involving an employee extraction firm of Your choice. With respect to any International Extraction Crisis Event, Safety National will provide this benefit for qualifying events anywhere in the world outside the United States or United States possessions and territories, except for events that occur in any country, territory, province or geographical location listed as a Warning Country by the United States Department of State on the initial date that You report the International Extraction Crisis Event to Safety National. Safety National will also not provide this benefit for events that occur in any country, territory, province or geographical location listed by the United States Department of Treasury as the subject of any current Office of Foreign Assets Control ("OFAC") sanctions program on the initial date that You report the International Extraction Crisis Event to Safety National.

The total annual, aggregate limit for a Domestic Crisis Event, an International Extraction Crisis Event, or any combination of the two is $50,000 for any active excess or large deductible workers' compensation policy year. In the case of a multi-year excess or large deductible workers'

the maximum of $50,000 in any one year that coincides with your active and fully-paid excess or large deductible workers' compensation insurance policy with Safety National. The annual, aggregate benefit limit of $50,000 shall apply regardless of the number of policies You have with Safety National.

*SCOPE OF BENEFITS UNDER SAFETY NATIONAL CRISIS PROTECTION**

In order to take advantage of this benefit: (1) the Domestic Crisis Event or International Extraction Crisis Event must directly involve Your business and occur within the period of coverage provided by Safety National to You under an active and fully-paid excess or large deductible workers' compensation insurance policy; (2) the facts, circumstances, pre-existing condition(s) or situation(s) that lead up to the Domestic Crisis Event or International Extraction Crisis Event were not known to You in advance; and (3) the Domestic Crisis Event or International Extraction Crisis Event had not affected Your operation in any way before the current policy period began.

Since Safety National has approved vendors for Domestic Crisis Events, you can contact them via the following 24-hour hotline as soon as the event occurs:

> **(855) 887-3254. Black Swan Solutions** is the Safety National approved vendor for Crisis Management and Counseling and takes all incoming calls regarding Domestic Crisis Events. In the event You need to get in contact with another approved vendor for a Crisis Communication/Public Relations situation, Black Swan Solutions will route Your call to the appropriate vendor. During Your initial call with Black Swan Solutions, You must provide: (1) Your active excess or large deductible workers' compensation account name, (2) Your policy number and (3) the effective date of that policy.

If an International Extraction Crisis Event occurs, since there are no approved vendors, You should contact the vendor of Your choice and Safety National will reimburse you for those approved costs up to the above listed annual, aggregate limit.

In addition to contacting a vendor, **You must notify Safety National within five (5) business days of any Domestic Crisis Event or International Extraction Crisis Event which may result in any benefits under Safety National Crisis Protection at the following email address: crisisprotection@safetynational.com. Failure to do so may void this benefit and any payments or reimbursements by Safety National.** This email address is also listed at the beginning of this benefit information packet. Further written notification regarding specifics of the qualifying event must be made as soon as possible after the initial email notification. The written notification must include when, where and how the Domestic Crisis Event or International Extraction Crisis Event occurred, and the nature of the injuries or damages You have experienced to date as well as those You expect to experience as a result of the Domestic Crisis Event or International Extraction Crisis Event. **Any notice You provide to Black Swan Solutions and/or Safety National under this Safety National Crisis Protection benefit program shall NOT be considered a notice of loss under any Safety National excess or large deductible workers' compensation insurance policy.**

All invoices and receipts relating to any request for direct vendor payment and/or reimbursement to You under this benefit must be submitted to Safety National for payment within sixty (60) days from