

GOLDEN STATE RISK MANAGEMENT AUTHORITY

Certificate of Coverage Workers' Compensation Insurance Program

Coverage Afforded By: Golden State Risk Management Authority

Certificate Number: JPA WC 0032

Coverage Term: July 1, 2010 through June 30, 2011

Limit of Coverage: Workers' Compensation and Employers' Liability combined \$200,000 per occurrence, including "Defense Costs."

Coverage Afforded: Future Assessments:
It is understood and agreed that if aggregate losses under Golden State Risk Management Authority's Workers' Compensation Program for the Memorandum Period stated above exceed total contributions collected, Golden State Risk Management Authority may assess additional contributions in accordance with the provisions of the Joint Exercise of Powers Agreement and Bylaws.

Supplemental Information:
A complete copy of the CSAC-EIA Memorandum of Coverage, #EIA-PE 10 EWC-02, identified in more detail below, will be provided upon written request. Any question or dispute with respect to the rights and obligations of the parties to Golden State Risk Management Authority regarding coverage under this Certificate shall be determined in accordance with the Bylaws, Article XIII. Dispute Resolution.

In consideration of the payment of the Covered Party's Annual Premium Charge, in reliance upon the statements made in the application for coverage hereunder, and subject to all of the terms of this Certificate of Coverage and of the applicable Joint Exercise of Powers Agreement and Bylaws, Golden State Risk Management Authority agrees with the Covered Party as follows:

The coverage afforded by this Certificate of Coverage is identical to, and follows the form of,

the Excess Workers' Compensation Memorandum of Coverage issued by CSAC-EIA, Memorandum #EIA-PE 10 EWC-02, except as to provisions that conflict with this Certificate, in which case, the provisions of this Certificate control.

Coverage Agreement:

The provisions set forth under the CSAC-EIA Memorandum, Coverage Agreement II. "Retention and Indemnity" are deleted in their entirety and replaced by the following:

Notwithstanding the application of this Certificate to "loss" sustained by the "Covered Party" under subsections A, B and C of Agreement I of the CSAC-EIA Memorandum, and regardless of the number of entities named Covered Parties hereunder, the maximum limit of the Golden State Risk Management Authority's coverage, including "Defense Costs," hereunder shall not exceed the amount specified in the above-stated Limit of Coverage.

Defense Agreement:

(1) Under this Certificate, Golden State Risk Management Authority will have the right and duty to defend at the Golden State Risk Management Authority's expense any claim, proceeding or suit against a Covered Party for benefits payable under Coverage 1.A. and 1.B., Workers' Compensation, of the CSAC-EIA Memorandum. Golden State Risk Management Authority has the right to investigate and settle such claims, proceedings, or suits. However, Golden State Risk Management Authority has no duty to defend a claim, proceeding or suit that is not covered under this Certificate or after the applicable Limit of Coverage is exhausted by the payment of defense costs, awards, judgments or settlements, or any combination thereof, hereunder.

(2) Under this Certificate, Golden State Risk Management Authority will have the right and duty to defend at the Golden State Risk Management Authority's expense any claim, proceeding or suit against a Covered Party for damages payable under Coverage 1.C., Employers' Liability, of the CSAC-EIA Memorandum. Golden State Risk Management Authority has the right to investigate and settle such claims, proceedings or suits.

However, Golden State Risk Management Authority has no duty to defend a claim, proceeding or suit that is not covered under this Certificate or after the applicable Limit of Coverage is exhausted by the payment of defense costs, awards, judgments or settlements, or any combination thereof, hereunder.

Golden State Risk Management Authority's right to defend claims, proceedings or suits includes the right to select defense counsel for the Covered Party and to control the conduct of the defense of any such claim, proceeding or suit.

Definitions:

This Certificate incorporates each, and every, Definition contained in the CSAC-EIA Memorandum. The following definition is added with respect to the coverage afforded by this Certificate:

"Defense Costs" means reasonable fees charged by an attorney; expenses of a claims servicing organization the Covered Party has engaged; all other reasonable fees, costs and expenses attributable to the investigation, defense, administration or appeal of a claim or suit within the scope of coverage afforded by this Certificate; all costs taxed against the Covered Party and any attorney's fees and costs paid to a claimant or claimant's counsel as part of a settlement between a Covered Party and the claimant that has been approved by the Authority; and post-judgment interest that accrues before Golden State Risk Management Authority has paid, offered to pay or deposited in court the amount available for the judgment under the available Limits of Coverage. However, salaries of employees of a Covered Party and the overhead and other office expenses of a Covered Party shall not be considered Defense Costs.

Exclusions:

This Certificate incorporates each, and every, Exclusion contained in the CSAC-EIA Memorandum.

Conditions:

As respects the coverage afforded by this Certificate, the Conditions relating to "IV. Administration and Reporting of Claims" contained in the CSAC-EIA Memorandum are deleted in their entirety and replaced by the following provisions:

1. Administration and Reporting of Claims:

- a. The Covered Party must notify the Golden State Risk Management Authority as soon as practicable of any occurrence that may result in a claim.
- b. If a claim is made or a suit is brought, against any Covered Party, the Covered Party must notify Golden State Risk Management Authority immediately and send Golden State Risk Management Authority any claims, demands, notices, summons, or legal papers received in connection with the claim or suit.
- c. The Covered Party must assist Golden State Risk Management Authority, upon its request, in the enforcement of any right against any person or organization that may be liable to the Covered Party because of injury or damage to which this coverage may also apply.
- d. No Covered Party, except at its own cost, may make any payment, assume any obligation, or incur any expense, other than for first aid, without the consent of Golden State Risk Management Authority.

2. Legal Action Against Golden State Risk Management Authority:

No person or organization has a right under this certificate:

- a. To join Golden State Risk Management Authority as a party or otherwise bring the Golden State Risk Management Authority into a suit asking for damages from a Covered Party; or

- b. To sue Golden State Risk Management Authority on this certificate unless all of its terms have been fully complied with.

A person or organization may sue Golden State Risk Management Authority to recover on an agreed settlement or on a final judgment against a Covered Party obtained after an actual trial; but Golden State Risk Management Authority will not be liable for damages that are not payable under the terms of this Certificate or that are in excess of the applicable Limit of Coverage. An agreed settlement means a settlement and release of liability signed by the Golden State Risk Management Authority, the Covered Party and the claimant or the claimant's legal representative.

Date: July 1, 2010

Signed By:  _____