

FILED FOR RECORD
IN MY OFFICE

AT 9:00 O'CLOCK A. M.

FEB 3 - 2005

MICKEY DORMAN
COUNTY CLERK, PANOLA COUNTY, TEXAS

BY Martha L. Beyer DEPUTY

**MEETING OF COMMISSIONERS' COURT
OF PANOLA COUNTY**

TO WHOM IT MAY CONCERN:

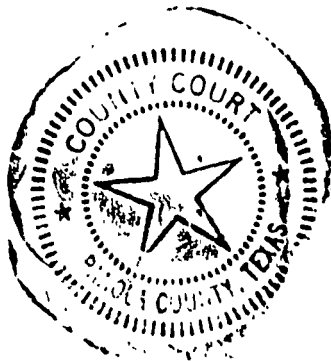
PURSUANT TO THE TEXAS OPEN MEETINGS ACT, NOTICE IS HEREBY GIVEN THAT A SPECIAL MEETING OF THE COMMISSIONERS' COURT OF PANOLA COUNTY, TEXAS WILL BE HELD ON THE 7TH DAY OF FEBRUARY, 2005, IN THE COMMISSIONERS' COURTROOM IN THE PANOLA COUNTY COURTHOUSE IN CARTHAGE, TEXAS AT 9:00 O'CLOCK A.M. AT WHICH MEETING THE FOLLOWING SUBJECTS WILL BE DISCUSSED AND THE FOLLOWING MATTERS ACTED UPON:

OPEN MEETING:

1. To discuss, approve and record commercial property, equipment, vehicle, and liability insurance coverage offered through the Texas Public Entity Group Interlocal Agreement Self-Insurance League pursuant to Chapter 791 of the Texas Government Code.

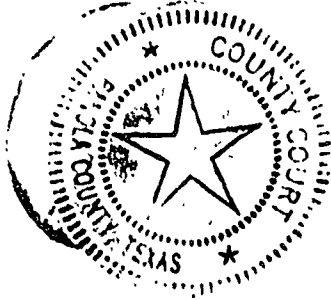
ADJOURNMENT

WITNESS THE HAND OF THE UNDERSIGNED CLERK ON THIS THE 3RD DAY OF FEBRUARY, 2005 AT 9:00 O'CLOCK A.M.



Mickey Dorman
 MICKEY DORMAN, COUNTY CLERK
 PANOLA COUNTY, TEXAS
 By Martha L. Beyer, Deputy

I, MICKEY DORMAN, CLERK OF THE COMMISSIONERS' COURT OF PANOLA COUNTY, TEXAS DO HEREBY CERTIFY THAT THE ABOVE NOTICE WAS POSTED ON THE OFFICIAL BULLETIN BOARD IN THE PANOLA COUNTY COURTHOUSE IN THE CITY OF CARTHAGE, TEXAS AND IN A PUBLIC PLACE VISIBLE AT ALL TIMES ON THE 3RD DAY OF FEBRUARY, 2005 AT 9:00 O'CLOCK A.M.



Mickey Dorman
MICKEY DORMAN, COUNTY CLERK
PANOLA COUNTY, TEXAS
By: Martha L. Bayer, Deputy

FILED FOR RECORD
IN MY OFFICE
AT 10:45 O'CLOCK A M

MAR 15 2005

MICKEY DORMAN
COUNTY CLERK, PANOLA COUNTY, TEXAS
BY Mickey Dorman DEPUTY

The State of Texas
County of Panola

On this the 7th day of February A.D. 2005, the Commissioners' Court of Panola County, Texas met in a Special Meeting of the Court at 9:00 o'clock a.m. in the Commissioners' Courtroom of said County with the following members of the Court present:

David L Anderson
Ronnie LaGrone
Douglas M. Cotton
Hermon E. Reed, Jr.
Dale LaGrone

County Judge
Commissioner, Precinct #1
Commissioner, Precinct #2
Commissioner, Precinct #3
Commissioner, Precinct #4

with none absent, constituting a quorum of the Court. Also attending were Mickey Dorman, County Clerk and Lee Ann Jones, Administrative Assistant to the County Judge. Attached to and made a part of these Minutes is a list of other attendees and the office or organization that each represents. The following proceedings were held at this meeting:

OPEN MEETING:

1. After a presentation by Mr. Scott Thomas of The Patterson Agency, Commissioner Cotton moved and Commissioner Dale LaGrone seconded the motion to approve the proposal for commercial property, equipment, vehicle and liability insurance coverage offered through The Texas Public Entity Group Interlocal Agreement Self-Insurance League pursuant to Chapter 791 of the Texas Government Code. The motion passed unanimously. SEE COPY OF PROPOSAL ATTACHED.

Dated this the 7th day of February, 2005.

David L. Anderson
David L. Anderson, County Judge, Panola County, Texas

ATTEST:

Mickey Dorman
Mickey Dorman, County Clerk, Panola County, Texas



7 February 2004

9:00am

Bonita Phillip
Scott Thomas

VOL. 48 PAGE 512

The following insurance proposal is offered through the
TEXAS PUBLIC ENTITY GROUP

100% Reinsured and Administered by ST. Paul Fire and Marine
Insurance Company, a Minnesota-domiciled Property and Casualty
Company

Thank you for choosing TEXAS PUBLIC ENTITY GROUP for
your insurance needs.

The St. Paul
Property and Liability Insurance

Public Sector Services
P. O. Box 65100
San Antonio, TX 782655100
Phone: 210-527-2700
Fax: 210-527-2800

INSURANCE PROPOSAL

Created for
Panola County

Effective Date
02/13/2005 to 02/13/2006

Presented by
Mr Scott Thomas
Patterson Agency, The
P.O. Box 430
Carthage, TX 75633

Prepared by
David Byrom , Territory Manager
Ms. Carol Amaio , Underwriter
01/21/2005

The St. Paul Companies
A.M. Best Rating A

IMPORTANT: Proposed coverages are provided by the company's forms, subject to the terms, conditions and limitations of the policy (ies) in current use by the company. The policies themselves must be read for specific details. No warranty is made or implied regarding compliance with any bid specifications, unless such provisions are a part of the proposal.

1/21/2005

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ABOUT THE ST. PAUL

The St. Paul is a group of companies providing property-liability insurance and reinsurance products and services worldwide. Since its founding in 1853, The St. Paul has become a leading property-liability insurance underwriter and a Fortune 500 company. The St. Paul has 10,000 employees worldwide and financial assets of more than \$41 billion as of December 2000. The company's stock is listed on the New York Stock Exchange under the symbol SPC. Additional information about The St. Paul can be obtained at www.stpaul.com.

The financial strength of an insurance company is understandably important to its policyholders. Independent services, such as A.M. Best, Standard & Poor's and Moody's, give high ratings to The St. Paul's claim-paying ability and financial strength. Following are The St. Paul's claims-paying ratings as of April 1, 2003:

A.M. Best	A	A is the third highest rating available based upon a scale from A++ to D
Standard & Poor's	A+	A+ is the third highest rating available based on a scale from AAA to CC
Moody's	A1	A1 is the third highest rating available based on a scale of Aaa to C.

It is the policy of The St. Paul to comply with all applicable federal, state and local fair employment laws. In addition, The St. Paul files appropriate EEO-1 reports and voluntarily subscribes to the principles of affirmative action.

PUBLIC SECTOR EXPERTISE

By exclusively servicing public entities, Public Sector Services is able to provide underwriting, claim and risk control services designed to meet your specific needs. All of The St. Paul's public sector policyholders - currently more than 4,000 nationwide - can depend on receiving prompt, professional service from specialists who understand and are committed to the complexities of their operations. Please visit our Web site at www.stpaul.com to learn more about how The St. Paul can serve your specific insurance needs.

Underwriting

In the multidimensional public sector, no single program is right for every entity. The St. Paul's underwriters are aware of these complexities and nuances. They take the time to stay abreast of public affairs, as well as society's evolving legal and social issues, providing the expertise to anticipate future risk implications for public entities. Our underwriters take pride in developing balanced solutions to meet each customer's unique situation and will work with your agent or broker to customize the most effective plan for you.

Claim Services

The St. Paul's dedicated center of expertise balances years of experience with a single-minded focus on handling public sector claims. Our team of seasoned professionals provides prompt, knowledgeable service, reducing the time and costs involved in resolving complicated claims. With our extensive immunity knowledge and legal council partnership throughout the United States, our staff has access to expert information on critical legal statutes, ensuring an in-depth evaluation of all exposures to save our customers time and money. You may visit our Web site to report a claim, or report a claim by phone at 1-800-STPAUL1, open 24 hours a day, seven days a week, 365 days a year.

Risk Control Services

Considered to be among the best in the industry, The St. Paul's dedicated risk control group offers services that are critical to a balanced insurance program. Our risk control experts work exclusively with public entities to ensure a solid understanding of unique risks, operations and issues. Their ability to identify and foresee hazards will help you avoid, control and transfer risk in the most appropriate ways. The following outlines the risk control services available.

RISK CONTROL RESOURCES

The St. Paul offers risk control resources that have a proven impact on preventing losses and reducing overall costs for public entities. These resources have been developed for public entity clients to address issues related to general liability, vehicle safety, property protection, law enforcement liability, and employment practices liability.

Our goal is to provide public entities with resources to reduce loss-related expenses and enhance delivery of public services. These risk control resources respond to historical losses experienced by public entities and align with "best practices" for government entities, as advocated by the Public Risk Management Association (PRIMA) and the International City/County Management Association (ICMA).

When you select The St. Paul for your insurance program, you will have access to a wealth of risk control resources, including:

- **The Public Sector Risk Control Self-Assessment Evaluation Report:** During the quotation process, you completed a risk control self-assessment survey. The results of this survey are outlined in the Risk Control Self-Assessment Evaluation Report, which provides information on how effectively

your organization is identifying and managing risk. This report addresses:

- Loss Control Policy
- Accident Investigation
- Citizen Complaint Process
- Risk Transfer Mechanisms
- Automobile Risk Control
- Employment Practices Risk Control
- Law Enforcement
- Public Works
- Parks and Recreation
- Fire Departments

The Self-Assessment Evaluation Report identifies several significant risk management improvements you could make, and provides tools, references, model programs and other resources to help you implement the specific improvements suggested.

- **Risk Control Fax-On-Demand:** Information is as close as a fax machine with this service for The St. Paul's public entity clients. Risk control policies and programs, safety meeting topics, forms for documenting risk control efforts, and a wide variety of risk control resources are available through your fax machine. The process is as easy as dialing an 800 number and takes less than five minutes to receive the documents.
- **Public Sector Risk Control Answer Line:** Have a technical question about a risk control issue? Use The St. Paul Public Sector Risk Control Answer Line. Clients can direct their specific risk control questions to the Answer Line for advice and information.
- **Employment Practices Liability Risk Management Resources:** Our EPL resources include (1) a toll-free telephone consultation service for employment questions; (2) an Internet-based resource site with a wealth of employment practices information; and (3) an employment practices risk control resource manual with samples of policies, forms and an employee manual.
- **In the Public Interest Newsletter:** Each issue of this quarterly newsletter addresses a single, specific employment practice s topic and offers information on legal and regulatory concerns. The newsletter also features risk control and risk management methods to minimize the frequency and severity of losses resulting from employment practices.
- **The St. Paul Safety Academy Programs:** The St. Paul offers safety and risk management courses and programs at 40 locations across the country. Tuition is waived for policyholders of The St. Paul.

At The St. Paul, we are dedicated to meeting our public entity clients' risk management and risk control needs. We are pleased to offer you these valuable risk control resources as a part of this insurance proposal.

Property Special

OPTION 1

Coverage	Limit
Blanket Building/Personal Property #1 Coinsurance: 90 % Valuation: Functional Replacement Cost Deductible	\$ 3,054,494 \$ 1,000
Blanket Building/Personal Property #2 Coinsurance: 90 % Valuation: Replacement Cost Deductible	\$ 2,878,400 \$ 1,000
Specified Location Basis Coinsurance: 90 % Valuation: Actual Cash Value Deductible	\$ 3,303,771 \$ 1,000
The following are included:	
004-Jail	
004-Jail	
Specified Location Basis Coinsurance: 90 % Valuation: Actual Cash Value Deductible	\$ 81,480 \$ 1,000
The following are included:	
005-Office	
005-Office	
Specified Location Basis Coinsurance: 90 % Valuation: Actual Cash Value Deductible	\$ 57,289 \$ 1,000
The following are included:	
006 -Office	
006 -Office	
Specified Location Basis Coinsurance: 90 % Valuation: Actual Cash Value Deductible	\$ 541,788 \$ 1,000

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Coverage	Limit
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The following are included:

007-Office

007-Office

Specified Location Basis	\$ 191,360
Coinsurance: 90 %	
Valuation: Actual Cash Value	
Deductible	\$ 1,000

The following are included:

008-Probation Office

008-Probation Office

Specified Location Basis	\$ 83,200
Coinsurance: 90 %	
Valuation: Actual Cash Value	
Deductible	\$ 1,000

The following are included:

009-(3) Fuel Tanks

Specified Location Basis	\$ 2,798
Coinsurance: 90 %	
Valuation: Actual Cash Value	
Deductible	\$ 1,000

The following are included:

010- Lunsford Portable Bldg

Specified Location Basis	\$ 52,000
Coinsurance: 90 %	
Valuation: Actual Cash Value	
Deductible	\$ 1,000

The following are included:

011-Terminal/Office/Lounge

Specified Location Basis	\$ 15,600
Coinsurance: 90 %	
Valuation: Actual Cash Value	
Deductible	\$ 1,000

The following are included:

012-Enclosed Hanger #1

Specified Location Basis	\$ 20,800
Coinsurance: 90 %	

Coverage	Limit
Valuation: Actual Cash Value	
Deductible	\$ 1,000

The following are included:

013-Enclosed Hanger #7

Specified Location Basis	\$ 6,240
Coinsurance: 90 %	
Valuation: Actual Cash Value	
Deductible	\$ 1,000

The following are included:

014-Open Hanger #8

Specified Location Basis	\$ 12,480
Coinsurance: 90 %	
Valuation: Actual Cash Value	
Deductible	\$ 1,000

The following are included:

015- Enclosed Hanger #10

Specified Location Basis	\$ 6,240
Coinsurance: 90 %	
Valuation: Actual Cash Value	
Deductible	\$ 1,000

The following are included:

016-Open Hanger #12

Specified Location Basis	\$ 14,560
Coinsurance: 90 %	
Valuation: Actual Cash Value	
Deductible	\$ 1,000

The following are included:

017 -Enclosed Hanger #13

Specified Location Basis	\$ 6,240
Coinsurance: 90 %	
Valuation: Actual Cash Value	
Deductible	\$ 1,000

The following are included:

018-Open Hanger #14

Specified Location Basis	\$ 36,400
Coinsurance: 90 %	
Valuation: Actual Cash Value	
Deductible	\$ 1,000

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Coverage	Limit
The following are included:	
019-Enclosed Hanger #16	\$ 26,000
Specified Location Basis	\$ 1,000
Coinsurance: 90 %	
Valuation: Actual Cash Value	
Deductible	
The following are included:	
020-Potable/Terminal Bldg	\$ 114,400
Specified Location Basis	\$ 1,000
Coinsurance: 90 %	
Valuation: Actual Cash Value	
Deductible	
The following are included:	
021-Recycled Asphalt Batching	\$ 523,500
Specified Location Basis	\$ 1,000
Coinsurance: 90 %	
Valuation: Actual Cash Value	
Deductible	
The following are included:	
022-Armory/Storage	\$ 104,000
Specified Location Basis	\$ 1,000
Coinsurance: 90 %	
Valuation: Actual Cash Value	
Deductible	
The following are included:	
023-Armory/Storage	Included
Equipment Breakdown	\$ 250,000
Coverage is included in the property limit. Property deductible applies.	\$ 250,000
Sublimits:	\$ 250,000
Expediting Expense	
Pollution Clean-Up	
Spoilage	
The following additional exclusions apply:	
Mold Or Bacteria Exclusion Endorsement.	

Program Features and Benefits

PROPERTY

Property covered only if described in the statement of values:

- Underground tanks, flues, pipes and drains
- Fences, except as included under the outdoor property additional benefit

Additional Coverages- The following are included in the property limit:

- Debris Removal - up to 25% of paid loss
- Preservation of property moved to another location for 30 days

Additional Benefits

The following additional benefits are included. These benefits are in addition to the property limit and are subject to the property deductible.

	Limit
Accounts Receivable	\$ 100,000
Arson Reward (Not available in New York)	\$ 7,500
Business Income / Extra Expense	\$ 100,000
Communication Equipment	\$ 50,000
Computers	\$ 50,000
Confiscated or Commandeered Property	\$ 100,000
Crime Reward (Not available in New York)	\$ 5,000
Demolition and Increased Cost of Construction	\$ 100,000*
* or 10 percent of the value of the damaged covered building indicated in the statement of values or schedule, whichever is less.	
Fairs, Exhibits, or Displays	\$ 50,000
Fine Arts	\$ 50,000
Fire Department Service Charge	\$ 25,000
Freestanding Signs	\$ 25,000
Grounds Maintenance Equipment	\$ 50,000
Inventory & Appraisals	\$ 10,000
Money & Securities	
Inside Limit	\$ 10,000
Outside Limit	\$ 5,000
Newly Acquired Property - Building for 180 days	\$ 1,000,000
Newly Acquired Property - Personal Property for 180 days	\$ 500,000
Off-Premises Utility Failure - Direct Damage	\$ 50,000
Other People's Property	\$ 25,000
Outdoor Property - Maximum \$1,000 any one item	\$ 50,000
Personal Belongings	\$ 50,000
Pollution Clean-Up and Removal	\$ 25,000
Property in Transit	\$ 50,000
Random Attack-Hacking Event or Computer Virus	\$ 10,000
Sewer Backup	\$ 50,000
Spoilage	\$ 10,000
Temporary Location	\$ 50,000
Valuable Records Research	\$ 100,000

Inland Marine

OPTION 1

Coverage	Valuation	Deductible	Limit
Contractors Equipment	Actual Cash Value		
Scheduled Equipment- Total values		\$1,000	\$2,441,002
Catastrophe Limit			\$2,441,002

The following additional exclusions apply:

PANOLA COUNTY EQUIPMENT LIST "2005"

YEAR	MAKE/MODEL	SERIAL #	AMT. OF INSURANCE	Deductible \$1,000
1994	JOHN DEERE 310 BACKHOE	T0310DG798797	\$ 25,000.00	X
1994	JOHN DEERE 770BH MOTOR GRADER	DW770BH546044	\$ 60,000.00	X
1994	JOHN DEERE 770BH MOTOR GRADER	DW770BH546043	\$ 60,000.00	X
1994	JOHN DEERE 770BH MOTOR GRADER	DW770BH546042	\$ 60,000.00	X
1994	JOHN DEERE 770BH MOTOR GRADER	DW770BH546138	\$ 60,000.00	X
1997	JOHN DEERE 310D BACKHOE	T0310DG813798	\$ 25,000.00	X
	JOHN DEERE 650G-LPG DOZER	T0650GW831417	\$ 50,000.00	X
	JOHN DEERE 6400 CAB TRACTOR	L06400P177408	\$ 15,000.00	X
	JOHN DEERE 6400 CAB TRACTOR	L06400P185134	\$ 15,000.00	X
1997	JOHN DEERE 310-E BACKHOE LOADER	835088	\$ 25,000.00	X
	CATERPILLAR 140H MOTORGRADER	9TN00623	\$ 154,600.00	X
	CATERPILLAR 140H MOTORGRADER	09TN00624	\$ 154,600.00	X
	CATERPILLAR 140H MOTORGRADER	9TN00625	\$ 154,600.00	X
	CATERPILLAR 140H MOTORGRADER	2ZK03055	\$ 154,600.00	X
	JD 9-WHEEL PNEUMATIC ROLLER	1460	\$ 20,000.00	X
1998	CATERPILLAR BACKHOE	4ZN06487	\$ 40,000.00	X
1998	CATERPILLAR BACKHOE	4ZN06645	\$ 40,000.00	X
1998	CATERPILLAR BACKHOE	4ZN06935	\$ 40,000.00	X
1999	BROYCE RJ350 MECHANICAL POWER BROOM	89626	\$ 16,000.00	X
2000	CATERPILLAR RR250B ROAD RECLAIMER	03RR00194	\$ 250,000.00	X
	VERMEER BRUSH CHIPPER	1VRU11A511002074	\$ 15,000.00	X
	TEREX DOUBLE DRUM ROLLER	SLBT0PSDEY0ZLA004	\$ 12,000.00	X
	9 WHEEL PNEUMATIC ROLLER	59882	\$ 10,000.00	X
1998	JOHN DEERE 230LC EXCAVATOR	600134	\$ 70,000.00	X
2003	MASSEY FERGUSON TRACTOR MOD#471	U250225J	\$ 14,500.00	X
2003	MASSEY FERGUSON TRACTOR MOD#471	U218894H	\$ 14,500.00	X
2003	TEREX BACKHOES MODEL TX760	H10027924	\$ 50,000.00	X
2003	TEREX BACKHOES MODEL TX760	H10027939	\$ 50,000.00	X
2001	ROAD RECLAIMER RR250C	AWG00267	\$ 190,000.00	X
2000	MIXER STABILIZER 55250B	5GR237	\$ 174,600.00	X
2002	NEW HOLLAND BACKHOE	31035641	\$ 50,000.00	X
2002	NEW HOLLAND BACKHOE	31035536	\$ 50,000.00	X
1989	DRESSER LOADER	3390139C004641	\$ 17,000.00	X
1998	JOHN DEERE 6410 TRACTOR	349451	\$ 10,000.00	X
1998	JOHN DEERE 6410 TRACTOR	234890	\$ 10,000.00	X
1976	FLAT LOADER	144	\$ 3,000.00	X

PANOLA COUNTY EQUIPMENT LIST "2005"

YEAR	MAKE/MODEL	SERIAL #	AMT. OF INSURANCE	Deductible \$1,000
2004	JOHN DEERE 310SG	T0310SG927721	\$ 58,550.00	X
2004	John Deere 310SG	T0310SG927721	\$ 50,000.00	X
2004	John Deere 310SG	AWG00244	\$ 90,000.00	X
2003	CAT RM250C Soil Stabilizer	500599	\$ 3,000.00	X
1993	Bomag Double Drum Roller	BN1802	\$ 14,000.00	X
2004	MASSEY FERGUSON TRACTOR MOD#471	BS01145L	\$ 25,000.00	X
2004	Massey Ferguson Tractor MOD#492	T0310SG942977	\$ 64,002.00	X
2005	John Deere 310SG Backhoe	L06415B31891	\$ 35,000.00	X
2005	John Deere 6415 Tractor		\$ 2,499,552.00	
	TOTAL		\$	

**Public Entity General Liability
Occurrence**

OPTION 1

<u>Coverage</u>	<u>Limit</u>
General Total Limit	\$ 2,000,000
Products & Completed Work Total Limit	\$ 2,000,000
Personal Injury Each Person Limit	\$ 2,000,000
Advertising Injury Each Person Limit	\$ 2,000,000
Each Event Limit	\$ 2,000,000
The following sub-limits apply:	
Premises Damage	\$ 2,000,000
Medical Expense	Excluded
Sewer Back Up (resulting from negligence)	Excluded
Failure To Supply Services	Excluded
Statutory Cap Limits of Coverage Endorsement	
Texas personal injury each person statutory cap limit	\$ 100,000
Texas personal injury statutory cap total limit	\$ 300,000
Texas advertising injury each person statutory cap limit	\$ 100,000
Texas advertising injury statutory cap total limit	\$ 300,000
Texas bodily injury each person statutory cap limit	\$ 100,000
Texas bodily injury statutory cap total limit	\$ 300,000
Texas property damage statutory cap limit	\$ 100,000
The following are included:	
Texas Tort	
The following additional exclusions apply:	
Mold, Other Fungi, Or Bacteria Exclusion Endorsement	
Failure to Supply Total Full Exclusion	
Excluded Operations and Premises	
Airport, including any airfield, runway, hangar, terminal, or other property in connection with aviation activities	
Dams, levees, or dikes	
Day care, day camp, nursery, or similar facility	
Electric utility	
Fire district or department	
Gas utility	
Halfway house, emergency shelter, or other group home	
Hospital, nursing home, medical clinic, or other type of medical facility	
Housing project or authority	
Organized or sponsored racing or stunting activity or event involving wheeled vehicles, including skateboards and roller skates	
Port, harbor, or terminal district	
School district or system	
Transportation system	
Water utility	
Waterpark	
Fireworks displays or exhibitions	
Rodeo-exclude participants	

Program Features and Benefits

GENERAL LIABILITY

Coverage Agreement

This agreement is designed to cover the premises and operations exposures of the named insured. It covers amounts any protected person is legally required to pay as damages for covered injury or damage that results from an event, including:

- Extended Bodily Injury
- Broad Form Property Damage
- Products and Completed Operations
- Personal Injury and Advertising Injury
- Premises Damage Legal Liability
- Broad Form Contractual Liability for covered contracts
- Host Liquor Liability
- Intentional Injury or Damage resulting from the use of reasonable force to protect people/property
- Non-Owned Watercraft (less than 75 feet)
- Owned Watercraft (less than 25 feet) - *included on occurrence form only*
- Bodily Injury and Property Damage Pollution Coverage for:
 - Pesticide/herbicide application
 - Application of chlorine or sodium hypochlorite in sewage/water treatment or swimming pools
 - Hostile fire heat, fumes or smoke
 - Mobile equipment operating fluids
 - Fire fighting or emergency response services

Who is Protected

- | | |
|--------------------------------|------------------------------------------------|
| Public Entity | Real Estate Managers |
| Elected or Appointed Officials | Landlords |
| Board Members | Equipment Lessors |
| Employees and Volunteers | Operators of Mobile Equipment |
| | Watercraft Users - <i>occurrence form only</i> |

Other

- Coverage for sewer back up, if a limit is shown, is for negligent acts only.
- Law enforcement duties are excluded. Coverage is available under the Law Enforcement Liability agreement.
- Employment related practices are excluded.
- No coverage for injury to volunteer firefighters.
- Fellow employee injury is excluded, unless otherwise indicated on the previous page.
- Inverse condemnation, property devaluation and eminent domain are excluded.

**Employee Benefit Plans Administration Liability
Claims-Made**

OPTION 1

Coverage	Limit
Total Limit	\$ 6,000,000
Each Wrongful Act Limit	\$ 2,000,000
Each Wrongful Act Deductible	\$ 1,000
Retro Date: None	

Program Features and Benefits

EMPLOYEE BENEFIT PLANS ADMINISTRATION LIABILITY

Coverage Agreement

This agreement is designed to cover liability arising out of a wrongful act committed in the administration of certain types of employee benefit plans. Administration includes advise, interpretation and calculation of benefits, except as excluded. No Retroactive Date applies. However, coverage does not apply if the entity knew of a wrongful act prior to the effective date of this policy and could have reasonably foreseen that it would result in a suit or claim against the entity.

Who is Protected

Public Entity
Employees

**Law Enforcement Liability
Occurrence**

OPTION 1

Coverage	Limit
Total Limit	\$ 2,000,000
Each Wrongful Act Limit	\$ 2,000,000
Statutory Cap Limits of Coverage Endorsement	
Texas bodily injury or personal injury each person statutory cap limit	\$ 100,000
Texas bodily injury or personal injury statutory cap total limit	\$ 300,000
Texas property damage statutory cap limit	\$ 100,000
Each Wrongful Act Deductible (Loss and Loss Expense)	\$ 10,000

The following are included:
Texas Tort

The following additional exclusions apply:
Mold, Other Fungi, Or Bacteria Exclusion Endorsement

Program Features and Benefits

LAW ENFORCEMENT LIABILITY

Coverage Agreement

This coverage was designed to cover the premises and operations exposures and the professional liability of law enforcement agencies, including jail operations. It covers amounts any protected person is legally required to pay as damages for covered injury or damage that result from the conduct of law enforcement duties by or for your law enforcement agency and is caused by a wrongful act. Wrongful act is defined as any act, error or omission. Includes coverage for the following:

- Bodily Injury, Personal Injury and Property Damage
- Authorized Moonlighting
- Canine & Equine Exposures
- False Arrest, Detention or Imprisonment
- False or Improper Service of Process
- Handling and treatment of corpses and dispensing of medication
- Injury due to the use of mace, pepper spray or tear gas
- Mental Anguish, Emotional Distress, Humiliation
- Mutual Aid Agreements
- Violation of Civil protected under any federal, state or local law

Who is Protected

- | | |
|--------------------------------|-------------------|
| Public Entity | Employees |
| Elected or Appointed Officials | Volunteer Workers |

Other

- Duty to defend claims and suits even if allegations are groundless, false, or fraudulent.
- Punitive damages covered up to full policy limits, if allowed by law.
- Additional Benefit of \$25,000 for personal property of others.
- All claims involving use of an auto are subject to the automobile insuring agreement.
- Employment-related practices excluded.
- Injury to employees and volunteer workers excluded.

**Public Entity Management Liability
Claims-Made**

OPTION 1

<u>Coverage</u>	<u>Limit</u>
Total Limit	
Each Wrongful Act Limit	\$ 2,000,000
	\$ 2,000,000
Each Wrongful Act Deductible (Loss and Loss Expense)	\$ 25,000

Retro Date: 02/02/1997

The following are included:
Deletion of Settlement Consent Provision Endorsement

Program Features and Benefits

PUBLIC ENTITY MANAGEMENT LIABILITY

Coverage Agreement

This agreement is designed to cover damages (other than bodily injury, personal injury, advertising injury or property damage) any protected person is legally required to pay for covered loss that results from the conduct of duties by or for a public entity and is caused by a wrongful act. Wrongful act is defined as any act, error or omission. However, wrongful employment practice offenses are not covered.

Who is Protected

Public Entity
Elected or Appointed Officials
Board Members

Employees (including employees of the entity's boards)
Estates, Heirs, Legal Representatives or Assigns
Volunteer Workers

Other

- Pay on behalf of basis.
- Duty to defend claims and suits even if allegations are groundless, false, or fraudulent.
- Punitive damages covered up to full policy limits, if allowed by law.
- No exclusion for Architects, Engineers or Lawyers.
- Automatic Limited Reporting Period of 60 days after agreement is cancelled or not renewed.
- Health care professional services and law enforcement duties exclusions apply.
- Consent to Settle clause applies, unless removed by endorsement.

**Employment Practices Liability
Claims-Made**

OPTION 1

Coverage	Limit
Total Limit	\$ 2,000,000
Each Wrongful Employment Practice Offense Limit	\$ 2,000,000
Each Wrongful Employment Practice Offense Deductible - applies to Loss and Defense Expenses	\$ 25,000

Retro Date: 02/02/1997

IMPORTANT NOTICE: This is a claims-made insuring agreement that includes defense expenses within the limits of coverage.

The following are included:
Our Right to Settle Claims Without Your Written Consent Endorsement

Program Features and Benefits**PUBLIC ENTITY EMPLOYMENT PRACTICES LIABILITY****Coverage Agreement**

This agreement is designed to cover damages (other than bodily injury or property damage) any protected person is legally required to pay for covered employment injury to employees or independent contractors that results from a wrongful employment practice offense first committed after the retroactive date. Wrongful employment practice offense is defined to include discrimination, termination, harassment, retaliation, discipline, hiring, supervision, demotion, promotion, defamation, libel, slander, invasion of privacy.

Who is Protected

Public Entity
Elected or Appointed Officials
Board Members

• Employees (including employees of the entity's boards)
Volunteer Workers

Other

- Pay on behalf of basis.
- Duty to defend claims and suits even if allegations are groundless, false, or fraudulent.
- Punitive damages covered up to full policy limits, if allowed by law.
- Administrative proceedings conducted by governmental agencies in which damages are sought are included in the definition of suit.
- Defense costs erode the limit of liability, subject to state exceptions (see Important Notice on preceding page).
- Right, but no duty, to defend any protected person in an administrative proceeding which does not seek damages. Defense costs for these proceedings are in addition to the limit of liability.
- Damages include attorneys' fees of the person bringing the claim if the protected person is legally required to pay them under the law which was violated.
- Declaratory, injunctive or other non-monetary relief costs are excluded.
- Company has the right to settle any claim without the insured's consent.

Automobile Liability Protection

OPTION 1

Coverage	Each Accident Limit
Liability (Any Auto)	\$400,000
PIP (Owned Autos Which Require No Fault) PIP Limits	Included \$2,500
Uninsured/Underinsured Motorist (All Owned Autos)	\$500,000
Statutory Cap Limits of Coverage Endorsement	
Texas bodily injury each person statutory cap limit	\$ 100,000
Texas bodily injury statutory cap total limit	\$ 300,000
Texas property damage or pollution cost or expense statutory cap limit	\$ 100,000

Each Accident Deductible (Bodily Injury/Property Damage) \$0
Applies to Liability only

Number of autos, excluding trailers: 83

Number of trailers: 12

The following are included:

Texas Tort

Program Features and Benefits

AUTOMOBILE

Coverage Agreement

This agreement is designed to cover amounts any protected person is legally required to pay as damages for covered bodily injury and property damage that results from the ownership, maintenance, use, loading or unloading of a covered auto and is caused by an accident. In addition, coverage is provided for covered pollution costs or expense that results from accident which also causes bodily injury or property damage. Coverage also applies for physical damage to covered autos, if shown.

Who is Protected

Public Entity	Any permitted user
Elected or Appointed Officials	Volunteer Workers (for use of a covered auto)
Board Members	Owner of a Commandeered Auto

Other

- Liability coverage for intentional or expected bodily injury and property damage if the injury or damage results from the reasonable use of force to protect people or property.
- Injury to volunteer workers, including firefighters, is excluded.
- Injury to a fellow employee is excluded, unless otherwise shown on the preceding page.
- Physical damage coverage, if written, is extended to provide the following:
 - Coverage for physical damage to covered autos for intentional or expected damage if the physical damage results from the reasonable use of force to protect people or property.
 - Includes coverage for audio and radar detection equipment, if part of the normal inventory of the insureds emergency vehicles.
 - Accidental inflation of airbags \$1,000.
 - Personal belongings in a stolen vehicle \$250.
 - Automatic coverage for commandeered autos.

Program Features and Benefits

AUTOMOBILE REPORTING REQUIREMENTS

In order to provide our insureds better service and administrative efficiency, St. Paul Public Sector Services is pleased to provide the following process for handling mid-term automobile change requests. All requests will be managed in accordance with the Average Rate Application outlined below. The insured should continue to submit all change requests to their agent or broker for accurate record keeping and claims verification purposes. Particular attention should be paid to Item 5, which specifies the types of automobiles that will continue to require reporting to the Company.

Average Rate Application

1. The premium for the Automobile Liability and Physical Damage coverages are average rated. Automobile Liability is rated on a "per unit" basis and Automobile Physical Damage is rated on the basis of the original cost new of the autos.
2. The average rates for Automobile Liability and Physical Damage are the rates applicable at the inception of the policy. Based on the information provided for this proposal and as of the date of this proposal, these rates are as follows:

Liability	\$ 386
PIP	\$ 25
Uninsured Motorist	\$ 59

3. The premium charged at inception is the estimated annual premium based on the number of units and total original cost new for all covered autos on file with the company at inception. The insured is to submit a current schedule of owned automobiles as of the expiration of the policy and the total earned premium will be computed on the basis of the average net change in units and their corresponding original cost new for the policy term.
4. All autos added using the "Average Rate Guidelines" will carry the same Liability limits and Physical Damage deductibles issued at policy inception for autos of the same type.
5. The following autos are **not eligible**:

Any auto with an original cost new over \$100,000
Any auto meeting the ISO definition of "Antique" Auto

Automobile Physical Damage

OPTION 1

Coverage	Valuation	Units	Deductible
Specified Autos			
Comprehensive	Actual Cash Value	83	\$ 1,000
Collision	Actual Cash Value	63	\$ 1,000
Collision	Actual Cash Value	2	\$ 10,000

The following are included:

Hired Car Physical Damage - Comprehensive/Collision (Deductible: \$250/\$250)

Program Features and Benefits

AUTOMOBILE

Coverage Agreement

This agreement is designed to cover amounts any protected person is legally required to pay as damages for covered bodily injury and property damage that results from the ownership, maintenance, use, loading or unloading of a covered auto and is caused by an accident. In addition, coverage is provided for covered pollution costs or expense that results from accident which also causes bodily injury or property damage. Coverage also applies for physical damage to covered autos, if shown.

Who is Protected

Public Entity
Elected or Appointed Officials
Board Members

Any permitted user
Volunteer Workers (for use of a covered auto)
Owner of a Commandeered Auto

Other

- Liability coverage for intentional or expected bodily injury and property damage if the injury or damage results from the reasonable use of force to protect people or property.
- Injury to volunteer workers, including firefighters, is excluded.
- Injury to a fellow employee is excluded, unless otherwise shown on the preceding page.
- Physical damage coverage, if written, is extended to provide the following:
 - Coverage for physical damage to covered autos for intentional or expected damage if the physical damage results from the reasonable use of force to protect people or property.
 - Includes coverage for audio and radar detection equipment, if part of the normal inventory of the insureds emergency vehicles.
 - Accidental inflation of airbags \$1,000.
 - Personal belongings in a stolen vehicle \$250.
 - Automatic coverage for commandeered autos.

Program Features and Benefits**AUTOMOBILE REPORTING REQUIREMENTS**

In order to provide our insureds better service and administrative efficiency, St. Paul Public Sector Services is pleased to provide the following process for handling mid-term automobile change requests. All requests will be managed in accordance with the Average Rate Application outlined below. The insured should continue to submit all change requests to their agent or broker for accurate record keeping and claims verification purposes. Particular attention should be paid to Item 5, which specifies the types of automobiles that will continue to require reporting to the Company.

Average Rate Application

1. The premium for the Automobile Liability and Physical Damage coverages are average rated. Automobile Liability is rated on a "per unit" basis and Automobile Physical Damage is rated on the basis of the original cost new of the autos.
2. The average rates for Automobile Liability and Physical Damage are the rates applicable at the inception of the policy. Based on the information provided for this proposal and as of the date of this proposal, these rates are as follows:

Comprehensive	0.251
Collision	0.231

3. The premium charged at inception is the estimated annual premium based on the number of units and total original cost new for all covered autos on file with the company at inception. The insured is to submit a current schedule of owned automobiles as of the expiration of the policy and the total earned premium will be computed on the basis of the average net change in units and their corresponding original cost new for the policy term.
4. All autos added using the "Average Rate Guidelines" will carry the same Liability limits and Physical Damage deductibles issued at policy inception for autos of the same type.
5. The following autos are not eligible:

Any auto with an original cost new over \$100,000
Any auto meeting the ISO definition of "Antique" Auto

PANOLA COUNTY VEHICLE LIST "2004-2005"

YEAR	MAKE/MODEL	VIN #	Dept.	Cost New	Liability \$ 2,000,000.00	Personal Injury Protection \$2,500	UN/JM 500,000/1000 Ded	Comp. 1000 Ded	Collision 1000 Ded
1988	FORD F150	1FTZX18W3WKB36539	R & B	\$ 22,635.00	X	X	X	X	X
1989	FORD F-800 DUMP	2REXF8014XMA13531	R & B	\$ 42,997.00	X	X	X	X	X
2002	FORD F150	1FTRF17L02NA88873	R & B	\$ 15,061.00	X	X	X	X	X
2002	FORD F250	1FTNX20F22EB92061	R & B	\$ 22,867.00	X	X	X	X	X
1989	DODGE STRATUS	1B3EJ46X0XN618559	SEIZED	\$ 18,000.00	X	X	X	X	X
2000	FORD CROWN VIC	2FAFP71WBYX134131	LAW	\$ 20,007.00	X	X	X	X	X
1999	FORD F150 4X4	1FTRX18W6XKA32497	LAW	\$ 14,415.00	X	X	X	X	X
1995	FORD CROWN VIC	2FALP71WXSX151135	COM.PC4	\$ 16,837.00	X	X	X	X	X
1989	CARTEX TRAILER	13KTG1015KT000447	R & B		X	X	X	X	X
1992	CHEVY BLAZER	1GNEK18KXNJ311455	R & B	\$ 10,000.00	X	X	X	X	X
1981	FORD PU	2FTCF10E9BCA21308	SEIZED	\$ 10,000.00	X	X	X	X	X
1993	FORD F6000	1FDNK64P8PVA00539	R & B	\$ 20,696.00	X	X	X	X	X
2002	FORD F750	3FDXF75H22MA17950	R & B	\$ 37,995.00	X	X	X	X	X
1984	MACK 5TON	1M2N266Y7EA001224	R & B		X	X	X	X	X
2001	FORD DUMP TRUCK	3FDXF75H61MA31316	R & B	\$ 39,470.00	X	X	X	X	X
2002	FORD F750	3FDXF75H42MA17951	R & B	\$ 37,995.00	X	X	X	X	X
2002	FORD F750	3FDXF75H62MA17952	R & B	\$ 37,995.00	X	X	X	X	X
2002	FORD 1 TON	1FDSF34F62EC07078	R & B	\$ 24,821.00	X	X	X	X	X
1989	TRAIL KING TRAILER	1THK05136KM122651	R & B	\$ 17,000.00	X	X	X	X	X
1989	CHEVY	1GNDM1524KB163042	SEIZED		X	X	X	X	X
2003	FORD CROWN VICTORIA	2FAFP71W63X148912	LAW	\$ 20,691.00	X	X	X	X	X
2003	FORD CROWN VICTORIA	2FAFP71W83X148913	LAW	\$ 20,691.00	X	X	X	X	X
1995	GMC CAB/CH WENCH	1GDK7H1J3SJ525783	R & B	\$ 26,901.00	X	X	X	X	X
1995	GMC CAB/CH WENCH	1GDK7H1J1SJ525801	R & B	\$ 26,901.00	X	X	X	X	X
1995	GMC 3/4 TON	1GTFC24XHSZ563911	R & B	\$ 14,415.00	X	X	X	X	X
1996	DODGE 12P VAN	2B5WB35Z5TK123852	JUV PROB	\$ 19,565.00	X	X	X	X	X
2003	FORD CROWN VICTORIA	2FAFP71W83X148915	LAW	\$ 20,691.00	X	X	X	X	X
1996	FORD 3/4 TON	1FTHF25H2TLA79007	R & B	\$ 16,834.00	X	X	X	X	X
1996	FORD 2TON WENCH	1FDWF80C1TVA20360	R & B	\$ 31,427.00	X	X	X	X	X
1996	FORD 2 TON WENCH	1FDWF80C5TVA20359	R & B	\$ 31,427.00	X	X	X	X	X
2003	FORD CROWN VICTORIA	2FAFP71WX3X148914	LAW	\$ 20,691.00	X	X	X	X	X
1996	FORD TAURUS	1FALP52V6TA283854	COM PC2		X	X	X	X	X
2003	FORD TAURUS	1FAFP53UX3A136559	LAW	\$ 15,650.00	X	X	X	X	X
2000	FORD DUMP TRUCK	3FDXF75H4YMA06702	R & B	\$ 43,120.00	X	X	X	X	X

PANOLA COUNTY VEHICLE LIST "2004-2005"

YEAR	MAKE/MODEL	VIN #	Dept.	Cost New	Liability	Personal Injury Protection	UN/LUM	Comp	Collision
2001	DODGE 1 TON	3B6MC366X1M525642	R & B	\$ 24,000 00	X	X	X	X	X
1998	FORD 2 TON DUMP	1FDXN80FNWVA13312	R & B	\$ 39,119 00	X	X	X	X	
1997	FORD F150 TRUCK	1FTDX1763VND41268	COMP PC1	\$ 20,186 00	X	X	X	X	
2001	CARTEX TRAILER	13KTG1212YT002436	R & B	\$ 645 00	X	X	X	X	X
1998	GOOSENECK LOBOY	26841620000031098	R & B	\$ 7,600 00	X	X	X	X	X
1999	FORD F-800 DUMP	3FEWF80C3XMAD1644	R & B	\$ 39,946 00	X	X	X	X	X
1999	FORD F-800 DUMP	3FEWF80CXXMAD1642	R & B	\$ 39,946 00	X	X	X	X	X
1998	TOP HAT UTILITY	4R7F51625WT017809	R & B		X	X	X	X	X
1998	GOOSENECK LOBOY	26841620000032398	R & B	\$ 6,400 00	X	X	X	X	X
1988	GMC TANK	1GDM7D1G2JV521365	R & B		X	X	X	X	X
1995	FORD 15P VAN	1FBJS31H9SHB90930	LAW		X	X	X	X	
1999	FORD F800	2FEXF8014XMA13532	R & B	\$ 42,997 00	X	X	X	X	X
2002	FORD EXPLORER	1FMZU62E2ZB35451	LAW	\$ 20,579 00	X	X	X	X	X
1999	FORD F350	1FDWF36F6XED32992	R & B	\$ 22,782 00	X	X	X	X	X
1999	FORD F-350	1FDWF36F6XED32993	R & B	\$ 22,782 00	X	X	X	X	X
1999	FORD F-350	1FSWF36F6XED32994	R & B	\$ 22,782 00	X	X	X	X	X
1999	CARTEX GOOSENECK	25840452000022399	R & B	\$ 8,000 00	X	X	X	X	X
1992	DODGE 1/2	1B7HE16Y6NS527169	SEIZED		X	X	X	X	
1999	CARTEX 25' LOWBOY	25840482000032999	R & B	\$ 6,700 00	X	X	X	X	X
1984	KENWORTH TRACTOR	1713	R & B	\$ 20,000 00	X	X	X	X	
2000	INTERNATIONAL	1HTSCABN8YH313733	R & B	\$ 40,840 00	X	X	X	X	X
2000	INTERNATIONAL	1HTSCABNXYH313734	R & B	\$ 40,840 00	X	X	X	X	X
2000	INTERNATIONAL	1HTSCABN1YH313735	R & B	\$ 40,840 00	X	X	X	X	X
1991	MACK TRUCK	1M2AA13YXMMW012986	R & B	\$ 20,000 00	X	X	X	X	X
2001	DODGE 1 TON	3B6MC366X1M257739	R & B	\$ 25,871 00	X	X	X	X	X
1995	FORD DUMP TRUCK	1FDYW8ZEXSU06768	R & B		X	X	X	X	
2000	FORD F150	1FTPX18L2YNC23914	CONTS 23	\$ 30,000 00	X	X	X	X	X
1994	FLOWBOY TRAILER	1H9SS4227RN102154	R & B	\$ 18,000 00	X	X	X	X	X
1995	FORD DUMP TRUCK	1FDYW82E1SVA06769	R & B	\$ 22,500 00	X	X	X	X	
1995	FORD DUMP TRUCK	1FDYW82E2SVA06652	R & B	\$ 22,500 00	X	X	X	X	
1995	FLOWBOY TRAILER	1H9SS124SN102201	R & B	\$ 18,000 00	X	X	X	X	X
2000	CHEVY IMPALAS	2G1WE52E8Y9239661	LAW	\$ 19,682 00	X	X	X	X	X
2000	CHEVY IMPALAS	2G1WE55KXY9234009	LAW	\$ 19,682 00	X	X	X	X	X
2002	FORD 1/2 TON CLUB WAGON	1FMRE11WX2HA30253	LAW	\$ 18,765 00	X	X	X	X	X
1993	MACK 6H613	1M2AA14Y1PW025953	R & B	\$ 18,000 00	X	X	X	X	X
2001	FORD F150	1FTRX17W61KF21619	LAW		X	X	X	X	X

PANOLA COUNTY VEHICLE LIST "2004-2005"

YEAR	MAKE/MODEL	VIN #	Dept.	Cost New	Liability	Personal Injury Protection	UN/JUM	Comp.	Collision
2001	DODGE 1 TON	3B6MC36681M525641	R & B	\$ 24,000.00	X	X	X	X	X
2001	DODGE 1 TON	3B6MC36611M525643	R & B	\$ 24,000.00	X	X	X	X	X
2001	FLATBED 10FT TRAIL	3B6MC36661M525640	R & B	\$ 24,000.00	X	X	X	X	X
2001	CARTEX 18FT. TRAIL	13KEP18281T002522	R & B	\$ 1,150.00	X	X	X	X	X
2001	FORD CROWN VICTORIA	2FAFP71W71X20405	LAW	\$ 18,611.00	X	X	X	X	X
2004	FORD F750	3FRXF76854V592191	R & B	\$ 39,308.00	X	X	X	X	X
1993	LEXUS	JT8UF11E6P02156609	SEIZED						
2003	FORD CROWN VICTORIA	2FAFP71W53X215824	LAW	\$ 21,050.00	X	X	X	X	X
2003	FORD CROWN VICTORIA	2FAFP71W73X215825	LAW	\$ 21,050.00	X	X	X	X	X
2002	FORD 1 TON	1FDWF36F72EA70733	R & B	\$ 24,896.00	X	X	X	X	X
2004	FORD EXPEDITION	1FMPU15L64LA42670	LAW	\$ 24,382.00	X	X	X	X	X
2004	FORD EXPLORER	1FMZU62K94ZA27871	LAW	\$ 20,302.00	X	X	X	X	X
2003	FORD F150	1FTRX17W03NB32816	R & B	\$ 30,000.00	X	X	X	X	X
2004	FORD F-750	3FRXF76PX4V684713		\$ 39,674.00	X	X	X	X	X
2004	FORD F-750	3FRXF76P64V684711		\$ 39,674.00	X	X	X	X	X
2004	FORD F-750	3FRXF76P84V684712		\$ 39,674.00	X	X	X	X	X
1995	MERCURY	3MASM10J4R620056	SEIZED						
2005	FORD TAURUS	1FAFP53U75A166413	PROBAT.	\$ 14,000.00	X	X	X	X	X
2005	CROWN VICTORIA	2FAFP71W95X111310	LAW	\$ 21,000.00	X	X	X	X	X
2005	CROWN VICTORIA	2FAFP71W05X111311	LAW	\$ 21,000.00	X	X	X	X	X
2005	FORD ESCAPE	1FMYU03105KB93382	LAW	\$ 18,200.00	X	X	X	X	X
2005	DODGE RAM 2500	3D7KS28C25G760601	COMMISS	\$ 29,000.00	X	X	X	X	X
2005	CHEVY IMPALAS	2G1WF55K659192255	LAW	\$ 17,500.00	X	X	X	X	X
2005	CHEVY IMPALAS	2G1WF55K459187944	LAW	\$ 17,500.00	X	X	X	X	X
1991	FORD EXPLORER	1FMCU22X8MUD23682	SEIZED						
2005	FORD 139 SUPERCREW 4X4	1FTPW14545KC55965	CNST 1&4	\$ 25,627.00	X	X	X	X	X

Commercial Crime**OPTION 1**

Coverage	Limit
Employee Theft - Per Employee Coverage, Discovery Form	\$ 250,000
Faithful Performance of Duty Endorsement applies	
Deductible	\$ 2,500
Forgery or Alteration	\$ 10,000
Deductible	\$ 2,500
Inside Premises - Theft of Money & Securities	\$ 10,000
Deductible	\$ 2,500

The following additional exclusions apply:

Treasurer or tax collector excluded under Employee Theft.

Employees required by law to be individually bonded excluded under Employee Theft.

Law enforcement officials excluded under Faithful Performance of Duty Endorsement.

**Umbrella
Occurrence**

OPTION 1

Coverage	Limit
General Total Limit	\$ 1,000,000
Products & Completed Work Total Limit	\$ 1,000,000
Personal Injury Each Person Limit	\$ 1,000,000
Advertising Injury Each Person Limit	\$ 1,000,000
Law Enforcement Liability Each Wrongful Act Limit	\$ 1,000,000
Each Event Limit	\$ 1,000,000
 Deductible Per Event	 \$ 10,000

Coverage is provided over the following underlying each event or each wrongful act limit:

General Liability (Occurrence)	\$ 2,000,000
Auto Liability	\$ 2,000,000
Law Enforcement Liability (Occurrence)	\$ 2,000,000

The following are included:

- Government Unit Endorsement
- Law Enforcement Liability Endorsement
- Texas Tort

The following additional exclusions apply:

- Mold, Other Fungi, Or Bacteria Exclusion Endorsement
- Employment Related Practices Exclusion Endorsement
- Failure to Supply Services Total Exclusion Endorsement
- Health Care Professional Services Exclusion Endorsement
- Injury to Volunteer Firefighters Exclusion Endorsement
- Public Use of Property Exclusion Endorsement (eminent domain exclusion)

Program Features and Benefits

UMBRELLA EXCESS LIABILITY

Coverage Agreement

This agreement is designed to provide excess limits above primary coverage for bodily injury, property damage, personal injury and advertising injury that results from a catastrophic event. "Drop down" coverage responds to a reduction in the available primary insurance limit as a result of an impaired each event limit and replaces the primary insurance should the underlying total limit be exhausted. Coverage is on a broader than primary basis.

Who is Protected

Follows the primary.

Other

- Sewer back up and failure to supply services are excluded.
- Coverage does not apply over Employee Benefit Plans Administration Liability, Public Entity Management Liability or Health Care Professional Liability.
- Deductible applies only to losses covered by the Umbrella Excess but not covered under the primary.

**Excess Errors and Omissions Liability
Claims-Made**

OPTION 1

<u>Coverage</u>	<u>Limit</u>
Total Limit	\$ 1,000,000
Coverage is provided over the following underlying each wrongful act limit:	
Public Entity Management Liability (Claims-Made)	\$ 2,000,000
Employee Benefit Plans Administration Liability	\$ 2,000,000

Program Features and Benefits

EXCESS ERRORS AND OMISSIONS LIABILITY

Coverage Agreement

This agreement is designed to provide excess limits above primary coverage for damages *other than* bodily injury, property damage, personal injury and advertising injury that results from a catastrophic event. "Drop down" coverage responds to a reduction in the available primary insurance limit as a result of an impaired each wrongful act limit and replaces the primary insurance should the underlying total limit be exhausted. Coverage is on a following form over primary basis.

Who is Protected

Follows the primary.

Other

- Coverage does not apply over General Liability, Auto Liability, Law Enforcement Liability or any other coverage providing bodily injury, property damage, personal injury or advertising injury.

ADDITIONAL INFORMATION REQUIRED

The following information is needed on this account.

Employment Practices Liability

We require that an outside employment counsel periodically review all employment practices guidelines, policies and procedures.

The St. Paul
Property and Liability Insurance

Ms. Carol Amaio
 Fax: 210-527-2800

ACCOUNT PREMIUM

Panola County, Texas
 Patterson Agency, The

The following is the premium breakdown for this account. If both Property and General Liability have been quoted, they include a package credit. If both are not bound, the premiums below do not apply.

To bind coverage:

- Place a checkmark in the box next to the lines of business to be bound;
- Indicated the effective date;
- Sign this form; and
- Fax this form to the underwriter.

PACKAGE POLICY

Property	\$ 26,236 <input type="checkbox"/>
Equipment Breakdown	\$ 1,135 <input type="checkbox"/>
Inland Marine	\$ 23,922 <input type="checkbox"/>
General Liability	\$ 53,592 <input type="checkbox"/>
Employee Benefit Plans Administration Liability	\$ 439 <input type="checkbox"/>
Law Enforcement Liability	\$ 56,979 <input type="checkbox"/>
Public Entity Management Liability	\$ 2,018 <input type="checkbox"/>
Public Entity Employment Practices Liability	\$ 61,444 <input type="checkbox"/>
Auto Liability	\$ 39,003 <input type="checkbox"/>
Auto Physical Damage	\$ 8,793 <input type="checkbox"/>
Crime	\$ 1,463 <input type="checkbox"/>
Umbrella	\$ 23,327 <input type="checkbox"/>
Total Package Premium	TBD
Taxes, Surcharges, and Fees	TBD

IMPORTANT NOTE REGARDING POLICY MINIMUM PREMIUM

The lines of business shown above are subject to a \$5,000 policy minimum premium . If the line(s) of business selected for binding do not total at least \$5,000 , then the premiums shown above for those lines of business will be adjusted to total \$5,000 .

Payment Plan

Billing Type: Insured, Direct Bill
Service charge applies to each bill, including each endorsement billing.

Payment Type: , Full Pay - Full payment due at inception
Service Charge: None

Cancellation Charges:

There is a \$10.00 charge for each cancellation notice for non-payment of premium in a policy term. This charge applies per bill. If multiple policies are included in the same bill, only one installment and/or cancellation charge applies. If more than one cancellation notice for non-payment is issued during the policy term, the policy is changed to full pay and all premiums for the remaining policy term become immediately due.

Signature: _____

Policy term: _____

The St. Paul
Property and Liability Insurance

Ms. Carol Amaio
 Fax: 210-527-2800

Terrorism

Panola County, Texas
 Patterson Agency, The
 Effective: 02/13/2005 to 02/13/2006

IMPORTANT NOTE:

To include terrorism coverage

Terrorism coverage will be automatically provided at the **additional premiums** shown below unless rejected by the insured. If coverage is desired for all lines of business quoted below, no action is necessary.

To exclude terrorism coverage

If the insured wishes to exclude terrorism coverage:

1. Place a checkmark in the box next to the lines(s) of business where terrorism is to be excluded.

BECAUSE AN UMBRELLA IS BEING QUOTED, THE CHOICE TO EXCLUDE TERRORISM MUST APPLY THE SAME WAY TO BOTH THE UMBRELLA AND ALL OF ITS UNDERLYING COVERAGES.

PROPERTY/INLAND MARINE/CRIME-COLLECTIVELY MUST BE REJECTED OR ACCEPTED FOR TERRORISM COVERAGE. CANNOT REJECT OR ACCEPT COVERAGE FOR ONE AND NOT THE OTHERS.

2. Sign and date this form.

3. Fax this form to the underwriter prior to the effective date of coverage.

Line of Business	Option	Premium	Reject
Property	Option 1	\$ 212	<input type="checkbox"/>
Inland Marine	Option 1	\$ 342	<input type="checkbox"/>
Public Entity General Liability	Option 1	\$ 911	<input type="checkbox"/>
Law Enforcement Liability	Option 1	\$ 1,221	<input type="checkbox"/>
Public Entity Management Liability	Option 1	\$ 61	<input type="checkbox"/>
Employment Practices Liability	Option 1	\$ 195	<input type="checkbox"/>
Automobile	Option 1	\$ 0	Insured Cannot Reject
Crime	Option 1	\$ 0	
Umbrella	Option 1	\$ 365	<input type="checkbox"/>

Signature: _____

Date: _____

Total Premium Summary

Line of Coverage	Coverage Premium	Terrorism Premium	Total Premium
Property	\$ 26,236.00	\$ 212.00	\$ 26,448.00
Equipment Breakdown	\$ 1,135.00	-	\$ 1,135.00
Inland Marine	\$ 23,922.00	\$ 342.00	\$ 24,264.00
General Liability	\$ 53,592.00	\$ 911.00	\$ 54,503.00
Employee Benefit Plans Administration Liability	\$ 439.00	-	\$ 439.00
Law Enforcement Liability	\$ 56,979.00	\$ 1,221.00	\$ 58,200.00
Public Entity Management Liability	\$ 2,018.00	\$ 61.00	\$ 2,079.00
Public Entity Employment Practices Liability	\$ 61,444.00	\$ 195.00	\$ 61,639.00
Auto Liability	\$ 39,003.00	-	\$ 39,003.00
Auto Physical Damage	\$ 8,793.00	-	\$ 8,793.00
Crime	\$ 1,463.00	-	\$ 1,463.00
Umbrella	\$ 23,327.00	\$ 365.00	\$ 23,692.00
Total Premiums	\$ 298,351.00	\$ 3,307.00	\$ 301,658.00

Three Year Comparison

Coverage	2003-2004	2004-2005	2005-2006
Property	\$ 19,072.00	\$ 27,665.00	\$ 26,488.00
Equipment Breakdown	\$ 895.00	\$ 1,135.00	\$ 1,135.00
Inland Marine	\$ 20,940.00	\$ 23,543.00	\$ 24,264.00
General Liability	\$ 36,025.00	\$ 38,638.00	\$ 54,503.00
Employee Benefit Plans Administration Liability	\$ 439.00	\$ 439.00	\$ 439.00
Law Enforcement Liability	\$ 48,744.00	\$ 58,908.00	\$ 58,200.00
Public Entity Management Liability	\$ 2,572.00	\$ 1,676.00	\$ 2,079.00
Public Entity Employment Practices Liability	\$ 40,429.00	\$ 53,011.00	\$ 61,639.00
Auto Liability	\$ 46,679.00	\$ 44,679.00	\$ 39,003.00
Auto Physical Damage	\$ 7,883.00	\$ 8,683.00	\$ 8,793.00
Crime	\$ 1,463.00	\$ 1,463.00	\$ 1,463.00
Umbrella	\$ 11,621.00	\$ 17,076.00	\$ 23,692.00
Total Premiums	\$ 236,762.00	\$ 276,916.00	\$ 301,698.00

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The St. Paul
Property and Liability Insurance

**IMPORTANT NOTICE TO AGENTS OR BROKERS-
NOTIFICATION REQUIREMENTS UNDER THE
TERRORISM RISK INSURANCE ACT OF 2002**

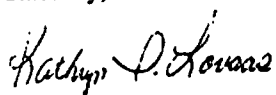
Dear Agent or Broker:

In order that The St. Paul may fulfill its requirements under the Terrorism Risk Insurance Act of 2002, and to protect you from any errors or omissions exposure, it is important that the attached "Disclosure Notice - Offer Of Terrorism Insurance Coverage" (D0102 Ed. 11-02) is delivered with the new or renewal quote for this account.

Delivery may be accomplished in a variety of ways, including US Mail, express mail, fax, or in person.

We appreciate your cooperation.

Sincerely,



Kae Lovaas
Senior Vice President
Chief Underwriting Operations Officer

1/21/2005

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The St. Paul

**DISCLOSURE NOTICE -
OFFER OF TERRORISM INSURANCE COVERAGE**

Pursuant to the Terrorism Risk Insurance Act of 2002, a quote for coverage for certified acts of terrorism, as defined by the Act, is shown below.

You should know that, effective November 26, 2002, any coverage provided by this policy for losses caused by certified acts of terrorism would be partially reimbursed by the United States under a formula established by federal law. Under this formula, the United States pays 90% of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage.

There is a cap on our liability to pay for such losses if the aggregate amount of insured losses under the Terrorism Risk Insurance Act of 2002 exceeds \$100,000,000 during the applicable period for all insureds and all insurers combined. In that case, we will not be liable for the payment of any amount which exceeds that aggregate amount of \$100,000,000,000.

The Premium for coverage for certified acts of terrorism, as defined by the Act, is: \$ See proposal

Important Note: The premium for your terrorism coverage is subject to change if you accept this quote and your policy is subsequently renewed with us.

The premium does not include any changes for the portion of loss covered by the Federal Government under the Act.

PRIOR TO THE BINDING OF COVERAGE FOR YOUR POLICY OR POLICIES, PLEASE INFORM YOUR AGENT OR BROKER IF YOU WOULD LIKE TO PURCHASE COVERAGE FOR CERTIFIED ACTS OF TERRORISM.

Panola County

Panola County Courthouse
Carthage, TX 75633

Named Insured's or
Applicant's Name

Named Insured's or
Applicant's Address

01/21/2005

Date

D0102 11-02 Printed in U.S.A.

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1/21/2005

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OTHER INFORMATION

GENERAL CONDITIONS

No warranty is made or implied with respect to the total compliance with bid specifications or applications. It is your responsibility to review the bid specifications or applications and the St. Paul quote to determine if all coverages have been provided. Please contact us if you have any questions about the coverages offered.

This proposal highlights certain features and benefits of the St. Paul Public Sector Services program. Final terms, conditions, and exclusions are contained in each individual policy.