



THIS ENDORSEMENT CHANGES THE COVERAGE AGREEMENT. PLEASE READ IT CAREFULLY.

ARIZONA MUNICIPAL RISK RETENTION POOL FIREWORKS ENDORSEMENT

This endorsement modifies coverage provided under the following:

MUNICIPAL LIABILITY COVERAGE FORM

SCHEDULE

Date Of Fireworks Display Or Exhibition

Description Of Underlying Coverage, If Any

A. COVERAGE

With respect to the Member's sponsorship, maintenance or operation of a fireworks display or exhibition on the date shown in the Schedule above:

1. Paragraph **(d)** of Municipal Liability Exclusion **(27)** – Special Events does not apply; and
2. Section **a.** of Coverage **A.1.**, Municipal Liability, is replaced by the following:
 - a. This coverage applies only to those sums in excess of the “underlying limit” that a Covered Entity becomes legally obligated to pay as “damages” because of a covered “wrongful act”.

The Pool will have the right and duty to defend the Covered Entity against any “suit” seeking those “damages” when the “underlying limits” have been exhausted. When the Pool has no duty to defend, the Pool will have the right to defend, or to participate in the defense of, the Covered Entity against any other “suit” seeking “damages” to which this coverage may apply. However, the Pool will have no duty to defend the Covered Entity against any “suit” seeking “damages” for a “wrongful act” to which this coverage does not apply. The Pool may, at the Pool's discretion, investigate any “wrongful act” and settle any “claim” or “suit” that may result. But:

- (1) The amount the Pool will pay for “damages” is limited as described in Section **C.** – Limits Of Coverage; and
- (2) The Pool's right and duty to defend ends when the Limit Of Coverage has been used up in payments of judgments, settlements or medical payments.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Additional Coverages or Supplementary Payments.

3. The following Exclusion is added to Coverage **A.2.**, Medical Payments:

The Pool will not pay expenses for “bodily injury” arising out of a Covered Entity's ownership, sponsorship, maintenance or operation of any fireworks displays or exhibitions.

B. DEFINITION

“Underlying limit” means the greater of the following:

1. The Limit Of Insurance provided by the insurance policy listed in the Schedule above; or
2. \$1,000,000.