

ENDORSEMENT

Attached to and forming part of the CASUALTY EXCESS OF LOSS REINSURANCE AGREEMENT No. 163247-3012967-2016 (hereinafter referred to as "Reinsurance Agreement") entered into by and between NEW JERSEY UTILITY AUTHORITIES JOINT INSURANCE FUND, Parsippany, New Jersey (hereinafter referred to as the "Company") and MUNICH REINSURANCE AMERICA, INC., a Delaware Corporation with Administrative Offices in Princeton, New Jersey (hereinafter referred to as the "Reinsurer").

IT IS HEREBY MUTUALLY UNDERSTOOD AND AGREED by the parties hereto that as respects losses occurring or claims made on and after 12:01 A.M., Eastern Standard Time, October 1, 2017, the Agreement shall be amended as follows:

I. Paragraph E is added to Article III – LIMIT AND RETENTION and previous paragraph E is now paragraph F as follows:

E. Unmanned Aircraft System – General Liability

The Reinsurer shall be liable for that amount of the Company's Ultimate Net Loss, Combined Single Limit, per Occurrence or Claim Made, per Member in excess of the Company's retention of \$1,000,000 Ultimate Net Loss Combined Single Limit, per Occurrence or Claim Made, per Member. The Reinsurer's liability shall never exceed \$5,000,000 Ultimate Net Loss, Combined Single Limit, per Occurrence or Claim Made, per Member.

All limits under this paragraph E shall be included within and shall not be in addition to any of the Reinsurer limits of liability under paragraph A above.

F. It is understood and agreed that as respects paragraphs A, B, C, D and E above, Company's retention shall include any applicable Member deductibles or Member self-insured retentions (as stated in the coverage parts under the Coverage Forms reinsured hereunder).

II. Item 18 shall be added to paragraph B of Article VII – EXCLUSIONS as follows:

18. Liability, including all loss, cost or expense, arising out of the ownership, operation, maintenance, use, servicing, fueling, loading or unloading of any aircraft.

This exclusion shall not apply to Unmanned aircraft systems less than 10 lbs. to the extent that such liabilities would be covered under the Company's Coverage Form effective October 1, 2017.

III. Paragraph J is added to Article IX – DEFINITIONS as follows:

J. The term "Unmanned aircraft system" means an unmanned aircraft and its associated elements, including the control stations, communication links, data links, navigation equipment, launch / recovery equipment, other support equipment and payload that are required for the pilot-in-command together with his or her crewmembers and visual observers to operate safely and efficiently in the national airspace system.

"Unmanned aircraft" means an aircraft that is designed and manufactured to be operated without the possibility of being controlled directly by a person from within or on-board the aircraft, and that is owned by the Member.

"Payload" means any property installed on, carried on-board, or being loaded onto or unloaded from, an unmanned aircraft. Payload includes, but is not limited to, cameras or other equipment enhancing the utility of the unmanned aircraft or products loaded prior to flight to, dispensed during flight from or removed after flight from, an unmanned aircraft.

Nothing herein contained shall alter, vary or extend any provision or condition of the Agreement other than as above stated.

IN WITNESS WHEREOF the parties hereto have caused this Endorsement to be executed in duplicate this 30th day October, 2017.

ACCEPTED:

**NEW JERSEY UTILITY AUTHORITIES
JOINT INSURANCE FUND**



MUNICH REINSURANCE AMERICA, INC.



Robin H. Willcox, General Counsel/Secretary



Stephen J. Morello, Senior Vice President