

**CENTRAL NEBRASKA ECONOMIC DEVELOPMENT DISTRICT
BOARD OF DIRECTOR'S MEETING**

Rescheduled to Thursday, November 13, 2025 – 1:30 pm

Via Zoom

Join Zoom Meeting

<https://zoom.us/j/96472476867?pwd=gx5JdFHSu7AN0ab13Wf8eXawJQXbBc.1>

Meeting ID: 964 7247 6867

Passcode: 887547

BOARD OF DIRECTOR'S AGENDA

1. Open Meetings Act
2. Roll Call
3. Introductions
4. Consent Agenda
 - a. Approve Agenda
 - b. Minutes of August 25, 2025, Meeting*
 - c. Financial Reports as of October 29, 2025*
 - d. Claims Approval – August, September 2025*
5. Old Business
 - a. Annual Conference
 - b. 2023-24 Audit Approval Ratification*
 - c. 2024-25 Audit Approval Ratification*
 - d. 2025-26 Audit Update-Tish
 - e. Cyberinsurance*
 - f. Executive Director Evaluation
 - g. Company Car
 - h. Comprehensive Economic Development Strategy (CEDS)
 - i. CORE
6. New Business
 - a. Budget*
 - b. Board Appointment*
 - c. Nuisance Abatement/Vacant Property Registry Management
7. Reports
 - a. NROC Impact Map*
 - b. 6 Regions, 1 Nebraska*
 - c. Grants Update*
 - d. Housing Studies/Community Needs Survey/Income Survey-Deanna
 - e. Leadership Certified Community-LaNaë
 - f. Broadband Update
7. Adjourn

*Denotes Handout

This meeting agenda will be kept continuously current at www.cnedd.org



Central Nebraska Economic Development District

Board of Directors Meeting Minutes

August 25, 2025 – 1:30 PM

This meeting was held via Zoom.

Board of Director's Agenda:

Present

The meeting was held via Zoom. Board members present included: Ed Brown (City of Long Pine), Kristine Beard (City of Bassett), Melissa Wenger (Village of Springview), Alvin Johnson (Village of Arcadia), Anne Gibbons (Custer County), Deborah Ritz (Village of Comstock), Cheye Young (City of Atkinson), and Cheryl Carson (Village of Arnold). Staff present included: Carla Kimball, Tish Tielke, Deanna Tomjack, LaNae Maxson, and Chrystal Curtis.

The meeting started at 1:31 PM with Open Meeting Act, Roll call.

The meeting continued with the Consent Agenda:

Consent Agenda:

The Consent Agenda includes Approving the Agenda, Meeting Minutes of the May 19, 2025 Meeting, Financial Reports as of July 2025, and Claims Approval – May, June, July 2025

A motion was made by Ed Brown to approve the consent agenda as is and was seconded by Kristine Beard. Roll Call: All Aye, No Nays. Motion carried.

Old Business:

- a. Approval 2023-24 Audit/Auditor Update – Carla updated that the old audits are still be worked on. The audit was emailed to Carla and Tish mid-meeting. The new auditor gave a deadline of being finished by December and Tish is working is providing the information they need. No formal Board action was taken.
- b. Company Car – Tish is currently still looking for one, she has been busy with other matters first.
- c. Board of Director Appointments – Carla informed that Deborah, Kristine, Melissa, and Anne's terms are up this year.
Deborah made a motion to reinstate the delegates (Kristy, Anne, Melissa, and Deborah) for another three-year term. Ed Brown seconded the motion. All aye, no nays. Motion carried.
- d. EDA Partnership Planning Grant – Carla updated that the EDA Partnership grant has been turned in and approved for the 2025-26 fiscal year, and three drawdowns have been submitted. No formal Board action was taken.
- e. Comprehensive Economic Development Strategy (CEDS) – Carla shared that the CEDS must be updated before September 2026. A committee needs to be set up to provide guidance on what CNEDD focuses on in the next five years. Carla asked the board if they, or anyone they know,

would be interested in serving on this committee. More information will be shared during the annual conference. No formal Board action was taken.

- f. Nuisance Abatement/Vacant Property Registry – Carla shared how several communities have requested nuisance abatement services. CNEDD has reached out to the West Central District for guidance, as they already provide this service. This will be a fee-for-service opportunity with a price set unknown at this time. Along with nuisance abatement, CNEDD is looking at providing a vacant property registry, which would be another fee-for-service. Currently, the South Central District is creating a handbook on this service, and CNEDD is waiting for that to come out, prior to implementing this service. Carla is excited to offer these types of services where CNEDD can help communities help themselves, and is something besides grant-writing. No formal Board action was taken.
- g. CORE – Carla updated that CORE would like us to help them with housing trust fund applications, which would require them to do some housing studies to present a good application. CNEDD has offered to provide the housing studies, while the Northeast Nebraska Economic Development District (NENEDD), would write the application. To do such, any community within that group, who is a member of either CNEDD, or NENEDD, would be given the member housing study discount to help keep their costs down. CORE has yet to respond. No formal Board action was taken.
- h. Annual Conference – The conference time is coming up in late fall. Carla updated how some of the topics will be CNEDD focused, on who/what CNEDD is and provides, with maybe another speaker or two. The location has been settled for Arcadia, and Alvin expressed CNEDD use the community building. Carla will contact Rosemarie and get a date on the calendar. No formal Board action was taken.

New Business:

- a. Code Enforcement Officer – Carla informed how the City of Valentine came to CNEDD to ask about funding part of, or jointly hiring, a code enforcement officer, who would work for the District one day a week, while also being employed partially by the City of Valentine. Carla expressed doubts in the potential employee being able to work throughout the whole region one day a week, but maybe they could only work in the northern part of the District. Several board members voiced concerns about the idea in general. Ed shared how Ainsworth has a part-time officer, and perhaps Valentine should work something out with them, and leave CNEDD out of the plan altogether. No formal Board action was taken.
- b. Cyberinsurance – Carla and Tish have been working with the insurance agent about such, and they are still waiting on quotes. Tish discussed revisiting this issue again in a year, while she explores various avenues of safety options. No formal Board action was taken.
- c. Executive Director Evaluation – It has been about another year since the last executive director review, and Carla brought up doing another; she expressed the importance of feedback on how she is doing as ED and asked the board for their guidance on how to proceed. It was determined that Carla send out a review form, which everyone would fill out and return to Ed, and he will set up a follow-up meeting with Carla to discuss the results. No formal Board action was taken.

Reports:

- a. NROC Impact Map – Carla shared how all the NROC districts put together this map, and while it hasn't been updated since May, it is still an important piece of information, showcasing projects from across the state, and encouraged the board to explore the map in case there were projects they want to try out in our District. No formal Board action was taken.
- b. 6 Regions, 1 Nebraska – Carla updated where Northeast is in their 6R1N project. No formal Board action was taken.
- c. Housing Studies/Community Needs Survey/Income Survey – Deanna updated the board on the current, and upcoming, housing studies/community needs/income surveys. No formal Board action was taken.
- d. Leadership Certified Community – LaNae has been working with Burwell and Arnold on Community Certification. Burwell's application has been turned in, and it is under review at the moment. LaNae is hoping to have Arnold turned in sometime early this winter. No formal Board action was taken.
- e. Broadband Update – Much of the BEAD funding has changed, as the program has been completely revamped, priorities have changed, and Carla has been working with the broadband office. CNEDD will continue to follow the funding in order to provide broadband however possible throughout the region. No formal Board action was taken.
- f. CDBG Applications – Chrystal is working on a planning grant and a street grant and explained how that has been going. It's been a learning curve, but she is really enjoying the process. No formal Board action was taken.
- g. Grants Update – Carla walked through the in-progress, written, closing out, and repurposed grants list and answered questions where needed. No formal Board action was taken.

Information Sharing:

All board members present shared information about community and economic development activities going on in their counties or communities. This is a valuable piece of our meeting which allows others to learn about opportunities that they may want to replicate for their citizens.

Alvin Johnson made a motion to adjourn the meeting, Kristine Beard seconded. All ayes: No Nays. Motion carried.

Hearing no further discussion, Ed Brown adjourned the meeting at 3:00 PM.

Respectfully submitted,

A handwritten signature in black ink that reads "Deanna Tomjack". The signature is written in a cursive, flowing style.

Deanna Tomjack, Marketing Specialist
Central Nebraska Economic Development District

Statement of Activity

CNEDD - District

August 1-October 29, 2025

DISTRIBUTION ACCOUNT	TOTAL
Income	
2025/2026 Membership Dues	21,110.48
6R1N	24,034.46
Annual Conference Registrations	25.00
Broadband	\$609.38
USDA Technical Assistance	2,483.24
Total for Broadband	\$3,092.62
CNHD	1,311.40
EDA	
EDA 2025/2026 Planning Grant	35,000.00
Total for EDA	\$35,000.00
Fee for Services	8,000.00
Grant Administration Fees	9,777.50
Interest	352.53
Non Profit Income	20,000.00
Total for Income	\$122,703.99
Cost of Goods Sold	
Gross Profit	\$122,703.99
Expenses	
Equipment costs	22,000.00
Insurance	38.00
Mileage	\$1,795.36
Company Car	\$14.00
Gas	329.91
Maintenance-company car	229.85
Taxes-car	-41.87
Total for Company Car	\$531.89
Total for Mileage	\$2,327.25
Office Supplies	2,872.55
Payroll Expenses	
Taxes	4,426.55
Wages	57,863.34
Total for Payroll Expenses	\$62,289.89
Postage and Delivery	1,188.45
Printing and Reproduction	571.42
Professional Fees	
Accounting	16,000.00
Consulting Fee	4,392.30
Total for Professional Fees	\$20,392.30
Registration/Training/Dues	2,770.00

Statement of Activity

CNEDD - District

August 1-October 29, 2025

DISTRIBUTION ACCOUNT	TOTAL
Rent	
Burwell Office Rent	1,275.00
MBREC	525.00
Total for Rent	\$1,800.00
Telephone	1,476.03
Travel	
hotel	509.85
Meals	380.77
Total for Travel	\$890.62
Total for Expenses	\$118,616.51
Net Operating Income	\$4,087.48
Other Income	
Other Expenses	
Other Miscellaneous Expense	60.00
Total for Other Expenses	\$60.00
Net Other Income	-\$60.00
Net Income	\$4,027.48

Statement of Financial Position

CNEDD - District

As of October 29, 2025

DISTRIBUTION ACCOUNT	TOTAL
Assets	
Current Assets	
Bank Accounts	
Accounts Receivable- Related Party	0.00
ICS - Auxiliary Funds	97,423.30
Money Market CNEDD	72,029.76
NCNDN Funds	1,096.81
Tri County Bank 180-967	59,503.19
Total for Bank Accounts	\$230,053.06
Accounts Receivable	
Accounts Receivable	0.00
Total for Accounts Receivable	\$0.00
Other Current Assets	
Clearing	0.00
Due From CNHD Inc.	2,296.33
Due From Country Clover Crown	10,041.55
Due from Lynch Rental	63.02
Payroll Refunds	0.01
QuickBooks Tax Holding Account	0.00
Undeposited Funds	0.00
Total for Other Current Assets	\$12,400.91
Total for Current Assets	\$242,453.97
Fixed Assets	
Office Furniture	0.00
Total for Fixed Assets	\$0.00
Other Assets	
Accumulated Depreciation	-15,067.00
Vehicle	15,067.00
Total for Other Assets	\$0.00
Total for Assets	\$242,453.97

Statement of Financial Position

CNEDD - District
As of October 29, 2025

DISTRIBUTION ACCOUNT	TOTAL
Liabilities and Equity	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	2,856.26
Total for Accounts Payable	\$2,856.26
Credit Cards	
Visa	0.00
Total for Credit Cards	\$0.00
Other Current Liabilities	
Accrued Vacation Payable	17,827.93
Accrued Wages Payable	14,431.14
CNHD NIFA Funds	0.00
Direct Deposit Liabilities	0.00
Direct Deposit Payable	600.00
Due to Cned, Inc	-17,926.25
Nebraska Department of Revenue Payable	0.00
Payroll Liabilities	\$0.00
Federal Taxes (941/944)	-97.17
Federal Unemployment (940)	0.00
NE Income Tax	417.40
NE Unemployment Tax	23.14
Total for Payroll Liabilities	\$343.37
TCB Loan	0.00
Total for Other Current Liabilities	\$15,276.19
Total for Current Liabilities	\$18,132.45
Long-term Liabilities	
TCB Car Loan	0.00
Total for Long-term Liabilities	\$0.00
Total for Liabilities	\$18,132.45
Equity	
Opening Bal Equity	0.00
Restricted Asset - Temporarily	0.00
Retained Earnings	199,516.58
Net Income	24,804.94
Total for Equity	\$224,321.52
Total for Liabilities and Equity	\$242,453.97

Bill Payment List
CNEDD - District
August 1-18, 2025

Date	Vendor	Amount
08/11/2025	South Central Economic Developpe District	\$ 73.46
	SCEDD and CNEDD lunch our 1/2 - collaboration mtg	\$ 73.46
08/18/2025	Melissa Osentowski	\$ 425.00
08/18/2025	MBREC Michael D Fredrick	\$ 200.00
08/18/2025	U.S. Cellular	\$ 467.01
08/18/2025	Intuit Quickbooks Online	\$ 364.00
08/18/2025	ESRI - Arc GIS Renewal 2025/2026	\$ 560.00
08/18/2025	One Office Solution	\$ 571.42
08/18/2025	Judy Petersen - July 2025 Consulting	\$ 1,390.50
08/18/2025	LaNae Maxson	\$ 251.02
08/18/2025	Tielke, Letisha	\$ 258.26
08/18/2025	Tomjack, Deanna	\$ 147.00
08/18/2025	Curtis, Chrystal	\$ 166.60
08/18/2025	Visa - Card 2	\$ 51.61
08/18/2025	Visa - Card 4	\$ 1,739.41
		\$ 6,665.29

Payroll Summary

July 1-31, 2025	<u>Total Cost</u>	\$ 27,109.85
	Total Pay \$ 25,183.33	
	Employer Taxes \$ 1,926.52	
		\$ 27,109.85

Ed Brown

Ed Brown 8/19/25

Cheryl Carson

Carla Kimball

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CNEDD - District
August 1-18, 2025

Date	Vendor	Amount
08/11/2025	South Central Economic Developpe District	\$ 73.46 ✓
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Ed Brown _____

Cheryl Carson _____

Carla Kimball Carla Kimball

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08/18/2025	One Office Solution copier	\$ 571.42 ✓
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Ed Brown _____

Cheryl Carson

Cheryl Carson

Carla Kimball _____

Bill Payment List
CNEDD - District
September 1-25, 2025

Date	Vendor	Amount
09/08/2025	USPS - Renew Chambers PO Box	\$ 78.00
09/08/2025	Ranchland Ford	\$ 22,000.00
	Purchased 2023 Ford Escape, \$3,000 trade-in	\$ 22,000.00
09/25/2025	NROC - Membership Dues 2025/26	\$ 2,500.00
09/25/2025	JEO Consulting Group, Inc.	\$ 32,541.25
	6 Region 1 Nebraska - 2nd Invoice	\$ 32,541.25
09/25/2025	Creative Revolution	\$ 43,500.00
	6 Region 1 Nebraska - 2nd Invoice	\$ 43,500.00
09/25/2025	Melissa Osentowski - Burwell Office Rent	\$ 425.00
09/25/2025	MBREC Michael D Fredrick - Atkinson Rent	\$ 200.00
09/25/2025	U.S. Cellular	\$ 467.01
09/25/2025	Intuit Quickbooks Online	\$ 357.50
09/25/2025	Judy Petersen - Consulting Fee August 2025	\$ 2,218.05
09/25/2025	Tielke, Letisha	\$ 91.00
09/25/2025	Maxson, LaNae	\$ 349.31
09/25/2025	Tomjack, Deanna	\$ 169.40
09/25/2025	Curtis, Chrystal	\$ 219.80
09/25/2025	Visa - Card 1	\$ 459.25
09/25/2025	Visa - Card 2	\$ 21.90
09/25/2025	Visa - Card 3	\$ 347.95
09/25/2025	Visa - Card 4	\$ 896.80
		\$ 106,842.22

Payroll Summary

August 1-31, 2025	<u>Total Cost</u>	\$ 25,665.20
	Total Pay \$	23,841.34
	Employer Taxes \$	1,823.86
		\$ 25,665.20

Ed Brown



Cheryl Carson

Carla Kimball

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CNEDD - District
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Ed Brown _____

Cheryl Carson _____

Carla Kimball Carla Kimball

Bill Payment List
CNEDD - District
October 1-22, 2025

Date	Vendor	Amount
10/14/2025	Progressive	38.00
	Increase in Auto Insurance Premium	\$ 38.00
10/22/2025	Hayes & Associates LLC	16,000.00
	June 30, 2025 Audit Fee	\$ 16,000.00
10/22/2025	Melissa Osentowski - Burwell Office Rent	425.00
10/22/2025	Michael D Fredrick - Atkinson Office Rent	200.00
10/22/2025	U.S. Cellular	467.01
10/22/2025	Intuit Quickbooks	357.50
10/22/2025	Judy Petersen - Consulting Fee Sept 2025	783.75
10/22/2025	Tielke, Letisha	85.40
10/22/2025	Tomjack, Deanna	184.26
10/22/2025	Visa-Card 2	261.00
10/22/2025	Visa - Card 4	143.21
TOTAL		\$18,945.13

Payroll Summary

September 1-30, 2025	<u>Total Cost</u>	\$ 24,338.96
	Total Pay \$	22,609.33
	Employer Taxes \$	1,729.63
		<u>\$ 24,338.96</u>

Ed Brown

Ed Brown

Cheryl Carson

Carla Kimball

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Cheryl Carson

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Gara Kimball _____

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Ed Brown _____

Cheryl Carson _____

Carla Kimball Carla Kimball

CENTRAL NEBRASKA ECONOMIC DEVELOPMENT DISTRICT
FINANCIAL STATEMENTS
JUNE 30, 2024

**CENTRAL NEBRASKA ECONOMIC DEVELOPMENT DISTRICT
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**DANA F. COLE
& COMPANY^{LLP}**
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Central Nebraska Economic Development District
Chambers, Nebraska

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Central Nebraska Economic Development District as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Central Nebraska Economic Development District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of Central Nebraska Economic Development District, as of June 30, 2024, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Central Nebraska Economic Development District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Central Nebraska Economic Development District's ability to continue as a going concern for twelve months beyond the financial statement date including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not absolute assurance

and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may include collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures including examining, on a test basis, evidence regarding the amount and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Central Nebraska Economic Development District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Central Nebraska Economic Development District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 8, 2025, on our consideration of Central Nebraska Economic Development District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Central Nebraska Economic Development District's internal control over financial reporting and compliance.

Minden, Nebraska
September 8, 2025

CENTRAL NEBRASKA ECONOMIC DEVELOPMENT DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2024

ASSETS

CURRENT ASSETS	
Cash and cash equivalents	285,611
Receivables	<u>11,107</u>
Total current assets	<u>296,718</u>
PROPERTY AND EQUIPMENT	
Vehicle	15,067
Accumulated depreciation	<u>(15,067)</u>
Total property and equipment	<u> </u>
TOTAL ASSETS	<u>296,718</u>

LIABILITIES AND NET POSITION

CURRENT LIABILITIES	
Accounts payable	3,456
Wages payable	14,431
Payroll taxes payable	551
Personal leave accrued	<u>17,828</u>
Total current liabilities	<u>36,266</u>
NET POSITION	
Unrestricted	<u>260,452</u>
TOTAL LIABILITIES AND NET ASSETS	<u>296,718</u>

See accompanying notes to financial statements.

CENTRAL NEBRASKA ECONOMIC DEVELOPMENT DISTRICT
STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED JUNE 30, 2024

OPERATING REVENUE	
Grants	177,516
Service fees	59,575
Grant administration fees	151,543
Membership dues	55,615
Reimbursements	41,540
Other	16,880
Total operating revenue	<u>502,669</u>
OPERATING EXPENSES	
Salaries	335,064
Payroll taxes	26,668
Direct grant expenses	1,705
Depreciation	3,015
Insurance	2,857
Miscellaneous	2,261
Printing and advertising	4,115
Professional fees	6,000
Rent	10,800
Supplies	21,310
Telephone and internet	7,554
Travel	39,473
Total operating expenses	<u>460,822</u>
OPERATING INCOME	41,847
NONOPERATING REVENUE	
Interest income	<u>3,787</u>
CHANGE IN NET POSITION	45,634
NET POSITION, beginning of year	<u>214,818</u>
NET POSITION, end of year	<u>260,452</u>

See accompanying notes to financial statements.

CENTRAL NEBRASKA ECONOMIC DEVELOPMENT DISTRICT
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2024

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from other governments	177,516
Cash received from other entities	323,691
Cash paid to employees	(343,870)
Cash paid to suppliers	<u>(132,979)</u>
Net cash provided by operating activities	<u>24,358</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest income	3,787
Payments on long-term obligations	<u>(3,404)</u>
Net cash used in investing activities	<u>383</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	24,741
CASH AND CASH EQUIVALENTS, beginning of year	<u>260,870</u>
CASH AND CASH EQUIVALENTS, end of year	<u><u>285,611</u></u>
Reconciliation of Operating Income to Net	
Cash Provided by Operating Activities:	
Operating income	<u>41,847</u>
Adjustments to reconcile operating income	
to net cash provided by operating activities:	
Depreciation	3,015
(Increase) decrease in assets:	
Receivables	(1,462)
Increase (decrease) in liabilities:	
Accounts payable	(5,065)
Wages payable	(1,880)
Payroll taxes payable	(5,171)
Personal leave accrued	
Total adjustments	<u>(10,563)</u>
Net cash provided by operating activities	<u><u>31,284</u></u>
See accompanying notes to financial statements.	

CENTRAL NEBRASKA ECONOMIC DEVELOPMENT DISTRICT
NOTES TO FINANCIAL STATEMENTS

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements follows.

Organization

Central Nebraska Economic Development District (the District) is an association of counties and municipalities who have voluntarily elected to jointly form an organization under the Nebraska Interlocal Cooperation Act. The District allows members an opportunity to share common problems and solutions as well as the opportunity to have access to professional staff.

In addition to membership dues, the District receives funds from special projects such as grant application and administration for its members. The District also provides contract services for Central Nebraska Economic Development, Inc.

There are no legally separate organizations for which the elected officials of the District are financially accountable or for which exclusion from these financial statements would cause them to be misleading or incomplete. The District has no taxing powers.

Measurement Focus and Basis of Accounting

The accompanying financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Basis of Presentation

Pursuant to the provisions of Governmental Accounting Standards Board (GASB) Statement 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, the full scope of the District's activities is considered to be a single business-type activity (BTA) and, accordingly, is reported within a single column in the basic financial statements.

Cash and Cash Equivalents

For the purpose of financial reporting, "cash and cash equivalents" includes all demand and savings accounts and certificates of deposit or short-term investments with an original maturity of three months or less.

Receivables

Special project and service fees receivables are reported at the amount management expects to collect on balances outstanding at year end. Management closely monitors outstanding balances and writes off, as of year end, all balances that have not been collected by the time the financial statements are issued.

CENTRAL NEBRASKA ECONOMIC DEVELOPMENT DISTRICT
NOTES TO FINANCIAL STATEMENTS

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property and Equipment

Property and equipment consists of a vehicle purchase recorded at cost. Depreciation is computed by applying straight-line rates based on the estimated useful life of five years.

Compensated Absences

The District has adopted a vacation leave policy whereby employees earn paid leave time each pay period. The amount earned is dependent on employment status and number of years employed. The amount of unused vacation has been accrued and included in the financial statements.

Leases

A lease liability and a lease asset are recognized at the commencement of the lease term, unless the lease is a short-term lease or it transfers ownership of the underlying assets. The lease liability is measured at the present value of payments expected during the lease term. The lease liability is reduced as payments are made and interest expense is recognized. The leased asset is generally amortized over the term of the lease unless the useful life of the underlying asset is less. The District excludes immaterial leases based on the provisions of Governmental Accounting Standards Board No. 87, *Leases*. This new standard did not affect the District's reporting other than note disclosures.

Net Position

The District's net position is classified as follows:

Net Investment in Capital Assets

Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding balance of debt that is attributable to the acquisition of those assets.

Restricted Net Position

Restricted net position includes resources in which the District is legally or contractually obligated to spend the resources in accordance with restrictions imposed by external parties.

Unrestricted Net Position

Unrestricted net position includes resources derived from special projects, service fees, and interest income.

When both restricted and unrestricted funds are available for expenditure, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

CENTRAL NEBRASKA ECONOMIC DEVELOPMENT DISTRICT
NOTES TO FINANCIAL STATEMENTS

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2. CASH AND INVESTMENTS

The District can invest, after proper consideration of the requirements for the availability of money, funds of the District in securities, the nature of which individuals of prudence, discretion, and intelligence acquire or retain in dealing with the property of another.

Interest Rate Risk

The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest risk rates.

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. As of June 30, 2024, all the District's deposits with financial institutions were fully insured or collateralized by securities held in the District's name in the form of joint safekeeping receipts. State law requires all funds in depositories to be fully insured or collateralized, and the District's policy is to require depositories to provide pledged securities to cover deposits in excess of FDIC limits.

NOTE 3. RELATED ENTITIES

Central Nebraska Economic Development, Inc. (CNED, Inc.) is a related entity of the District. CNED, Inc., was formed to assist the District in serving grant management and in providing affordable housing throughout the service area. CNED, Inc., utilizes the staff of the District in carrying out the elements of their programs. Expenses incurred by CNED, Inc., either direct or indirect, which are paid by the District, and are subsequently reimbursed.

Included in receivables is a balance due from Central Nebraska Economic Development, Inc., in the amount of \$2,259.

Reimbursement revenue consists of \$41,540 from Central Nebraska Economic Development, Inc. (CNED, Inc.) for payroll and other expenses paid by the District for use by CNED, Inc.

**CENTRAL NEBRASKA ECONOMIC DEVELOPMENT DISTRICT
NOTES TO FINANCIAL STATEMENTS**

NOTE 4. PROPERTY AND EQUIPMENT

Property and equipment activity for the year ended June 30, 2024 is as follows:

	Balance 7/1/23	Addi- tions	Disposals	Balance 6/30/24
Vehicle	15,067			15,067
Accumulated depreciation	(12,052)	(3,015)		(15,067)
Total	<u>3,015</u>	<u>(3,015)</u>		

NOTE 5. LONG-TERM OBLIGATIONS

The District has a note payable for a vehicle purchase over 60 months with monthly payments of \$288, including interest at 5.5% until the loan is paid in full. The vehicle is pledged as collateral.

Long-term obligations activity for the fiscal year ended June 30, 2024, was as follows:

	Balance 7/1/23	Addi- tions	Payments	Balance 6/30/24	Due Within One Year
Note payable	<u>3,404</u>		<u>(3,404)</u>		

NOTE 6. LEASE OBLIGATIONS

The District has entered into short-term lease agreements for its offices. Monthly rent payments are \$900.

NOTE 7. RISK MANAGEMENT

The District is exposed to various risks of loss from torts; theft of, damage to, and destruction of assets; business interruption; employee injuries and illnesses; natural disasters; and employee health and accident benefits. Commercial insurance coverage is purchased for employee group health and accident benefits. Settled claims have not exceeded this commercial coverage in any of the three preceding years.

NOTE 8. SUBSEQUENT EVENT

In preparing the financial statement, the District has evaluated events and transactions for potential recognition or disclosure through September 8, 2025, the date the financial statements were available to be issued.



**DANA F. COLE
& COMPANY^{LLP}**
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Directors
Central Nebraska Economic Development District
Chambers, Nebraska

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Central Nebraska Economic Development District, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Central Nebraska Economic Development District's basic financial statements and have issued our report thereon dated September 8, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Central Nebraska Economic Development District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Central Nebraska Economic Development District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and responses, as items 2024-001 and 2024-002, that we consider to be significant deficiencies.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Central Nebraska Economic Development District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Central Nebraska Economic Development District's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on Central Nebraska Economic Development District's responses to the findings identified in our audit, which are described in the accompanying schedule of findings and responses. Central Nebraska Economic Development District's responses were not subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we express no opinion on them.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Central Nebraska Economic Development District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Central Nebraska Economic Development District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Minden, Nebraska
September 8, 2025

CENTRAL NEBRASKA ECONOMIC DEVELOPMENT DISTRICT
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED JUNE 30, 2024

2024-001 SEGREGATION OF DUTIES

Criteria

To help ensure accurate financial reporting and the safeguarding of assets, adequate internal controls should be in place including the segregation of duties.

Condition

Due to the size of the District, there is limited segregation of duties over bookkeeping, billing, and accounting functions. The same individual routinely reconciles the bank statements, makes journal entries, and manages the general ledger functions.

Potential Effect

Due to the lack of segregation of duties in this area, cash may be subject to misappropriation.

Cause

Limited number of personnel.

Recommendation

We recommend that the District continue to review the situation and make improvements where possible.

District's Response

The District has implemented procedures such as reviews of bank statements and bank reconciliations by the manager to improve segregation of duties issues. The District will, within the constraints of existing time and cost considerations, continue to review the situation and make improvements.

2024-002 FINANCIAL REPORTING PROCESSES

Criteria

As described in our engagement letter, management is responsible for establishing and maintaining internal controls, including monitoring, and for the fair presentation of financial statements, including the notes to the financial statements, in conformity with accounting principles generally accepted in the United States of America.

CENTRAL NEBRASKA ECONOMIC DEVELOPMENT DISTRICT
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED JUNE 30, 2024

2024-002 FINANCIAL REPORTING PROCESSES (Continued)

Condition

Management should possess the ability to prepare financial statements in accordance with accounting principles generally accepted in the United States of America. The preparation of financial statements under this basis of accounting requires that management possess the ability to properly record and classify transactions in a general ledger, reconcile all accounts, measure and record needed adjustments to the accounts, and prepare the financial statements and related disclosures without the assistance from the auditors.

Potential Effect

Errors in the financial statement or disclosures could occur and not be detected by management.

Cause

The District does not have an internal control system designed to prepare financial statements, including note disclosures, in accordance with accounting principles generally accepted in the United States of America.

Recommendation

Management should carefully review financial statements including disclosures and understand the relationship to the underlying data. All proposed adjustments should be understood and approved.

District's Response

The District relies on the auditor to propose the adjustments necessary to prepare the financial statements, including the related disclosures. The District reviews such financial statements.

CENTRAL NEBRASKA ECONOMIC DEVELOPMENT DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2024

The prior audit findings are as follows:

FINANCIAL STATEMENT FINDINGS

2023-001 SEGREGATION OF DUTIES

There were no changes in the segregation of duties. See current year finding 2024-001.

2023-002 FINANCIAL REPORTING PROCESSES

There were no changes in the period-end financial reporting process. See current year finding 2024-002.

Central Nebraska Economic Development District
MODIFIED CASH BASIS FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT
For the year ended June 30, 2025

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Central Nebraska Economic Development District
Atkinson, Nebraska

Report on the Audit of the Financial Statements

Opinion

We have audited the modified cash-basis financial statements of the business type activities of the Central Nebraska Economic Development District (the District), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective modified cash-basis financial position of the business type activities of the District as of June 30, 2025, and the respective changes in modified cash-basis financial position for the year then ended in accordance with the modified cash basis of accounting described in Note 1.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the modified cash basis of accounting described in Note 1, and for determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Department's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 8, 2025, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Hayes & Associates, L.L.C.

Hayes & Associates, L.L.C.
Omaha, Nebraska
October 8, 2025

Central Nebraska Economic Development District
STATEMENT OF NET POSITION - MODIFIED CASH BASIS
June 30, 2025

ASSETS	
Cash and cash equivalents	\$ 153,490
Restricted cash	70,000
Due from related parties	12,327
Total Assets	<u>\$ 235,817</u>
NET POSITION	
Net Investment in Capital Assets	\$ -
Restricted	70,000
Unrestricted	165,817
Total Net Postion	<u>\$ 235,817</u>

See independent auditor's report and notes to the modified cash basis financial statements.

Central Nebraska Economic Development District
STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION - MODIFIED CASH BASIS
For the year ended June 30, 2025

OPERATING REVENUE	
Grants	\$ 158,020
Services fees	21,798
Grant administration fees	73,724
Membership dues	54,179
Reimbursements	21,569
Other	1,262
Total operating revenue	<u>\$ 330,552</u>
OPERATING EXPENSES	
Salaries	\$ 284,167
Payroll taxes	22,019
Direct grant expenses	-
Insurance	4,815
Miscellaneous	333
Printing and advertising	1,654
Professional fees	20,747
Rent	7,325
Supplies	12,314
Telephone and internet	6,697
Travel	22,860
Registration, training, and dues	10,916
Total operating expenses	<u>\$ 393,847</u>
Operating Income / (Loss)	<u>\$ (63,295)</u>
NONOPERATING REVENUE	
Interest Income	<u>2,360</u>
CHANGE IN NET POSITION	\$ (60,935)
NET POSITION, BEGINNING OF YEAR RESTATED (NOTE 8)	<u>\$ 296,752</u>
NET POSITION, END OF YEAR	<u><u>\$ 235,817</u></u>

See independent auditor's report and notes to the modified cash basis financial statements.

Central Nebraska Economic Development District
STATEMENT OF CASH FLOWS - MODIFIED CASH BASIS
For the year ended June 30, 2025

CASH FLOWS FROM OPERATING ACTIVITIES

Cash received from other governments	\$ 158,020
Cash received from other entities	171,312
Cash paid to employees	(306,186)
Cash paid to supplies	<u>(87,661)</u>
Net Cash Used In Operating Activities	(64,515)

CASH FLOWS FROM INVESTING ACTIVITIES

Interest Income	<u>2,394</u>
Net Cash Used In Investing Activities	2,394

NET INCREASE IN CASH, CASH EQUIVALENTS, AND RESTRICTED CASH (62,121)

CASH, CASH EQUIVALENTS, AND RESTRICTED CASH, BEGINNING OF YEAR 285,611

CASH, CASH EQUIVALENTS, AND RESTRICTED CASH, END OF YEAR \$ 223,490

Reconciliation Of Operating Loss to Net

Cash Used In Operating Activities	
Operating Loss	<u>\$ (63,295)</u>
Adjustments to Reconcile Operating Income	
To Net Cash Provided by Operating Activities:	
(Increase) Decrease In Assets:	
Due from related parties	<u>(1,220)</u>
Total Adjustments	\$ (1,220)

Net Cash Used In Operating Activities \$ (64,515)

See independent auditor's report and notes to the modified cash basis financial statements.

Central Nebraska Economic Development District
NOTES TO MODIFIED CASH BASIS FINANCIAL STATEMENTS
For the year ended June 30, 2025

1. Organization and Summary of Significant Accounting Policies

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements.

A. Reporting Entity

Central Nebraska Economic Development District (the District) is an association of counties and municipalities who have voluntarily elected to jointly form an organization under the Nebraska Interlocal Cooperation Act. The District allows members an opportunity to share common problems and solutions as well as the opportunity to have access to professional staff.

In addition to membership dues, the District receives funds from special projects such as grant application and administration for its members. The District also provides contract services for Central Nebraska Economic Development ,Inc.

There are no legally separate organizations for which the elected official of the District are financially accountable or for which exclusion from these financial statements would cause them to be misleading or incomplete. The District has no taxing powers. As required by Generally Accepted Accounting Principles (GAAP), these financial statements present the District (the primary government). No component units were identified.

B. Measurement Focus and Basis of Accounting

The accompanying financial statements are reported using the economic resources measurement focus and the modified cash basis of accounting. Revenues are recorded when received and expenses are recorded when paid. This is a comprehensive basis of accounting other than generally accepted accounting principles. The District modified the cash basis of accounting for related party due to and due from amounts.

C. Basis of Presentation

Pursuant to the provisions of Governmental Accounting Standards Board (GASB) Statement 34, *Basic Financial Statements – For State and Local Governments*, the full scope of the District's activities is considered to be a single business-type activity (BTA) and, accordingly, is reported within a single column in the basic financial statements.

D. Cash and Cash Equivalents

For the purpose of financial reporting, cash and cash equivalents includes all demand and savings accounts and certificate of deposits of short-term investments with an original maturity of three months or less.

E. Compensated Absences

The District has adopted a vacation and sick leave policy whereby employees earn paid leave time each pay period. The Amount earned is dependent on employment status and number of years employed. The amount of unused leave is not accrued on the cash basis.

Central Nebraska Economic Development District
NOTES TO MODIFIED CASH BASIS FINANCIAL STATEMENTS - CONTINUED
For the year ended June 30, 2025

1. **Organization and Summary of Significant Accounting Policies** (Continued)

F. Net Position

The District's net position is classified as follows:

- Restricted Net Position – Includes resources in which the District is legally or contractually obligated to spend the resources in accordance with restrictions imposed by external parties.
- Unrestricted Net Position – Includes resources derived from special projects, services fees, and interest income.

When both restricted and unrestricted funds are available for expenditure, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

G. Use of Estimates

The preparation of financial statements in accordance with the modified cash basis of accounting Basis of Presentation requires management to make estimates and assumptions that affect the reported amounts. Actual results could differ from those estimates.

H. Budgetary Process

The Department is required by State law to hold public hearings and adopt annual budgets for all funds on the cash basis of accounting. Total expenditures for each fund may not exceed the total budgeted expenditures. Any revisions to the adopted budget of total expenditures to any fund require a public hearing. State statutes of the Nebraska Budget Act provide the prescribed budget practices and procedures that governing bodies are required to follow.

2. **Cash and Investments**

The District can invest, after proper consideration of the requirements for the availability of money, funds of the District in securities, the nature of which individuals of prudence, discretion, and intelligence acquire in dealing with the property of another.

Interest Rate Risk

The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest risk rates.

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that, in the event of a bank failure, a government's deposits may not be returned to it. State law requires collateralization of all deposits with Federal depository insurance or with U.S. Treasury and U.S. agency securities having an aggregate value at least equal to the amount of the deposits. The District's demand deposits are insured up to \$250,000, and certificates of deposit/savings accounts are insured up to \$250,000 by the Federal Deposit Insurance Corporation (FDIC). Any cash deposits or certificates of deposit in excess of the FDIC limits are insured by collateral held by the pledging institution in the District's name or through an Insured Cash Sweep account. As of June 30, 2025, all the District's deposits with financial institutions were fully insured or collateralized.

Central Nebraska Economic Development District
NOTES TO MODIFIED CASH BASIS FINANCIAL STATEMENTS - CONTINUED
For the year ended June 30, 2025

3. Related Entities

Central Nebraska Economic Development, Inc. (CNED, Inc) is a related entity of the District. CNED, Inc was established to assist the District in serving grant management and in providing affordable housing throughout the service area. CNED, Inc, utilizes the staff of the District in carrying out the elements of their programs. Expenses incurred by CNED, Inc, either direct or indirect, which are paid by the District, and are subsequently reimbursed.

Included in the financial statements is a balance of \$2,259 due from CNED, Inc, as of June 30, 2025. Reimbursed revenue consists of \$21,569 from CNED, Inc, for payroll and other expenses paid by the District for use by CNED, Inc.

Country Clover Crown is a Low-Income Housing Tax Credit property owned by CNHD. Expenses incurred by the District on behalf of Country Clover Crown are reimbursed by the property. As of June 30, 2025, \$10,005 was due from Country Clover Crown.

4. Property and Equipment

Capital outlay is expensed as incurred under the modified cash basis of accounting and no depreciation expense is recorded. The District maintains an asset listing for internal purposes which is as follows:

	Balance 7/1/2024	Additions	Disposals	Balance 6/30/2025
Vehicle	\$ 15,067	\$ -	\$ -	\$ 15,067
Accumulated Depreciation	(15,067)	-	-	(15,067)
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

5. Lease Obligations

The District has entered into short-term lease agreements for its offices. All are month-to-month with total rental payments each month of \$900.

6. Compensated Absences

No liability is accrued under the modified cash basis of accounting for compensated absences. Below is a summary of the potential liability related to unused vacation and sick leave which includes managements estimate that team members on average will utilize half of their annual accrual amount of sick leave and includes all of the accrued vacation leave as this would be paid out upon termination of employment.

Balance July 1, 2024	Earned	Used	Balance June 30, 2025
\$ 17,828	27,579	20,581	\$ 24,826

Central Nebraska Economic Development District
NOTES TO MODIFIED CASH BASIS FINANCIAL STATEMENTS - CONTINUED
For the year ended June 30, 2025

7. Risk Management

The District is exposed to various risks of loss from torts; theft of; damage to, and destruction of assets, business interruption; employee injuries and illness; natural disasters' and employee health and accident benefits. Commercial insurance coverage is purchased for employee group health and accident benefits. Settled claims have not exceeded this commercial coverage in any of the three proceeding years.

8. Change in Basis of Accounting - Restatement

Effective July 1, 2024, the District began reporting on the modified cash basis of accounting as described in Note 1.B. In years past, the District had reported under generally accepted accounting principles (GAAP). As part of the conversion from GAAP to the modified cash basis of accounting, the District adjusted their Statement of Net position as of July 1, 2024 by removing the following:

	Increase	Decrease
Property and equipment		15,067
Accumulated depreciation	15,067	
Accounts payable		3,456
Wages payable		14,431
Payroll taxes payable		585
Personal leave accrued		17,828
Unrestricted net position	36,300	

9. Subsequent Events

In preparing the financial statements, the District has evaluated events and transactions for potential recognition or disclosure through October 8, 2025, the date the financial statements were available to be issued.



**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND
ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS***

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Central Nebraska Economic Development District
Atkinson, Nebraska

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the modified cash basis financial statements of the business type activities of the Central Nebraska Economic Development District (the District), as of and for the year ended June 30, 2025, and the related notes to the modified cash basis financial statements, which collectively comprise the Department's basic financial statements, and have issued our report thereon dated October 8, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Hayes & Associates, L.L.C.

Hayes & Associates, L.L.C.
Omaha, Nebraska
October 8,, 2025

Central Nebraska Economic Development District
SCHEDULE OF FINDINGS AND RESPOSNES
For the year ended June 30, 2025

Section I – Summary of Auditor’s Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with the modified cash basis of accounting:

Unmodified

Internal control over financial reporting:

Material weaknesses identified:

None Reported

Significant deficiencies identified:

None Reported

Noncompliance material to financial statements noted:

None Reported

Section II – Financial Statement Findings

None Reported

Central Nebraska Economic Development District
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the year ended June 30, 2025

Section II – Financial Statement Findings

None Reported



October 8, 2025

To the Board of Directors
Central Nebraska Economic Development District

We have audited the financial statements of Central Nebraska Economic Development District (the District) as of and for the year ended June 30, 2025, and have issued our report thereon dated October 8, 2025. Professional standards require that we advise you of the following matters relating to our audit. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter to you dated August 15, 2025. Professional standards also require that we communicate to you the following information related to our audit.

Our Responsibility in Relation to the Financial Statement Audit

Our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance the modified cash basis of accounting which is a comprehensive basis of accounting other than generally accepted accounting standards in the United States of America (GAAP) which has been deemed an appropriate basis of accounting for your purposes by yourself and management. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the District solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, our firm, and our network firms have complied with all relevant ethical requirements regarding independence. An individual independent of the audit team provided a quality control review of the audit which reduced threat to independence to an acceptable level.

Significant Risks Identified

We have identified the following significant risks:

- Management override of controls (Mandatory Identification)
- Improper revenue recognition due to Fraud or Error (Mandatory Identification)

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the District is included in Note 1 to the financial statements. No new accounting policies were implemented during the fiscal year ended June 30, 2025; However, the District did elect to move from reporting under the GAAP basis to the modified cash basis effective July 1, 2024. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments. There were no significant accounting estimates noted.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the District's financial statements relate to:

- The disclosure of the modified cash basis of accounting utilized by the Department in Note A to the financial statements.

Significant Unusual Transactions

For purposes of this communication, professional standards require us to communicate to you significant unusual transactions identified during our audit.

The following significant unusual transactions identified as a result of our audit procedures were brought to the attention of management: none were brought to the attention of management.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards also require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. No misstatements were identified that were not corrected by management. In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. We identified as a result of our audit procedures the adjustments included in the attached schedule which were brought to the attention of, and corrected by, management.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the District's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management, which are included in the attached letter dated October 8, 2025.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with the District, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the District's auditors.

Hayes & Associates, LLC

Hayes & Associates, LLC
Omaha, Nebraska
October 8, 2025



P.O. Box 981, Atkinson, NE 68713

October 8, 2025

Hayes & Associates, L.L.C.
13120 Pierce Street, Suite 201
Omaha, NE 68144

This representation letter is provided in connection with your audit of the modified cash basis financial statements of Central Nebraska Economic Development District (the District) as of and for the year ended June 30, 2025, and the respective changes in fund balance and, where applicable, cash flows for the year then ended, and the related notes to the financial statements, for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with the modified cash basis of accounting, which is a special reporting framework other than accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of October 8, 2025, the following representations made to you during your audit.

Financial Statements

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated August 15, 2025, including our responsibility for the preparation and fair presentation of the financial statements in accordance with the applicable criteria.
- 2) The financial statements referred to above are fairly presented in conformity with the modified cash basis.
- 3) We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) Significant assumptions we used in making accounting estimates are reasonable.
- 6) All events subsequent to the date of the financial statements and for which are required to be adjusted or disclosed have been adjusted or disclosed. No events, including instances of noncompliance, have occurred subsequent to the balance sheet date and through the date of this letter that would require adjustment to or disclosure in the aforementioned financial statements.
- 7) You have proposed adjusting journal entries that have been posted. We are in agreement with those adjustments. A list of the corrected misstatements is attached to the representation letter.
- 8) We are not aware of any uncorrected misstatements as all proposed adjustments have been reviewed, approved, and posted to our accounting system.
- 9) We are not aware of any pending or threatened litigation, claims, or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements, and we have not consulted a lawyer concerning litigation, claims, or assessments.
- 10) Guarantees, whether written or oral, under which the District is contingently liable, if any, have been properly recorded or disclosed.
- 11) We have determined that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances.

Information Provided

- 12) We have provided you with:
 - a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
 - b) Additional information that you have requested from us for the purpose of the audit.
 - c) Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
 - d) Minutes of the meetings of the board of directors.
- 13) All material transactions have been recorded in the accounting records and are reflected in the financial statements.
- 14) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 15) We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
 - a) Management,
 - b) Employees who have significant roles in internal control, or
 - c) Others where the fraud could have a material effect on the financial statements.
- 16) We have no knowledge of any allegations of fraud or suspected fraud affecting the entity's financial statements communicated by employees, former employees, regulators, or others.
- 17) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.
- 18) In regards to the preparation of the District's financial statements and related notes to the financial statements, and the proposed adjusting entries performed by you, we have:
 - a) Made all management decisions and performed all management functions.

- b) Designated an individual with suitable skill, knowledge, or experience to oversee the services.
- c) Evaluated the adequacy and results of the services performed.
- d) Accepted responsibility for the results of the services.

Government—specific

- 19) We have made available to you all financial records and related data.
- 20) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 21) We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- 22) The District has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or equity.
- 23) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts; and we have identified and disclosed to you all laws, regulations and provisions of contracts and grant agreements that we believe have a direct and material effect on the determination of financial statement amounts or other financial data significant to the audit objectives, including legal and contractual provisions for reporting specific activities in separate funds.
- 24) There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
- 25) The District has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- 26) The District has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 27) Except as made known to you we have followed all applicable laws and regulations in adopting, approving, and amending budgets.
- 28) Disbursements have been appropriately classified in the financial statements, and allocations have been made on a reasonable basis.
- 29) Receipts are appropriately classified in the financial statements.
- 30) We have appropriately disclosed the District's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.

Federal Award Programs

- 33) With respect to federal award programs:
 - a) We are responsible for understanding and complying with and have complied with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), including requirements relating to preparation of the schedule of expenditures of federal awards.

- b) We acknowledge our responsibility for presenting the schedule of expenditures of federal awards (SEFA) in accordance with the requirements of the Uniform Guidance, and we believe the SEFA, including its form and content, is fairly presented in accordance with the Uniform Guidance. The methods of measurement or presentation of the SEFA have not changed from those used in the prior period and we have disclosed to you any significant assumptions and interpretations underlying the measurement or presentation of the SEFA.
- c) If the SEFA is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the SEFA no later than the date we issue the SEFA and the auditor's report thereon.
- d) We have identified and disclosed to you all of our government programs and related activities subject to the Uniform Guidance compliance audit, and have included in the SEFA expenditures made during the audit period for all awards provided by federal agencies in the form of grants, federal cost-reimbursement contracts, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other direct assistance.
- e) We are responsible for understanding and complying with, and have complied with, the requirements of laws, regulations, and the provisions of contracts and grant agreements related to each of our federal programs and have identified and disclosed to you the requirements of laws, regulations, and the provisions of contracts and grant agreements that are considered to have a direct and material effect on each major program.
- f) We are responsible for establishing and maintaining, and have established and maintained, effective internal control over compliance for federal programs that provides reasonable assurance that we are managing our federal awards in compliance with laws, regulations, and the provisions of contracts and grant agreements that could have a material effect on our federal programs. We believe the internal control system is adequate and is functioning as intended.
- g) We have made available to you all contracts and grant agreements (including amendments, if any) and any other correspondence with federal agencies or pass-through entities relevant to federal programs and related activities.
- h) We have received no requests from a federal agency to audit one or more specific programs as a major program.
- i) We have complied with the direct and material compliance requirements (except for noncompliance disclosed to you), including when applicable, those set forth in the *OMB Compliance Supplement*, relating to federal awards and confirm that there were no amounts questioned and no known noncompliance with the direct and material compliance requirements of federal awards.
- j) We have disclosed any communications from federal awarding agencies and pass-through entities concerning possible noncompliance with the direct and material compliance requirements, including communications received from the end of the period covered by the compliance audit to the date of the auditor's report.
- k) We have disclosed to you the findings received and related corrective actions taken for previous audits, attestation engagements, and internal or external monitoring that directly relate to the objectives of the compliance audit, including findings received and

corrective actions taken from the end of the period covered by the compliance audit to the date of the auditor's report.

- l) Amounts claimed or used for matching were determined in accordance with relevant guidelines in OMB's Uniform Guidance (2 CFR part 200, subpart E) and OMB Circular A-87, *Cost Principles for State, Local, and Tribal Governments*.
- m) We have disclosed to you our interpretation of compliance requirements that may have varying interpretations.
- n) We have made available to you all documentation related to compliance with the direct and material compliance requirements, including information related to federal program financial reports and claims for advances and reimbursements.
- o) We have disclosed to you the nature of any subsequent events that provide additional evidence about conditions that existed at the end of the reporting period affecting noncompliance during the reporting period.
- p) There are no such known instances of noncompliance with direct and material compliance requirements that occurred subsequent to the period covered by the auditor's report.
- q) No changes have been made in internal control over compliance or other factors that might significantly affect internal control, including any corrective action we have taken regarding significant deficiencies or material weaknesses in internal control over compliance, subsequent to the date as of which compliance was audited.
- r) Federal program financial reports and claims for advances and reimbursements are supported by the books and records from which the financial statements have been prepared.
- s) The copies of federal program financial reports provided you are true copies of the reports submitted, or electronically transmitted, to the respective federal agency or pass-through entity, as applicable.
- t) We have monitored subrecipients to determine that they have expended pass-through assistance in accordance with applicable laws and regulations and have met the requirements of the Uniform Guidance.
- u) We have taken appropriate action, including issuing management decisions, on a timely basis after receipt of subrecipients' auditor's reports that identified noncompliance with laws, regulations, or the provisions of contracts or grant agreements and have ensured that subrecipients have taken the appropriate and timely corrective action on findings.
- v) We have considered the results of subrecipient audits and have made any necessary adjustments to our books and records.
- w) We have charged costs to federal awards in accordance with applicable cost principles.
- x) We are responsible for and have accurately prepared the summary schedule of prior audit findings to include all findings required to be included by the Uniform Guidance and we have provided you with all information on the status of the follow-up on prior audit findings by federal awarding agencies and pass-through entities, including all management decisions.
- y) We are responsible for and have ensured the reporting package does not contain protected personally identifiable information.
- z) We are responsible for and have accurately prepared the auditee section of the Data Collection Form as required by the Uniform Guidance.

aa) We have disclosed to you all contracts or other agreements with service organizations, and we have disclosed to you all communications from the service organizations relating to noncompliance at the service organizations.

Signature: Carla Kimball

Title: Executive Director

Client: **2025126 - Central Nebraska Economic Development District**
Engagement: **AU 2025 - Central Nebraska Economic Development District**
Period Ending: **6/30/2025**
Trial Balance: **0400 - TB-Updated**
Workpaper: **0421 - Adjusting Journal Entries Report**

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries JE # 1001				
		0410.01		
To reconcile beginning net assets and the balance sheet with the 2024 audited financial statements from Dana Cole.				
5500	Miscellaneous		1.00	
3002	Retained Earnings			1.00
Total			1.00	1.00
Adjusting Journal Entries JE # 1002				
		2002		
To remove accounts payable as the balance is from an accrual entry proposed by Dana COLE as part of the FY 2024 audit.				
2000	Accounts Payable		2,856.00	
3002	Retained Earnings			2,856.00
Total			2,856.00	2,856.00
Adjusting Journal Entries JE # 1003				
		1502		
To remove the sole capital asset and related accumulated depreciation as part of conversion to cash basis.				
1600	Accumulated Depreciation		15,067.00	
1525	Vehicle			15,067.00
Total			15,067.00	15,067.00
Adjusting Journal Entries JE # 1004				
		2102		
To remove prior year payroll related accruals due to transition to the cash basis of accounting.				
2100	Accrued Vacation Payable		17,828.00	
2101	Accrued Wages Payable		14,431.00	
22201	Direct Deposit Payable		600.00	
2303	Payroll Liabilities:NE Income Tax		747.00	
2304	Payroll Liabilities:NE Unemployment Tax		38.00	
2301	Payroll Liabilities:Federal Taxes (941/944)			200.00
3002	Retained Earnings			33,444.00
Total			33,644.00	33,644.00

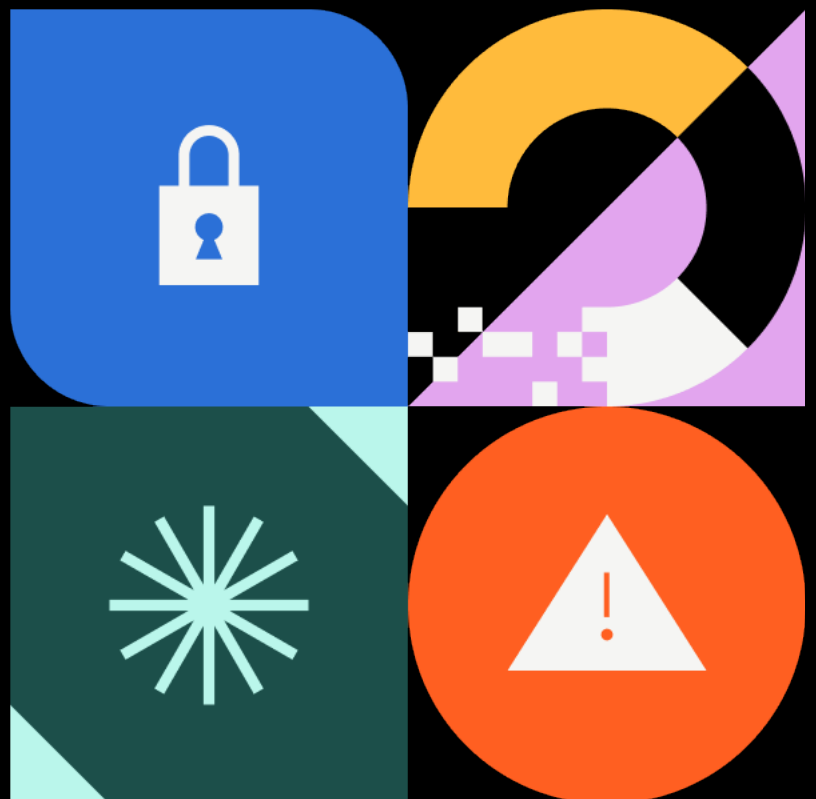


Generated on September 3, 2025

Cyber Risk Assessment

PREPARED FOR

**Central Nebraska Economic Development Inc. and
Central Nebraska Housing Developers Inc.**



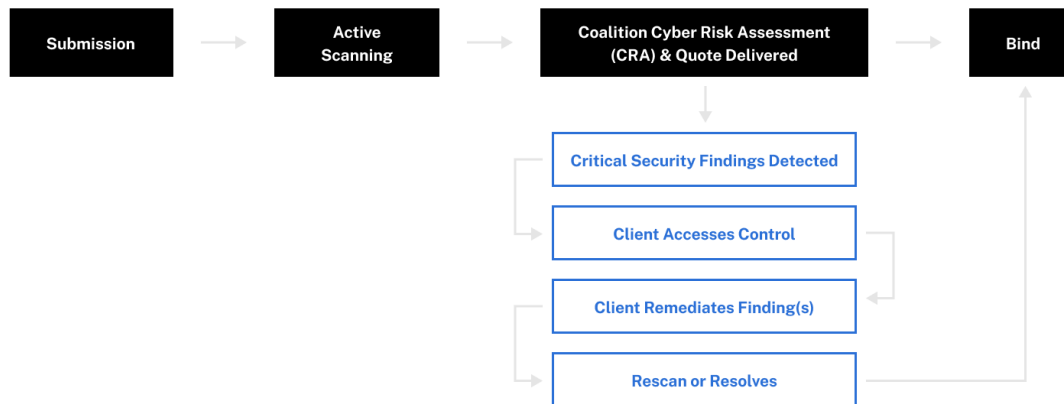
coalitioninc.com

Coalition Control[®]

Simplify contingency resolution with pre-bind access

Every organization that receives a quote and Cyber Risk Assessment (CRA) from Coalition also receives access to Coalition Control[®]. This allows Coalition to use its Active Data Graph to help identify critical exposures with your business's technology systems and helps you resolve them before binding coverage.

How does it work?



Follow these easy steps to make cybersecurity less daunting with Coalition Control:

1. Coalition Conducts Active Risk Assessment

Coalition uses proprietary attack surface monitoring technology and real-time threat intelligence to provide a customized view of the exposures that are the most severe, likely to impact insurability, and if not resolved could result in claims.

2. Critical Security Findings Detected by Coalition

If Critical Security Finding(s) are detected that impact insurability, they will be noted on the quote document as contingencies and in the Coalition Cyber Risk Assessment (CRA) provided with the quote.

3. Activate your Coalition Control Account by following instructions provided by your broker

Every current and prospective Coalition policyholder receives access to Coalition Control, not just those with security findings. New clients can request pre-bind access by contacting their broker. Existing policyholders can log into [Coalition Control](#) with a valid email address and policy number.

4. Remediate Exposures

Log into Coalition Control to review the technical details of any security findings, suggested remediation best practices as well as additional support resources.

5. Rescan and Resolve

After exposures have been remediated, follow the instructions to initiate a [rescan](#) and [resolve](#) contingencies directly in Control. As soon as contingencies are cleared an updated bindable quote will be reissued. Depending on the security finding, rescans could take up to 48 hours.

Digital risk changes quickly, and businesses need more than traditional insurance can offer. Coalition's Active Insurance provides policyholders with technology and expert support before, during, and after a cyber incident occurs.

This Cyber Risk Assessment provides a customized view of your organization's risk. Coalition collects and analyzes externally observable security data and integrates these findings with our proprietary claims and incident data to identify your organization's risk exposures. This objective assessment of your cyber risk enables your organization to take proactive measures to mitigate risk and improve your security.

Coalition provides a holistic risk management solution for your organization, including:

- Attack surface monitoring and third party risk management in Coalition Control
- Incident response support and in-house claims team
- Cybersecurity education resources

Sections

Risk Summary

Security Findings

Overall Risk Posture

Data Leaks

Malware

Spam

Malicious Events

Honeypot Events

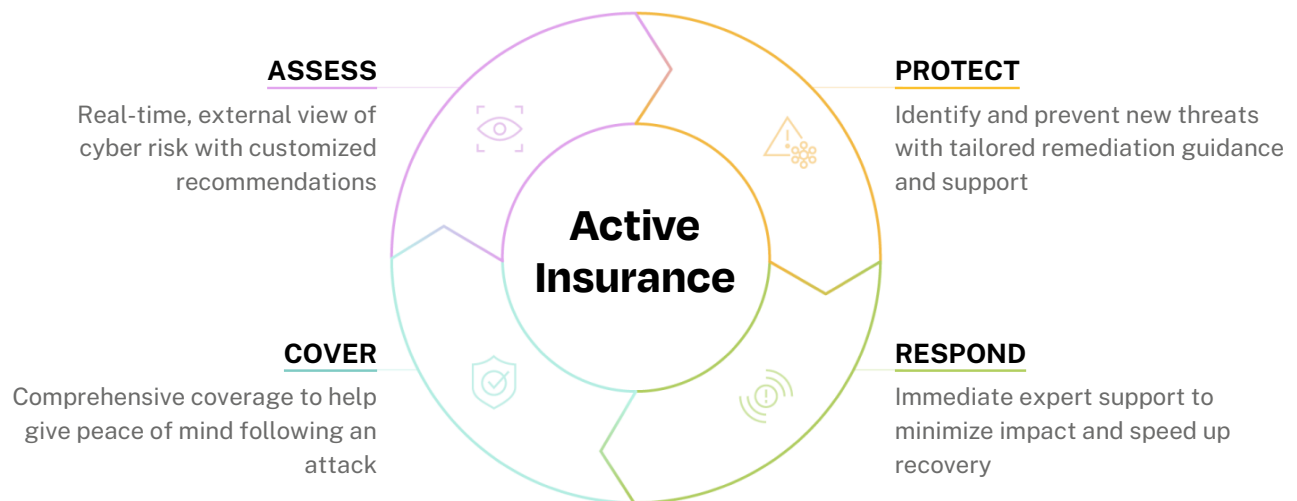
Blocklisted Domains

Torrents

DMARC

SPF

Glossary



56%

Reported incidents handled at no cost outside of the policy premium
[Source](#)

73%

Fewer claims than the cyber industry average
[Source](#)

24/7

Support from our claims team

Risk Summary

Central Nebraska Economic...Inc.

Domains: cnedd.org (+1) Last Scanned: Sep 3, 2025

Cyber Health Rating

The Cyber Health Rating is a dynamic score that reflects the overall health of your organization's cybersecurity posture, with 100 representing optimal health. This rating considers factors such as attack surface exposure, and alignment with best practices to help you understand and improve your cyber resilience.

93 /100 **Great**

Critical Security Findings

Critical Security Findings are high-risk vulnerabilities that strongly correlate with cyber claims and security breaches. Addressing these findings is essential to reducing exposure and maintaining insurability.

0

We've updated the Cyber Health Rating with new intelligence signals and claims insights. You may notice a change in your rating.

[Learn More](#)

How Much Would a Cyber Incident Cost?

Using demographic data on your organization, together with Coalition's global claims data, we've modeled the probability that organizations in your peer group will experience a cyber loss over the next 12 months, as well as the expected severity of loss using a statistical model derived from 10,000 simulated years of cyber incidents.

Your Inherent Risk Rating

Baseline level of cyber risk based on your industry and operational complexity, independent of your attack surface and security controls.

Low

Revenue	Under 10 M	
PHI/PCI/PII Data	No records	
Employees	1-25	
Industry	Other Services	

Estimated loss based on your organization's profile

Type of loss	Median	1 in 10 years	1 in 100 years
Composite	\$63,521	\$475,375	\$2,448,384
Ransomware	\$115,561	\$704,453	\$3,070,088
Funds Transfer Fraud	\$55,902	\$368,022	\$1,707,565
Data Breach	\$40,162	\$312,348	\$1,659,911

Incident likelihood compared to average Coalition insured

0.6x as likely

Aggregate limits purchased by peer organizations

Up to \$1M	17%
\$1M - \$2M	71%
\$2M - \$5M	11%
\$5M - \$10M	0%

Cyber inherent risk rating, aggregate limits, estimated cyber incident cost, and cyber incident likelihood predictions are good faith estimates based on data from multiple sources including global claims data for a composite cybersecurity incident from similar companies in your industry, as compared to your company's demographic information that you provided to Coalition. Actual costs may vary depending on other factors for a given business. The data is provided for informational and demonstration purposes only, and not as legal, professional or consulting advice; use of the data is solely at your own risk. No warranty (express or implied) is given or liability accepted regarding the data.

Security Findings

 **CRITICAL**
0
 ASSETS

Critical risks are contingencies that **impact premium and insurability** if not resolved.

 **HIGH**
0
 ASSETS

High risks can turn into critical risks if not resolved.

 **MEDIUM**
0
 ASSETS

Medium risks may turn to high risk if not resolved.

 **LOW**
3
 ASSETS

Low risks may turn to medium risk if not resolved.

Attack Surface Analyzed

Sub Domains	7
IP Addresses	13
Applications	31
Services	7

For full list, go to control.coalitioninc.com

Critical Findings

Our Active Data Graph has identified the following critical security findings for your organization. To help reduce a **negative impact on insurability or a potential increase in your premium**, resolve these critical findings using the information provided.

No critical security findings have been detected.

How can I test my fix and resolve a vulnerability?

1. Go to <https://control.coalitioninc.com/security-findings>.
2. Select the security finding you want to test and click **Rescan**.
3. Your security findings will update and a new Cyber Health Rating will appear!

Not a Coalition Control user?

Sign up for free at control.coalitioninc.com

SECURITY FINDINGS

Non-Critical Security Findings

Non-critical security findings have a risk severity of High, Medium, or Low. We still recommend remediating them as they could expose your organization to other types of cyber risk or become critical security findings later as threat actors change their tactics.

SECURITY FINDING	ASSET
 DMARC Record Missing DMARC, which stands for “Domain-based Message Authentication, Reporting & Conformance”, is an email authentication, policy, and reporting protocol. It builds on the widely deployed SPF and DKIM protocols, adding linkage to the author (“From:”) domain name, published policies for recipient handling... For full details, go to control.coalitioninc.com/security-findings/?findingsTab=active	2
 SMTP Sender Policy Framework (SPF) The remote domain name doesn’t have SPF (Sender Policy Framework) in place. This mechanism is a way to let a mail server know which mail servers are authorized to send emails on behalf of your domain. When a domain lacks an SPF policy, an attacker is able to send spoofed emails that look like they’re... For full details, go to control.coalitioninc.com/security-findings/?findingsTab=active	1

Overall Risk Posture

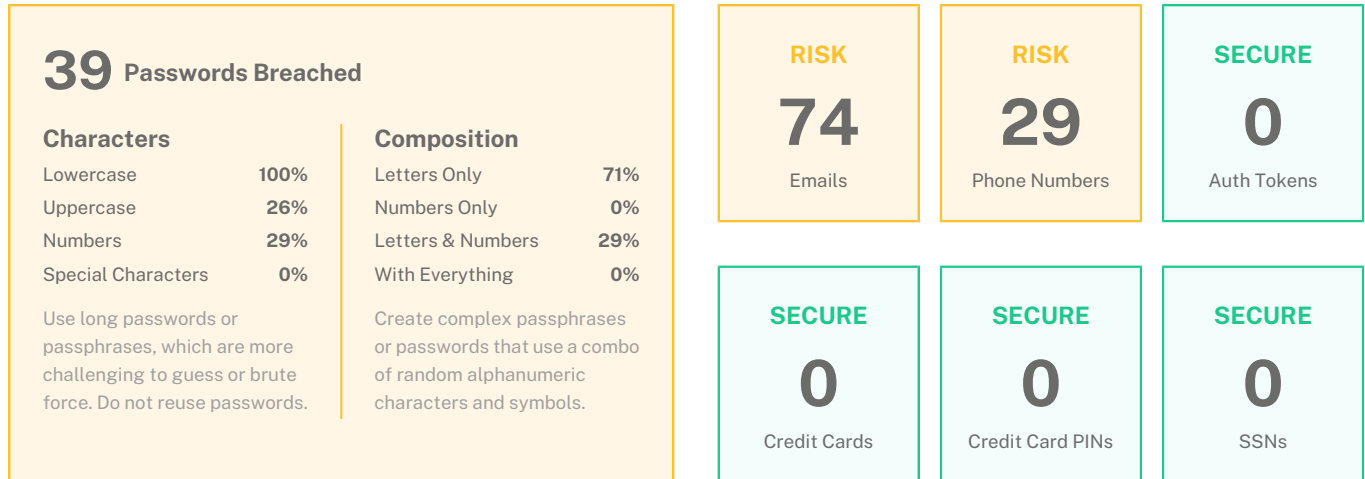
Your overall risk posture is a holistic look at your organization's cyber exposure. This includes assets, data exposures and technologies that threat actors may exploit identified by our [Active Data Graph](#).

RISK	Data Leaks	74 leaks
SECURE	Malware	0 detected
SECURE	Spam	0 detected
SECURE	Malicious Events	0 detected
SECURE	Honeypot Events	0 detected
SECURE	Blocklisted Domains	0 detected
SECURE	Torrents	0 detected
RISK	DMARC	2 failures
RISK	SPF	1 failures

OVERALL RISK POSTURE

Data Leaks

This section details the potential impacts of data leaks and phishing. Phishing is often the initial entry point in breaches, and exposed data, like passwords, can be used in subsequent attacks.



What are your most common breaches?

74	Email addresses
39	Passwords
34	Names
30	Postal Code
29	Phone numbers
26	Physical addresses
26	Country Code
26	Country
25	State
25	City

Where are your breaches occurring?

10	Sensitive Source
7	Scraped LinkedIn Profiles
4	Data Aggregator Breach
4	US-based Data Broker Leak
4	Combolist of 1.4 Billion Credentials
4	B2B USA Businesses
4	Dropbox
4	LinkedIn
3	International Combolist
3	2019 Antipublic Combo List

Need more info?

Go to control.coalitioninc.com/data-leaks/ for a full list.

Not a Coalition Control user?

Sign up for free at control.coalitioninc.com

OVERALL RISK POSTURE

Malware

Assets we discovered where malware activity was detected.

SECURE

0

Assets Detected

ASSET	SOURCE	LAST DETECTED
Scan performed and no results were found		

Spam

Assets we discovered that send unsolicited communication.

SECURE

0

Assets Detected

ASSET	SOURCE	LAST DETECTED
Scan performed and no results were found		

OVERALL RISK POSTURE

Malicious Events

Assets detected by Coalition or a third-party partner, noted for their performance leading to attempted or successful unauthorized network intrusion by a threat actor. These attempts can lead to malware, ransomware, or other cyber incidents.

SECURE

0

Assets Detected

ASSET

TAGS

LAST DETECTED

Scan performed and no results were found

Honeypot Events

A honeypot is a legitimate security mechanism that is purposely vulnerable to high-risk exploits in order to identify malicious assets that attempt to infiltrate it. Our distributed network of honeypots listens for unsolicited connections and attacks. Your assets should not communicate with our honeypots. Events in this section indicate malicious activity on your network is likely. Shared assets are not an indicator of malicious events.

SECURE

0

Assets Detected

ASSET

TAGS

LAST DETECTED

Scan performed and no results were found

OVERALL RISK POSTURE

Blocklisted Domains

Domains found in public blocklists — if one of your assets is found on these lists typically means that some type of malicious activity was performed.

SECURE

0

Assets Detected

ASSET

SOURCE

LAST DETECTED

Scan performed and no results were found

Torrents

Torrent downloads are often illegal and you risk bringing files infected with malware into your network. In this section, we list the torrents seen being downloaded by your assets.

SECURE

0

Assets Detected

ASSET

NAME

LAST DETECTED

Scan performed and no results were found

OVERALL RISK POSTURE

DMARC

DMARC (Domain-based Message Authentication, Reporting and Conformance) is an email authentication protocol that is designed to give email domain owners the ability to protect their domain from unauthorized use (known as email spoofing). The purpose of implementing DMARC is to protect a domain from being exploited in business email compromise attacks, phishing emails, email scams, and other cyber threat activities.

RISK

2

Domains Failed

PASS (0)

FAIL (2)

cnedd.org

cnhd.org

SPF

Sender Policy Framework (SPF) is an email authentication method designed to detect forging sender addresses during the delivery of an email. This measure specifies what email servers are allowed to send email from your domain. It helps ensure that someone cannot create an email server and send it as your domain unless you have authorized them to do so in your DNS records.

RISK

1

Domains Failed

PASS (1)

FAIL (1)

cnedd.org

cnhd.org

2 results. Go to control.coalitioninc.com for full list.

Glossary

Asset	Web properties that your organization owns, such as an IP Address, Domain, or Subdomain.
Data Breach	A cyber incident where your customer or employee data is accessed, and possibly exfiltrated, by a third party.
Domain	Web address associated with the organization. Example: coalitioninc.com
Frequent Claim Indicator	A security finding that frequently leads to claims and severely impacts your Cyber Health Rating.
Hosting	Some type of hosting provider or hosting technology being used in one or more of your assets.
IP Address	An IP address associated with your company. Example: 1.1.1.1.
Remote Desktop Protocol (RDP)	RDP is a feature that enables employees to remotely log into their corporate computer from home. While it may be convenient for employees, RDP can also function as an open door for hackers to break into your corporate network.
Secure Sockets Layer (SSL)	SSL is a cryptographic protocol designed to provide secure communications over a computer network.
Services	Technologies used to deliver services from your assets.
Technologies	Technologies found being used in one or more of your assets.
Torrents	Torrenting is a peer-to-peer file-sharing mechanism whereby assets that are hosted on your computers may be downloaded by other people who are outside of your organization.



This assessment was prepared by
Coalition Security
19 West 44th Street
15th Floor, Suite 1507
New York, NY 10036

For more information, visit coalitioninc.com/security



Coalition Incident Response, Inc. (d/b/a Coalition Security), located in New York, NY, is a wholly-owned subsidiary of Coalition, Inc.

This assessment is provided for informational purposes only. Risk-related analyses and statements in this assessment are statements of opinion of possible risks to entities as of the date they are expressed, and not statements of current or historical fact as to the security of any entity. YOUR USE OF THIS ASSESSMENT IS AT YOUR OWN DISCRETION AND RISK. THE ASSESSMENT IS PROVIDED ON AN “AS IS” AND “AS AVAILABLE” BASIS. TO THE MAXIMUM EXTENT PERMITTED BY LAW, COALITION EXPRESSLY DISCLAIMS ALL WARRANTIES AND CONDITIONS OF ANY KIND, WHETHER EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO THE IMPLIED WARRANTIES AND CONDITIONS OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. COALITION DOES NOT WARRANT THAT (i) THE ASSESSMENT WILL MEET ALL OF YOUR REQUIREMENTS; (ii) THE ASSESSMENT WILL BE UNINTERRUPTED, TIMELY, SECURE, OR ERROR-FREE; OR (iii) THAT ALL ERRORS IN THE ASSESSMENT WILL BE CORRECTED.

Active protection from digital risk

Coalition pioneered Active Insurance to proactively protect your business against cyber threats. That's why our policyholders experience **73% fewer claims** than the industry average.¹



 **Comprehensive cyber coverage** to protect against incidents like ransomware and funds transfer fraud²

 **Upfront expenses paid on your behalf**, so you can skip the wait for reimbursement³

 **A top-notch team** of claims experts and incident response specialists at the ready

 **No-cost rapid response services**, including initial legal consultation and incident response assistance

 **Personalized security alerts** to help spot and fix vulnerabilities *before* they escalate.

 **Tangible insurance benefits** for maintaining good cyber hygiene. [Learn More.](#)



\$101M+
in fraudulently transferred funds **successfully recovered** by Coalition¹



60%
average **reduction in ransomware demands** through threat actor negotiation¹

"Coalition helped us rebuild our business and went above and beyond typical insurance. The professionalism and skill level was outstanding."

SYSTEMS ADMINISTRATOR, REAL ESTATE DEVELOPMENT RANSOMWARE VICTIM

¹ Coalition, 2025 Cyber Claims Report

² Insurance products are offered in the U.S. by Coalition Insurance Solutions Inc.), a licensed insurance producer and surplus lines broker, (Cal. license # 0L76155) acting on behalf of a number of unaffiliated insurance companies, and on an admitted basis through Coalition Insurance Company, a licensed insurance underwriter (NAIC # 29530). See licenses and disclaimers.

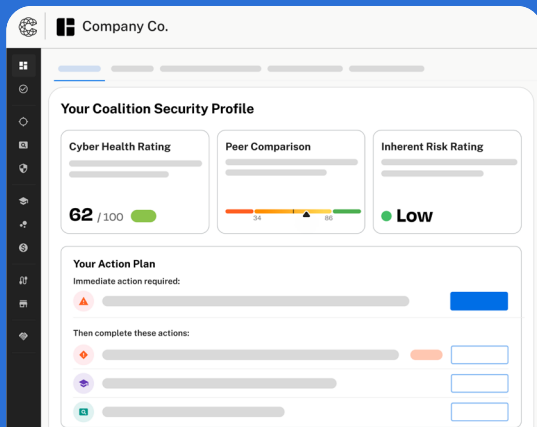
³ Only covered upfront claims expenses will be paid. Coverage is subject to and governed by the language of the policy as actually issued. Please see a copy of your policy for the full terms and conditions. Exclusions and limitations apply, and may vary by state.

✓ INCLUDED WITH YOUR POLICY

Coalition Control®

Your unified cyber risk management platform

Coalition Control helps you detect, assess, and mitigate cyber risks **before** they turn into claims.



Understand your specific risks
and access helpful remediation guidance



Stay on top of your cyber posture
with ongoing monitoring and personalized alerts



Resolve security issues
with on-demand support from our expert team

Get started at coalitioninc.com/control or ask your broker for an invitation

ADDITIONAL SECURITY SOLUTIONS

Add security services to enhance policy terms



Managed Detection & Response → Up to 12.5% premium credit¹



Security Awareness Training → \$100k added to Funds Transfer Fraud sublimit²

Learn more at coalitioninc.com/security →

¹Eligibility for premium credit can depend on risk profile and underwriting qualifications determined at time of quote or renewal. Through the underwriting process other exclusions and limitations may apply. Customers with MDR other than Coalition's MDR product may be eligible for a MDR premium credit; contact MDRsales@coalitioninc.com for more information.

²Eligibility for Additional FTF Coverage requires enrollment in and payment for Coalition Security Awareness Training ("SAT") for a 12-month period at the time of binding a Coalition cyber insurance policy. SAT is provided by Coalition Incident Response, Inc. (d/b/a Coalition Security) ("CIR"), a wholly owned affiliate of Coalition, Inc. Coalition Security. The purchase of a Coalition insurance policy is not required to purchase SAT or any other Coalition Security product. Additional FTF Coverage offer is only for eligible organizations. See [Terms of Service](#) for more information on this offer. Limitations and exclusions apply.

**Notice**

This policy is issued by a nonadmitted insurer, and in the event of the insolvency of such insurer, this policy will not be covered by the Nebraska Property and Liability Insurance Guaranty Association.

SPECIMEN



POLICYHOLDER DISCLOSURE
NOTICE OF TERRORISM INSURANCE COVERAGE

Coverage for acts of terrorism is included in your policy. You are hereby notified that the Terrorism Risk Insurance Act of 2002, as amended in 2019, defines an act of terrorism in Section 102(1) of the Act: The term “act of terrorism” means any act or acts that are certified by the Secretary of the Treasury—in consultation with the Secretary of Homeland Security, and the Attorney General of the United States—to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion. Under your coverage, any losses resulting from certified acts of terrorism may be partially reimbursed by the United States Government under a formula established by the Terrorism Risk Insurance Act, as amended. However, your policy may contain other exclusions which might affect your coverage, such as an exclusion for nuclear events. Under the formula, the United States Government generally reimburses 80% beginning on January 1, 2020, of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage. The Terrorism Risk Insurance Act, as amended, contains a \$100 billion cap that limits U.S. Government reimbursement as well as insurers’ liability for losses resulting from certified acts of terrorism when the amount of such losses exceeds \$100 billion in any one calendar year. If the aggregate insured losses for all insurers exceed \$100 billion, your coverage may be reduced.

The portion of your annual premium that is attributable to coverage for acts of terrorism is \$0 and does not include any charges for the portion of losses covered by the United States government under the Act.

UNDER THE TERRORISM RISK INSURANCE ACT, AS AMENDED, ANY LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM UNDER THIS POLICY COVERAGE MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT AND MAY BE SUBJECT TO A \$100 BILLION CAP THAT MAY REDUCE MY COVERAGE.



Notice of Privacy Practices

Effective 1 November 2024

Coalition, Inc. and its current and future subsidiaries and affiliates, including Coalition Insurance Solutions, Inc. (“**CIS**”), Coalition Insurance Solutions Canada, Inc. (“**CISC**”), Coalition Incident Response, Inc. (“**CIR**”), Coalition Incident Response Canada, Inc. (“**CIRC**”), Coalition Risk Solutions, Ltd. (“**Coalition UK**”), Coalition Insurance Company, Inc. (“**CIC**”), BinaryEdge AG (“**BE**”), Coalition Insurance Solutions GmbH (“**Coalition DE**”), and Coalition Insurance Solutions Pty Ltd (ACN 657 140 791) (“**Coalition AU**”) (collectively, “**Coalition**,” “**we**,” or “**our**”) is required to provide this Notice of Privacy Practices (“**Notice**”) in accordance with applicable laws and regulations. This Notice outlines how we collect, share and protect your personal information. Applicable laws and regulations may give you the right to limit some but not all sharing of your personal information. Please read this Notice carefully.

Information We May Collect and Share	• Information required to create and maintain your account • Information pertaining to your application, policy and any applicable claims • Financial Information • We also collect information from others, such as credit bureaus and other companies
How is Information Collected?	When you use our websites, online risk management platform, applications (web-based or mobile), products and/or services (“ Services ”), we may collect a variety of personal information that will aid us in providing our Services
Why is Information Shared?	For our everyday business and marketing purposes
Can I Limit Sharing of My Information?	Applicable privacy laws may give you the right to limit: • Sharing for affiliates' everyday business purposes - information about your creditworthiness • Affiliates from using your personal information to market to you • Sharing for nonaffiliates to market to you. Coalition does not share information with affiliates so they can market to you.
How Does Coalition Protect My Information?	We use security measures compliant with applicable laws, regulations and industry standards to protect your information from unauthorized access and use. These measures include physical, electronic and

	procedural safeguards, security controls (including encryption, firewalls, advanced malware detection, multi-factor authentication and the concept of least privilege for access management).
Definitions	Affiliates: companies related by common ownership or control.
Privacy Policy	Please visit https://www.coalitioninc.com/legal/privacy for further information related to our processing of information.
Questions?	Please visit https://www.coalitioninc.com or email us at privacy@coalitioninc.com

Coalition Active Cyber Policy

DECLARATIONS

NOTICE: YOUR POLICY CONTAINS CLAIMS-MADE AND REPORTED COVERAGE. CLAIMS-MADE AND REPORTED COVERAGE APPLIES ONLY TO CLAIMS FIRST MADE AGAINST YOU DURING THE POLICY PERIOD (OR ANY APPLICABLE OPTIONAL EXTENDED REPORTING PERIOD) AND REPORTED TO US IN ACCORDANCE WITH THE TERMS OF THIS POLICY. CLAIM EXPENSES REDUCE THE APPLICABLE LIMITS OF LIABILITY, ARE SUBJECT TO RETENTIONS, AND MAY EXHAUST THE APPLICABLE LIMITS OF LIABILITY.

PLEASE READ YOUR POLICY CAREFULLY, AND CONSULT YOUR INSURANCE ADVISOR WITH ANY QUESTIONS.

Policy No.: C-4LRL-134678-CYBER-2025

Broker:

Broker License No.:

Agency: IIAA Agency Administrative Services, Inc.

Agency Address: PO Box 6305
Fredericksburg, VA 22403

Item 1.	Named Insured	Central Nebraska Economic Development Inc. and Central Nebraska Housing Developers Inc.	
	Address	85152 489 Avenue Chambers, NE 68725	
Item 2.	Policy Period	From: September 03, 2025 To: September 03, 2026 <i>Both dates at 12:01 A.M. at the Address stated in Item 1.</i>	
Item 3.	Policy Premium	Premium	\$1,034.00
		<i>Broker Fee</i>	\$125.00
		<i>NE Surplus Lines Tax (3%)</i>	\$31.02
		Total	\$1,190.02
Item 4.A	Aggregate Policy Limit of Liability		\$1,000,000
Item 4.B	Per Event Limit of Liability		\$1,000,000
Item 4.C	Optional Separate Limit of Liability for Breach Response Costs		Included
Item 5.	Insuring Agreement(s) purchased, Limits, Retentions, and Waiting Period		
	Coverage under this Policy is provided only for those Insuring Agreements for which a limit is indicated below. If no limit is shown for an Insuring Agreement, such Insuring Agreement is not provided by this Policy. The Aggregate Policy Limit of Liability in Item 4.A is the maximum amount the Insurer(s) will pay under this Policy, regardless of the number of Insuring Agreements purchased. If the Optional Separate Limit of Liability for Breach Response Costs has been elected in Item 4.C, then the Limit specified in Item 5.B Breach Response Costs will not be subject to the Aggregate Policy Limit of Liability or the Per Event Limit of Liability.		

Insuring Agreements		
FIRST PARTY COVERAGES		
ACTIVE RISK CONTROL COVERAGES	LIMIT	RETENTION
A. Rapid Response Services	<i>Rapid Response Services are not subject to a Retention and will not erode the Aggregate Policy Limit of Liability.</i>	
B. Breach Response Costs	\$1,000,000	\$2,500 \$0 for computer forensic services provided by Coalition Incident Response
C. Ransomware and Cyber Extortion	\$1,000,000	\$2,500
D. Data Recovery and Computer Replacement Costs	\$1,000,000	\$2,500
BUSINESS INTERRUPTION COVERAGES	LIMIT	RETENTION
E. Direct Business Interruption Waiting Period: 8 hours Reduced Waiting Period: 1 hour		
• Security Failure	\$1,000,000	\$2,500
• Systems Failure	\$1,000,000	\$2,500
• Voluntary Shutdown	\$1,000,000	\$2,500
F. Contingent Business Interruption Waiting Period: 8 hours		
• IT Provider Security Failure	\$1,000,000	\$2,500
• IT Provider Systems Failure	\$1,000,000	\$2,500
• Non-IT Provider Security Failure	\$1,000,000	\$2,500
• Non-IT Provider Systems Failure	\$1,000,000	\$2,500
• Voluntary Shutdown	\$1,000,000	\$2,500
G. Reputational Harm Loss	\$1,000,000	\$2,500
H. Proof of Loss Preparation	\$250,000	\$2,500
CYBER CRIME COVERAGES	LIMIT	RETENTION
I. Funds Transfer Fraud and Social Engineering	\$250,000	\$2,500 <i>Reduced FTF Retention:</i> \$1,250
J. Service Fraud Including Cryptojacking	\$250,000	\$2,500
K. Impersonation Repair	\$250,000	\$2,500
L. Invoice Manipulation	\$250,000	\$2,500

THIRD PARTY LIABILITY COVERAGES		
CYBER LIABILITY COVERAGES	LIMIT	RETENTION
M. Network Security and Privacy Liability	\$1,000,000	\$2,500
N. Regulatory Actions	\$1,000,000	\$2,500
O. PCI Fines and Assessments	\$1,000,000	\$2,500
P. Funds Transfer Liability	\$1,000,000	\$2,500
TECHNOLOGY E&O AND MEDIA LIABILITY COVERAGES	LIMIT	RETENTION
Q. Technology Errors and Omissions	N/A	N/A
R. Media Liability	\$1,000,000	\$2,500
ADDITIONAL BENEFITS		
S. Court Attendance	i. Total Limit: \$50,000	\$0
	ii. Per day, per person limit: \$250	
T. Criminal Reward	\$50,000	\$0
Item 6.	Prevention and Mitigation Costs \$250 See Section IX.G. Prevention and Mitigation Costs of the Policy for more details.	
Item 7.	Insurer(s) and Participation	
	Insurer	Participation
	Arch Specialty Insurance Company	30%
	Aspen Specialty Insurance Company	10%
	Fireman's Fund Indemnity Corporation	20%
	Fortegra Specialty Insurance Company	35%
	Vantage Risk Specialty Insurance Company	5%
	The obligations of each Insurer in Item 7 of this Declarations are limited to the extent of each insurer's participation.	
Item 8.	Notification of Incidents, Claims, or Potential Claims	By Email: Attn: Coalition Claims claims@coalitioninc.com
		By Phone on the 24/7 Hotline: 1.833.866.1337
		By Mail: Attn: Coalition Claims 44 Montgomery Street, Suite 4210 San Francisco, CA 94104
Item 9.	Retroactive Date	Full Prior Acts Coverage
Item 10.	Continuity Date	September 03, 2025

Item 11.	Choice of Law	Nebraska
Item 12.	Endorsements and Forms at Inception	
	#	Name of Endorsement
		Coalition Reference #
		DECLARATIONS
		CYUSP-50DC-0125-01
		SIGNATURE PAGE - USA
		CYUSP-00NT-000002-0725-03
		SIGNATURE PAGE ARCH
		CYUSP-00NT-000006-0922-00
		SIGNATURE PAGE FORTEGRA
		CYUSP-00NT-000003-0323-01
		SIGNATURE PAGE VANTAGE
		CYUSP-50NT-000007-0225-01
		SIGNATURE PAGE ASPEN SPECIALTY INSURANCE COMPANY
		CYUSP-50NT-000003-0124-01
		COALITION ACTIVE CYBER POLICY
		CYUSP-50PF-0125-01
	1	PROPERTY DAMAGE – 1ST PARTY
		CYUSP-50EN-020001-0125-01
	2	BODILY INJURY AND PROPERTY DAMAGE – 3RD PARTY
		CYUSP-50EN-030001-0125-01
	3	CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM
		CYUSP-50EN-000109-0125-01
	4	COALITION ACTIVE INSURED – VANISHING RETENTION ENDORSEMENT
		CYUSP-50EN-000120-0125-01
	5	DISCLOSURE PURSUANT TO TERRORISM RISK INSURANCE ACT
		CYUSP-50EN-000110-0125-01
	6	POLLUTION ENDORSEMENT
		CYUSP-50EN-000096-0125-01
	7	ENHANCED PRIVACY LIABILITY ENDORSEMENT
		CYUSP-50EN-000030-0125-02
	8	QUOTA SHARE ENDORSEMENT
		CYUSP-50EN-000085-0125-01
	9	SERVICE OF SUIT ENDORSEMENT
		CYUSP-50EN-000090-0125-02
	10	SINGLE HIGHEST RETENTION/DEDUCTIBLE ENDORSEMENT/PRO RATA SHARING OF LIMITS COALITION PREFERRED - CYBER & EXECUTIVE RISK
		CYUSP-50EN-000088-0125-01
	11	NEBRASKA CHANGES
		CYUSP-50EN-NE0001-0125-01



Coalition Insurance Solutions, Inc.
NE License No. 0100270681
44 Montgomery Street, Suite 4210
San Francisco, CA 94104

THIS DECLARATIONS IS ATTACHED TO AND FORMS PART OF THE POLICY.

IN WITNESS WHEREOF, WE HAVE CAUSED THIS POLICY TO BE SIGNED OFFICIALLY BELOW.

A handwritten signature in black ink, appearing to read "JL Mott", is written above a horizontal line.

Authorized Representative

September 03, 2025

Date

Coalition Insurance Solutions, Inc.

SPECIMEN



Coalition Insurance Solutions, Inc.
NE License No. 0100270681
44 Montgomery Street, Suite 4210
San Francisco, CA 94104

IN WITNESS WHEREOF, Fireman's Fund Indemnity Corporation has caused this policy to be signed by its President and Secretary.

A handwritten signature in blue ink, appearing to be "SA", written over a horizontal line.

President

A handwritten signature in blue ink, appearing to be "Ellen Forte", written over a horizontal line.

Secretary

SPECIMEN



Coalition Insurance Solutions, Inc.
NE License No. 0100270681
44 Montgomery Street, Suite 4210
San Francisco, CA 94104

IN WITNESS WHEREOF, Arch Specialty Insurance Company has caused this policy to be executed and attested.

A handwritten signature in cursive script, reading "Brian D. First".

Brian D. First
President

A handwritten signature in cursive script, reading "Regan A. Shulman".

Regan Shulman
Secretary

SPECIMEN



Coalition Insurance Solutions, Inc.
NE License No. 0100270681
44 Montgomery Street, Suite 4210
San Francisco, CA 94104

IN WITNESS WHEREOF, Fortegra Specialty Insurance Company has caused this policy to be signed by its President and Secretary at Jacksonville, Florida, and countersigned on the declarations page by a duly authorized representative of the named insured.

A handwritten signature in black ink, appearing to read "RJ 5/15", written over a horizontal line.

President

A handwritten signature in black ink, appearing to read "John", written over a horizontal line.

Secretary

SPECIMEN



Coalition Insurance Solutions, Inc.
NE License No. 0100270681
44 Montgomery Street, Suite 4210
San Francisco, CA 94104

In witness whereof, Vantage Risk Specialty Insurance Company has caused this policy to be signed by its secretary and president.

A handwritten signature in blue ink, appearing to read "Bobbi Anderson".

Bobbi Anderson, Secretary

A handwritten signature in black ink, appearing to read "Greg Hendrick".

Greg Hendrick, President

SPECIMEN



Coalition Insurance Solutions, Inc.
NE License No. 0100270681
44 Montgomery Street, Suite 4210
San Francisco, CA 94104

IN WITNESS WHEREOF, Aspen Specialty Insurance Company has caused this policy to be signed by its President and Secretary.

A handwritten signature in cursive script, appearing to read "Bruce Esch", positioned above a horizontal line.

President

A handwritten signature in cursive script, appearing to be a stylized "WJ", positioned above a horizontal line.

Secretary

SPECIMEN



Coalition Active Cyber Policy

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Coalition Active Cyber Policy

As an active Coalition policyholder, the **Named Insured** is provided access to **Coalition Control**® to help detect, assess, and mitigate cyber risk.

Visit <https://www.coalitioninc.com/control> to access **Coalition Control**.

Please note that certain bolded terms in this Policy are defined in Section II. Definitions and have special meaning. These terms may appear in singular or plural forms, depending on the context. Throughout the Policy, “we,” “us,” and “our” refer to Coalition Insurance Services and the insurer(s) providing this insurance, and “Declarations” refers to the Coalition Active Cyber Policy Declarations.

This Policy applies only to the Insuring Agreements and coverages purchased by the **Named Insured**, as specified in Item 5 of the Declarations.

In consideration of the payment of the premium and in reliance upon all statements and information in the **application**, and subject to the Declarations, applicable Limits of Liability and Retention(s), as well as all terms, conditions, limitations, and other provisions of this Policy (including any endorsements), we agree with the **Named Insured** as follows:

Section I. Insuring Agreements

First Party Coverages

Insurance provided under First Party Coverages applies to **incidents** first discovered by **you** during the **policy period** and reported to us in accordance with the terms of this Policy.

Active Risk Control Coverages

A. Rapid Response Services

We will provide the **Insured Organization** with the following services at no cost in response to an actual or suspected **security failure, data breach, cyber extortion, funds transfer fraud, or impersonation fraud**, first discovered by **you** during the **policy period**:

1. access to the 24/7 Hotline specified in Item 8 of the Declarations;
2. two-hour legal consultation with a law firm from our **panel providers**; and
3. initial consultation, advice, remote support, and assistance from Coalition Incident Response.

The above “Rapid Response Services” are not subject to a retention and will not erode the Aggregate Policy Limit of Liability.

Rapid Response Services do not include the costs and expenses of any service covered under any other First Party Coverages in this Policy. If Coalition Incident Response is not available to provide the services described in part 3 of this Insuring Agreement, these services will be provided by a **panel provider**. The services provided in part 3 of this Insuring Agreement shall not exceed two hours, and any ongoing assistance thereafter will be considered **breach response costs** and are subject to the applicable Limit of Liability.

B. Breach Response Costs

We will pay on behalf of the **Insured Organization** for **breach response costs** resulting from an actual or suspected **security failure** or **data breach** first discovered by **you** during the **policy period**.

C. Ransomware and Cyber Extortion

We will pay on behalf of the **Insured Organization** for **cyber extortion expenses** resulting from **cyber extortion** first discovered by **you** during the **policy period**.

D. Data Recovery and Computer Replacement Costs

We will pay on behalf of the **Insured Organization** for **data recovery and computer replacement costs** that the **Insured Organization** incurs resulting from a **security failure** first discovered by **you** during the **policy period**.

Business Interruption Coverages

E. Direct Business Interruption

We will pay **business interruption loss** sustained, and **extra expenses** incurred, by the **Insured Organization** during the **indemnity period** directly resulting from a **service disruption** for a period longer than the **waiting period** caused by a:

1. **security failure**;
2. **systems failure**; or
3. **voluntary shutdown**;

provided, such **service disruption** first occurs during the **policy period**.

However, a **reduced waiting period** specified in Item 5 of the Declarations will apply to any interruption of the **Insured Organization's** business operations resulting from a **service disruption** caused by a **denial of service attack**, if, at the time of the attack, the **Insured Organization** is utilizing a DDoS Mitigation Provider from our list of **panel providers** to mitigate its effect.

F. Contingent Business Interruption

We will pay **business interruption loss** sustained, and **extra expenses** incurred, by the **Insured Organization** during the **indemnity period** directly resulting from a **service disruption** for a period longer than the **waiting period** caused by an:

1. **IT Provider security failure**;
2. **IT Provider systems failure**;
3. **Non-IT Provider security failure**;
4. **Non-IT Provider systems failure**; or
5. **voluntary shutdown**;

provided, such **service disruption** first occurs during the **policy period**.

G. Reputational Harm Loss

We will pay for **reputational harm loss** sustained by the **Insured Organization** directly resulting from an **adverse publication** first published during the **policy period**, specifically concerning a **security failure**, **systems failure**, **data breach**, **cyber extortion**, or **privacy liability** first discovered by **you** during the **policy period**.

H. Proof of Loss Preparation

We will pay **proof of loss preparation expenses** on behalf of the **Insured Organization**.

Cyber Crime Coverages

I. Funds Transfer Fraud and Social Engineering

We will pay for **funds transfer loss** incurred by the **Insured Organization** resulting from a **funds transfer fraud** first discovered by **you** during the **policy period**.

A **Reduced FTF Retention** will apply to any **funds transfer fraud** reported to us within 72 hours after the initial transfer of money or securities and in accordance with the terms of this Policy.

J. Service Fraud Including Cryptojacking

We will pay on behalf of the **Insured Organization** for **service fraud loss** resulting from a **security failure** first discovered by **you** during the **policy period**.

K. Impersonation Repair

We will pay **impersonation repair costs** incurred by the **Insured Organization** resulting from an **impersonation fraud** first discovered by **you** during the **policy period**.

L. Invoice Manipulation

We will reimburse the **Insured Organization** for **invoice manipulation loss** incurred by the **Insured Organization** resulting from any **invoice manipulation** first discovered by **you** during the **policy period**.

Third Party Liability Coverages

Insurance provided under Third Party Liability Coverages, is on a claims-made and reported basis and applies only to **claims**: (i) first made against **you** during the **policy period** (or any applicable Optional Extended Reporting Period) for **events** that first occur on or after the **retroactive date** and before the end of the **policy period**; and (ii) reported to us in accordance with the terms of this Policy. **Claim expenses** reduce the applicable Limits of Liability, are subject to retentions, and may exhaust the applicable Limits of Liability.

Cyber Liability Coverages

M. Network Security and Privacy Liability

We will pay on **your** behalf **damages** and **claim expenses** that **you** become legally obligated to pay resulting from a **claim** made against **you** for a **security failure, data breach, or privacy liability**.

N. Regulatory Actions

We will pay on **your** behalf **regulatory loss** and **claim expenses** that **you** become legally obligated to pay resulting from a **claim** made against **you** in the form of a **regulatory proceeding**.

O. PCI Fines and Assessments

We will pay on behalf of the **Insured Organization** any **PCI fines and assessments** and **claim expenses** it is legally obligated to pay, resulting from a **claim** made against **you** for a **data breach** compromising payment card data.

P. Funds Transfer Liability

We will pay on **your** behalf **funds transfer liability loss** and **claim expenses** that **you** become legally obligated to pay resulting from a **claim** made against **you** for a **funds transfer liability**.

Technology E&O and Media Liability Coverages

Q. Technology Errors and Omissions

We will pay on **your** behalf **damages** and **claim expenses** that **you** become legally obligated to pay resulting from a **claim** made against **you** for a **technology wrongful act**.

R. Media Liability

We will pay on **your** behalf **damages** and **claim expenses** that **you** become legally obligated to pay resulting from a **claim** made against **you** for a **media wrongful act**.

Additional Benefits

S. Court Attendance

We will pay **you** for **court attendance costs** up to the Total Limit in Item 5.S.i of the Declarations, subject to the Per day, per person limit in Item 5.S.ii of the Declarations.

T. Criminal Reward

We will pay on behalf of the **Insured Organization** for **criminal reward costs**.

Section II. Definitions

Additional Insured

Means any person or entity that the **Insured Organization** has agreed to add as an additional insured under this Policy through a written contract or agreement, but only if the contract or agreement was executed before the date the **Insured Organization** first committed the alleged acts, errors, or omissions.

Adverse Publication

Means any report or communication to the public through any media format (including television, print media, radio, internet, and social media) by a third party of information previously unavailable to the public, specifically concerning a **security failure, systems failure, data breach, cyber extortion, or privacy liability**.

Multiple **adverse publications** relating to the same **security failure, systems failure, data breach, cyber extortion, or privacy liability** shall be considered a single **adverse publication** and will be deemed to have occurred on the date of the first such **adverse publication**.

AI Security Event

Means the failure of security of the applicable **computer systems, IT Provider computer systems, or Non-IT Provider computer systems**, caused by any malicious use of artificial intelligence technology, including through the use of machine learning or prompt injection exploits.

Application

Means all applications, including any attachments thereto and supplemental information, submitted to us by or on behalf of the **Named Insured** in connection with the underwriting of this Policy.

Betterment Allowance

Means the costs to:

1. upgrade or enhance covered computer software that is damaged, destroyed, lost, altered, or corrupted, with more secure software; and
2. replace computers or any associated equipment or devices with a more secure functionally equivalent item(s).

Provided, however, that the **betterment allowance** cannot exceed an additional 25% of the cost that would have been incurred to restore or replace the covered **digital assets**, computers, or associated equipment or devices to the level or condition which existed prior to the **security failure**.

Breach Notice Law

Means any statute or regulation that requires:

1. notice to individuals whose **personally identifiable information** was, or reasonably likely to have been accessed or acquired by an unauthorized person; or
2. notice to regulatory agencies of such an incident.

Breach Response Costs

Means the following reasonable and necessary costs, fees, and expenses **you** incur with our prior written consent in response to an actual or suspected **security failure or data breach**:

1. for a computer forensic professional to determine the existence, cause, and extent of a **security failure or data breach**;
2. for an attorney to advise **you** on **your** investigation of a **security failure or data breach** and to determine whether **you** are legally obligated under a **breach notice law** to notify individuals or applicable regulatory agencies of such **security failure or data breach**;
3. for an attorney to advise **you** in complying with Payment Card Industry ("PCI") operating regulation requirements for responding to a **data breach** compromising payment card data, and

the related requirements under a merchant service agreement, including a PCI forensic investigator when required under such merchant service agreement;

4. to notify individuals affected or reasonably believed to be affected by such **data breach**, including printing costs, publishing costs, postage expenses, call center costs, and costs of notification via phone or email;
5. to provide government mandated public notices related to such **security failure or data breach**;
6. to provide up to two years (or longer if required by law) of a credit or identity monitoring program, including credit freezing and thawing, to individuals affected by such **data breach**;
7. to provide identity theft restoration services to those individuals affected by such **data breach**;
8. for public relations or crisis management consulting to mitigate reputational harm to the **Insured Organization**;
9. to provide notification of a **security failure or data breach** to individuals on a voluntary basis to minimize potential harm;
10. for media purchasing or for printing or mailing materials intended to inform the general public about the **security failure or data breach** to mitigate reputational harm to the **Insured Organization**;
11. **SEC cybersecurity disclosure costs**; and
12. for other costs we approve in advance at our sole discretion to mitigate or reduce any costs, fees, or expenses that would otherwise be covered under parts 1 - 11 immediately above.

You have our prior consent to incur **breach response costs** under parts 1, 2, and 3 with any firm from our list of **panel providers**. All **breach response costs** must be incurred within two years of **your** first discovery of the actual or suspected **security failure or data breach**.

Business Interruption Loss

Means:

1. the net profit before income taxes that would have been earned had no **service disruption** occurred, or the net loss before income taxes that would not have been incurred had no **service disruption** occurred; plus
2. continuing normal operating expenses (including payroll), but only to the extent that such operating expenses must necessarily continue during the **indemnity period**.

Business Interruption Loss does not include:

- i. net profit likely to have been earned from increased volume due to favorable business conditions caused by network security failures affecting other businesses;
- ii. liability to any third party;
- iii. loss of market or any other consequential loss;
- iv. revenue that is delayed but not lost; or
- v. **loss** covered under any other Insuring Agreement.

Claim

Means:

1. a written demand for monetary or non-monetary relief received by **you**, including the service of a suit or institution of arbitration proceedings;
2. for Section I.N. Regulatory Actions only, a **regulatory proceeding** received by **you**;
3. for Section I.O. PCI Fines and Assessments only, a written demand received by **you** for **PCI fines and assessments**; or
4. a written request received by **you** to toll or waive a statute of limitations applicable to a potential **claim** described in part 1 of this definition.

All **claims** that have a common nexus of fact, circumstance, situation, event, transaction, or cause, or a series of related facts, circumstances, situations, events, transactions, or causes will be considered a single **claim** made against **you** on the date the first such **claim** was made.

Claim Expenses

Means:

1. reasonable and necessary legal fees, expenses, or costs incurred to defend a **claim**, including the investigation, defense and appeal of such **claim**; and
2. any premiums on appeal bonds, provided that we will not be obligated to apply for or furnish such appeal bonds.

Claim expenses does not include:

- i. any compensation, benefit expenses or overhead of, or paid to, any **Insured**; or
- ii. costs to comply with any court or regulatory orders, settlements, or judgments.

Coalition Control

Means Coalition's current version of its proprietary cybersecurity platform designed to help policyholders identify, assess, and mitigate cybersecurity exposures. Current **Coalition Control** offerings include:

1. *External Attack Surface Monitoring* with regular scans and vulnerability reviews to detect risks across a policyholder's external digital footprint, including digital assets, applications and related services, data security threats, business email compromise and other phishing exposures;
2. *Personalized Cyber Risk Assessment* of the policyholder's threat surfaces with guidance on how to remediate vulnerabilities;
3. *Security Alerts* identifying critical vulnerabilities to help protect the policyholder's business;
4. *Integrations* to seamlessly connect with certain cloud-based platforms, enabling a unified view of cyber risk; and
5. *Expert Guidance* provided by Coalition's in-house security team to assist in mitigating identified cyber risk.

Additional services are available to the **Named Insured** through **Coalition Control**. It is at the **Named Insured's** sole discretion to engage such additional services, which may require entering into a written agreement and accepting the attendant fee structure.

Visit: <https://www.coalitioninc.com/security-offerings> for a current list of additional services.

Computer Systems

Means:

1. computers and related peripheral components, including Internet of Things (IoT) devices;
2. systems and applications software, including SCADA and Industrial Control Systems;
3. terminal devices;
4. related communications networks;
5. mobile devices (handheld and other wireless computing devices); and
6. storage and back-up devices;

by which electronic data is collected, transmitted, processed, stored, backed up, or retrieved, and that are:

- i. owned or leased by, and under the operational control of:
 - a. the **Insured Organization**; or
 - b. an **employee, senior executive, or independent contractor**, while such person is acting on behalf of, and within the scope of, the **Insured Organization's** business operations; or

- ii. under the operational control of a third party, but only for providing hosted computer services to the **Insured Organization** pursuant to a written contract between such third party and the **Insured Organization**.

However, **computer systems** do not include part ii of this definition for the coverages provided under Sections I.E. Direct Business Interruption, I.F. Contingent Business Interruption, and I.G. Reputational Harm Loss.

Continuity Date

Means the date specified in Item 10 of the Declarations. If a **subsidiary** is acquired during the **policy period**, the continuity date for that **subsidiary** will be the date the **Named Insured** acquired **management control** over that **subsidiary**.

Court Attendance Costs

Means the reasonable costs and expenses incurred by an **Insured** for attending at our request a trial, hearing, deposition, mediation, arbitration, or other proceeding relating to the defense of any **claim**.

Criminal Reward Costs

Means any amount paid by us to a third party for information that leads to the arrest and conviction of any person(s) responsible for any illegal act which resulted in a covered **loss** under this Policy.

Cyber Extortion

Means:

1. any threat made against **you** to:
 - a. restrict or inhibit access to **computer systems**;
 - b. introduce malicious code into **computer systems**;
 - c. steal, misuse, sell, or disclose **personally identifiable information, digital assets, or third party corporate information** in **your** care, custody, or control, and stored on **computer systems**;
 - d. alter, damage, or destroy any **digital asset**;
 - e. transfer, pay, or deliver any funds or property belonging to **you**, or held by **you** on behalf of others, using **computer systems** without **your** permission, authorization, or consent; or
2. any act related to the continuation or furthering of any action already commenced as specified in part 1 above;

where such threat or act is made for the purpose of demanding payment from **you**.

Cyber Extortion Expenses

Means the following reasonable and necessary costs incurred with our prior written consent to respond to **cyber extortion**:

1. money, securities, Bitcoin, or other virtual currencies paid at the direction and demand of any person committing **cyber extortion**; and
2. any costs incurred to acquire, negotiate, and make or attempt to make the payment in part 1 above.

The value of **cyber extortion expenses** will be determined as of the date **cyber extortion expenses** are paid.

Cyber Operation

Means the use of computer systems by, at the direction of, or under the control of a sovereign state to disrupt, deny, degrade, manipulate or destroy information in a computer system of or in another sovereign state.

Damages

Means a monetary judgment, award, or settlement (including awards of pre- and post-judgment interest) that **you** are legally obligated to pay. **Damages** include any punitive, multiple, or exemplary damages insurable under the law in any applicable jurisdiction where this Policy is construed to most favor coverage for such **damages**.

Damages does not include:

1. costs to comply with orders granting injunctive or equitable relief;
2. liquidated damages, contractual service credits or penalties, but only to the extent such liquidated damages, contractual service credits or penalties exceed the amount for which the **insured** would have been legally liable in the absence of any agreement to pay such liquidated damages, contractual service credits or penalties;
3. civil or criminal fines or penalties, civil or criminal sanctions, payroll or other taxes, or loss of tax benefits;
4. return or offset of fees, charges, or commissions charged by or owed to **you** for goods or services already provided or contracted to be provided;
5. discounts, coupons, prizes, awards, or other incentives offered by **you**;
6. fines, costs, assessments, or other amounts **you** are responsible to pay under a merchant service agreement;
7. **regulatory loss** or **funds transfer liability loss**; or
8. any amounts for which **you** are not liable, or for which there is no legal recourse against **you**.

Data Breach

Means the acquisition, access, theft, or disclosure of **personally identifiable information** or **third party corporate information** in a manner that is unauthorized by **you** including resulting from a **security failure**.

Data Recovery and Computer Replacement Costs

Means the reasonable and necessary costs the **Insured Organization** incurs, with our prior written consent, to:

1. replace, restore, or recreate **digital assets** that are damaged, destroyed, lost, altered, or corrupted: (i) to the level or condition at which such **digital assets** existed prior to the **security failure**; or (ii) with the most current version of **digital assets** if the cost is substantially equivalent to (or less than) the original cost of **digital assets**. If such **digital assets** cannot be replaced, restored, or recreated, then the costs will be limited to the actual, reasonable, and necessary costs incurred to make this determination; and
2. restore or replace bricked computers or any associated equipment or devices owned or leased by the **Insured Organization**, and that are under its operational control, due to the corruption of firmware rendering the devices non-functional for their intended purpose.

Data Recovery and Computer Replacement Costs include a **betterment allowance** for **digital assets** and bricked computers or any associated equipment or devices covered in parts 1 and 2 of this definition.

Data Recovery and Computer Replacement Costs do not include:

- i. the economic or market value of **digital assets**, including trade secrets;
- ii. costs to re-perform any work product contained within **digital assets**;
- iii. costs incurred to acquire or install **digital assets** that did not exist immediately prior to the **security failure**, except as otherwise covered **betterment allowance**; or
- iv. costs incurred to restore or replace computers or any associated equipment or devices to a level beyond which existed immediately prior to the **security failure**, except as otherwise covered **betterment allowance**.

Denial of Service Attack

Means a malicious attack that makes **computer systems** unavailable to their intended users by disrupting the services of a host **you** use by directing an excessive volume of electronic data to that host.

Dependent Business

Means an entity, other than an **Insured**, that provides necessary products or services (other than hosted computer services) to the **Insured Organization** under a written contract with the **Insured Organization**.

An entity will not be considered a **Dependent Business** if it operates as:

1. a public utility (including providers of electricity, power, oil, gas, or water, or telecommunication services);
2. an internet service provider (including providers of internet connectivity);
3. Domain Name System ("DNS");
4. Certificate Authority ("CA"); or
5. a securities or exchange market.

Digital Asset

Means any of **your** electronic data or computer software that resides in **computer systems**.

Employee

Means any person employed by the **Insured Organization** as a permanent, part-time, seasonal, leased, or temporary employee, intern, or volunteer, but only while acting on behalf of, and in the scope of, the business operations of the **Insured Organization**.

Essential Service

Means a service that is essential for the maintenance of vital functions of a sovereign state including but not limited to financial institutions and associated financial market infrastructure, health services, or utility services.

Event

Means an **incident, privacy liability, media wrongful act, technology wrongful act, or funds transfer liability**.

All **events** that have a common nexus of fact, circumstance, situation, transaction, or cause, or a series of related facts, circumstances, situations, transactions, or causes will be considered a single **event** occurring on the date the first such **event** occurred.

Extra Expenses

Means reasonable and necessary expenses incurred by the **Insured Organization** to minimize or avoid **business interruption loss** in excess of those expenses that the **Insured Organization** would have incurred had no **service disruption** occurred.

Provided, however, that such expenses do not exceed the amount of loss that otherwise would have been payable as the applicable **business interruption loss**.

Funds Transfer Fraud

Means a fraudulent instruction transmitted by electronic means, including through social engineering, to **you** or **your** financial institution directing **you** or **your** financial institution to:

1. debit, or to instruct to authorize to debit, an account held by the **Insured Organization**, and to transfer, pay, or deliver money or securities from such account; or
2. transfer or deliver tangible property owned by the **Insured Organization**;

which instruction purports to have been transmitted by **you** or **your** existing vendors, business partners, or clients, and impersonates such party (including through the use of deepfakes), but was transmitted by someone other than **you** or **your** existing vendors, business partners, or clients, and without such party's

knowledge or consent. “Financial institution” does not include any entity, institution, or organization that is an **insured**.

Funds Transfer Liability

Means distribution of fraudulent wire transfer or payment instructions which purport to have been transmitted by **you** and direct **your** existing vendors, business partners, or clients to transfer funds to a third party, but was transmitted by someone other than **you** as the result of a **security failure**.

Funds Transfer Liability Loss

Means a monetary judgment or award that **you** are legally obligated to pay, or a settlement agreed to by **you** and us, because of the transfer of money, securities, or digital currencies by any of **your** existing vendors, business partners, or clients to a third party as the direct result of a **funds transfer liability**.

Funds Transfer Loss

Means:

1. loss of money, securities, or tangible property directly resulting from **funds transfer fraud**; and
2. reasonable and necessary costs, fees, and expenses incurred with our prior written consent to mitigate or reduce the amount of loss covered in part 1 above, including, if necessary, the cost of retaining a third party to pursue a clawback of transferred funds.

Impacted State

Means a sovereign state where a **cyber operation** has had a major detrimental impact on:

1. the functioning of that sovereign state due to disruption to the availability, integrity, or delivery of an **essential service** in that sovereign state; and/or
2. the security or defense of that sovereign state.

Impersonation Fraud

Means fraudulent electronic communications or websites designed to impersonate the **Insured Organization** or any of the **Insured Organization's** products, provided such communications or websites do not arise out of or result from a **security failure**.

Impersonation Repair Costs

Means:

1. the costs to retain a law firm and public relations firm from our **panel providers**, with our prior written consent, to create and publish a press release or establish a website in order to advise the **Insured Organization's** customers and prospective customers of an **impersonation fraud**;
2. the cost to reimburse the **Insured Organization** for payment the **Insured Organization** made to its existing customers for their loss of money or tangible property directly resulting from an **impersonation fraud**; and
3. the costs to retain a third party, with our prior written consent, to remove any websites designed to impersonate the **Insured Organization**.

Incident

Means **adverse publication, cyber extortion, data breach, funds transfer fraud, impersonation fraud, invoice manipulation, IT Provider security failure, Non-IT Provider security failure, IT Provider systems failure, Non-IT Provider systems failure, security failure, service disruption, systems failure, and voluntary shutdown**.

All **incidents** that have a common nexus of fact, circumstance, situation, event, transaction, or cause, or series of related facts, circumstances, situations, events, transactions, or causes will be considered a single **incident** discovered on the date on which the earliest **incident** was first discovered by **you**.

With respect to the Business Interruption Coverages, all such **incidents** will be deemed to have occurred at the time the earliest **incident** was first discovered by **you**, even if such **incident** is deemed to have occurred prior to inception of the **policy period**.

Indemnity Period

Means the period of time that:

1. begins on the date and time the **service disruption** first occurs; and
2. ends on the earlier of the date and time the interruption to the **Insured Organization's** business operations resulting from the **service disruption**: (i) ends; or (ii) could have ended had **you** acted with due diligence and dispatch.

However, in no event will the **indemnity period** exceed 180 days.

Independent Contractor

Means a natural person performing services for the **Insured Organization** under a written contract between that person and the **Insured Organization**, but only for services performed within the normal scope of duties on behalf of the **Insured Organization**.

Insured, You, or Your

Means:

1. the **Insured Organization**;
2. any past, present, or future **employees** and **senior executives**;
3. any **independent contractor**;
4. with respect to the Third Party Liability Coverages only, any **additional insured**, but only for **claims** against such **additional insured** arising solely out of the acts, errors, or omissions of the **Insured Organization**;
5. the estates, heirs, legal representatives, or assignees of any **employee** or **senior executive** in the event of the death, incapacity, insolvency, or bankruptcy of such **employee** or **senior executive**, but only to the extent such **employee** or **senior executive** would otherwise be provided coverage under this Policy; and
6. the spouse, domestic partner, or civil partner of any **employee** or **senior executive**, but solely for their liability resulting from a **claim** against the **employee** or **senior executive**, in their capacity as such.

Insured Organization

Means the **Named Insured** and any **subsidiary**.

Invoice Manipulation

Means the release or distribution of any fraudulent invoice or payment instruction to a third party as a direct result of a **security failure**.

Invoice Manipulation Loss

Means the direct net costs incurred by the **Insured Organization** to provide goods, products, or services to a third party for which the **Insured Organization** is unable to collect payment, because such goods, products, or services were transferred to the third party as the direct result of **invoice manipulation**.

Invoice Manipulation Loss does not include any profit the **Insured Organization** expected to realize as a result of providing such goods, products, or services.

IT Provider Computer Systems

Means:

1. computers and related peripheral components, including Internet of Things (IoT) devices;
2. systems and applications software, including SCADA and Industrial Control Systems;
3. terminal devices;
4. related communications networks;
5. mobile devices (handheld and other wireless computing devices); and

6. storage and back-up devices,

by which electronic data is collected, transmitted, processed, stored, backed up, or retrieved, and that are operated by a third party, but only for providing hosted computer services to the **Insured Organization** pursuant to a written contract between such third party and the **Insured Organization**.

IT Provider Security Failure

Means the failure of security of **IT Provider computer systems** (including an **AI security event**) which results in:

1. loss, alteration, corruption, or damage to software, applications, or electronic data existing in **IT Provider computer systems**;
2. transmission of malicious code into **IT Provider computer systems**;
3. a denial of service attack against **IT Provider computer systems**; or
4. the unauthorized access to or use of **IT Provider computer systems**, including when resulting from password theft.

IT Provider Systems Failure

Means any unintentional and unplanned disruption or failure of **IT Provider computer systems**.

IT Provider systems failure does not include any: (i) disruption or failure of **IT Provider computer systems** resulting from an **IT Provider security failure**; or (ii) failure of hosted computer services that extends beyond the services being provided to the **Insured Organization**.

Loss

Means **breach response costs, business interruption loss, claim expenses, court attendance costs, criminal reward costs, cyber extortion expenses, damages, data recovery and computer replacement costs, extra expenses, funds transfer liability loss, funds transfer loss, impersonation repair costs, invoice manipulation loss, PCI fines and assessments, proof of loss preparation expenses, regulatory loss, reputational harm loss, and service fraud loss.**

Management Control

Means:

1. owning interests representing more than 50% of the outstanding voting shares or securities; or
2. having the authority pursuant to by-laws, charter, or other written agreement to elect, appoint or designate the majority of the board of directors, trustees or members of the management committee or management board or functional equivalent of an entity.

Media Activities

Means the publishing, dissemination, transmission, broadcasting, webcasting, podcasting, display or other distribution of **media content** by or on behalf of the **Insured Organization**, to the public, including any social media authorized by the **Insured Organization**.

Media Content

Means any text, sounds, images, graphics, video, or other communications in any format. **Media content** does not include computer software or the actual goods, products, or services described, referenced, illustrated, or displayed in such **media content**.

Media Wrongful Act

Means any actual or alleged:

1. defamation, libel, slander, trade libel, infliction of emotional distress, outrage, outrageous conduct, or other tort related to disparagement or harm to the reputation or character of any person or organization;
2. violation of the rights of privacy of an individual, including false light and public disclosure of private facts;

3. invasion or interference with an individual's right of publicity, including commercial appropriation of name, persona, voice, or likeness;
4. plagiarism, piracy, or misappropriation of ideas under implied contract;
5. infringement of copyright, domain name, trademark, trade name, logo, title, metatag, slogan, service mark, or service name; or
6. improper deep-linking or framing within electronic content;

committed by **you**, or by any third party for whom **you** are legally liable, in the course of **media activities**.

Named Insured

Means the individual, partnership, entity, or corporation specified in Item 1 of the Declarations, or by endorsement to this Policy.

Non-IT Provider Computer Systems

Means:

1. computers and related peripheral components, including Internet of Things (IoT) devices;
2. systems and applications software, including SCADA and Industrial Control Systems;
3. terminal devices;
4. related communications networks;
5. mobile devices (handheld and other wireless computing devices); and
6. storage and back-up devices;

by which electronic data is collected, transmitted, processed, stored, backed up, or retrieved, and which are operated by any **Dependent Business**. **Non-IT Provider computer systems** do not include **IT Provider computer systems**.

Non-IT Provider Security Failure

Means the failure of security of **Non-IT Provider computer systems** (including an **AI security event**) which results in:

1. loss, alteration, corruption, or damage to software, applications, or electronic data existing in **Non-IT Provider computer systems**;
2. transmission of malicious code into **Non-IT Provider computer systems**;
3. a denial of service attack against **Non-IT Provider computer systems**; or
4. the unauthorized access to or use of **Non-IT Provider computer systems**, including when resulting from the theft of a password.

Non-IT Provider Systems Failure

Means any unintentional and unplanned disruption or failure of **Non-IT Provider computer systems**.

Non-IT Provider systems failure does not include any disruption or failure of **Non-IT Provider computer systems** resulting from: (i) a **Non-IT Provider security failure**; or (ii) the failure of any third party technology or cloud service provider that extends beyond the **Non-IT provider computer systems**.

Panel Providers

Means those firms listed on our website at www.coalitioninc.com/panel.

PCI Fines and Assessments

Means the direct monetary fines and assessments for fraud recovery, operational expenses (including card reissuance fees and notification of cardholders), and case management fees owed by the **Insured Organization** under the terms of a merchant service agreement as a result of a **data breach**. **PCI fines and assessments** will not include any charge backs, interchange fees, discount fees, or other services related fees, rates, or charges.

Personally Identifiable Information

Means information about an individual that is required by any local, state, federal or foreign law or regulation to be protected from unauthorized access, acquisition, or disclosure.

Policy Period

Means the period of time specified in Item 2 of the Declarations, subject to any cancellation prior to the expiration date. The **policy period** specifically excludes any Optional Extended Reporting Period.

Pollutants

Means any solid, liquid, gaseous, biological, radiological or thermal contaminant or irritant including without limitation, smoke, vapor, soot, fumes, acids, alkalis, chemicals, mold, fungi, odors, noise, lead, oil or oil products, radiation, asbestos or asbestos containing products, waste or any electric, magnetic or electromagnetic field of any frequency. **Pollutants** also include, without limitation, materials to be recycled, reconditioned, or reclaimed.

Privacy Law

Means any local, state, federal, or foreign law, statute, or regulation that requires entities that collect, process, use, or maintain **personally identifiable information** to adopt specific privacy or security controls, maintain a publicly accessible privacy policy, or notify individuals if their **personally identifiable information** has potentially been compromised.

Privacy Liability

Means **your** actual or alleged:

1. failure to timely disclose a **security failure** or **data breach** resulting in a violation of any **breach notice law**;
2. failure to comply with those provisions in the **Insured Organization's privacy policy** that specifically:
 - a. state the procedures in place to prevent the loss of **personally identifiable information**;
 - b. prohibit or restrict the collection, disclosure, sharing, or selling of an individual's **personally identifiable information**; or
 - c. requires **you** to give access to **personally identifiable information** or to amend, delete, or change **personally identifiable information** after a request is made by the concerning individual;

provided that the **Insured Organization** had, at the time of such failure, a **privacy policy** addressing parts 2.a – 2.c that are relevant to the **claim**;

3. violation of a **privacy law** regarding the collection, disclosure, sharing, selling, or use of **personally identifiable information**; or
4. failure to administer an identity theft prevention program or an information disposal program pursuant to the Fair Credit Reporting Act (FCRA), 15 U.S.C. § 1681, as amended, or any similar state or federal law.

Privacy Policy

Means the **Insured Organization's** public written policies governing the collection, use, disclosure, sharing, dissemination, and correction or supplementation of, and access to, **personally identifiable information**.

Proof of Loss Preparation Expenses

Means reasonable and necessary costs **you** incur, with our prior written consent, for a third-party forensic accounting firm to prepare a proof of loss for **business interruption loss**, **reputational harm loss**, and **extra expense** as required by Section VI.E. Proof of Loss.

Reduced FTF Retention

Means the amount specified in Item 5 of the Declarations.

Reduced Waiting Period

Means the number of hours specified in Item 5 of the Declarations.

Regulatory Loss

Means any civil monetary fines or penalties imposed in a **regulatory proceeding**, including any monetary amount **you** must deposit in a consumer redress fund due to an adverse judgment or settlement of a **regulatory proceeding**. The insurability of these fines and penalties is determined by the law in any applicable jurisdiction where this Policy is construed to most favor coverage for such **regulatory loss**.

Regulatory loss does not include costs to comply with orders granting injunctive or equitable relief, including costs to establish or improve privacy or security practices, or costs related to audit, reporting, or compliance.

Regulatory Proceeding

Means a request for information, civil investigative demand, or civil proceeding commenced by serving a notice, complaint, or similar pleading, brought or made by any local, state, federal, or foreign governmental entity in such entity's regulatory or official capacity, arising from a **security failure, data breach, or privacy liability**. A **regulatory proceeding** does not include any criminal demands, requests, proceedings or investigations.

Reputational Harm Loss

Means the net profit before income taxes that would have been earned during the **reputational indemnity period** if no **adverse publication** had occurred, or the net loss before income taxes that would not have been incurred during the **reputational indemnity period** if no **adverse publication** had occurred.

Reputational harm loss does not include:

1. liability to any third party;
2. legal expenses, fees, or costs of any type;
3. **business interruption loss or extra expenses**;
4. net profit before income taxes that would likely have been earned from increased volume due to favorable business conditions caused by the impact of network security failures or data privacy events impacting other businesses;
5. revenue that is delayed but not lost; or
6. loss of market or other consequential loss.

Reputational Indemnity Period

Means the 180 day period that begins on the date the **adverse publication** is first published.

Retroactive Date

Means the date specified in Item 9 of the Declarations.

SEC Cybersecurity Disclosure Costs

Means:

1. legal fees and expenses to:
 - a. advise whether an actual or reasonably suspected **security failure or data breach** should be reported as a material cybersecurity incident on Form 8-K (or Form 6-K for foreign private issuers);
 - b. prepare and file such Form 8-K or Form 6-K disclosing the material cybersecurity incident, including any required amendments thereto; and
2. filing fees related to part 1.b of this definition;

pursuant to the Securities Exchange Act of 1934, as amended.

Security Failure

Means the failure of security of **computer systems** (including an **AI security event**) which results in:

1. loss, alteration, corruption, or damage to software, applications, or electronic data existing in **computer systems**;
2. transmission of malicious code to **computer systems** or from **computer systems** to third party computer systems that are not owned, operated, or controlled by the **Insured Organization**;
3. a **denial of service attack**; or
4. the unauthorized access to or use of **computer systems**, including when resulting from stolen credentials.

Senior Executive

Means any partner, principal, director, executive board member, in-house counsel, risk manager, chief information officer, chief information security officer, chief privacy officer, chief financial officer, chief executive officer, chief operating officer, or functional equivalent, but only while acting on behalf of, and in the scope of, the business operations of the **Insured Organization**.

Service Disruption

Means the interruption of the **Insured Organization's** business operations resulting from:

1. with respect to Section I.E. Direct Business Interruption, the partial or complete interruption of **computer systems**; or
2. with respect to Section I.F. Contingent Business Interruption, the partial or complete interruption of the applicable **IT Provider computer systems** or **Non-IT Provider computer systems**.

Service Fraud Loss

Means the unauthorized use of **computer systems** by a third party (including for cryptojacking) that directly results in additional charges incurred by the **Insured Organization** for electricity, natural gas, oil, internet use, software as a service (SaaS), platform as a service (PaaS), infrastructure as a service (IaaS), network as a service (NaaS), voice over internet protocol, or telephony services.

However, **service fraud loss** includes only those additional charges:

1. which are billed to the **Insured Organization** in a billing statement pursuant to a written contract or agreement with the **Insured Organization** that was executed before the unauthorized use of **computer systems** first occurred; and
2. are not charged as a flat fee that does not scale with the rate or use of the respective utility or service provider.

Subsidiary

Means:

1. any entity that on or before the inception date of this Policy the **Named Insured**, directly or indirectly has **management control**, and for which the **Named Insured** has recognized the annual gross revenues of such entity in the **application** for this Policy;
2. any entity that during the **policy period**, the **Named Insured** acquires **management control**, provided that the annual gross revenues of such acquired entity do not exceed 20% of the **Insured Organization's** annual gross revenues; and
3. any entity that during the **policy period**, the **Named Insured** acquires **management control** whose annual gross revenues exceed 20% of the **Insured Organization's** annual gross revenues, but only for 90 days after the **Insured Organization** gains **management control** or until the end of the **policy period**, whichever is earlier. Coverage beyond such period will only be available if:
 - a. the **Named Insured** provides us written notice of the full particulars of such acquired entity within 90 days after the **Insured Organization** gains **management control** over such entity;
 - b. we agree to amend this Policy by endorsement to add such entity as a **subsidiary**; and
 - c. **you** agree to any additional premium and amendments to this Policy relating to such acquired entity.

An entity ceases to be a **subsidiary** on the date that the **Named Insured** ceases to have **management control** over such entity.

Systems Failure

Means any unintentional and unplanned disruption or failure of **computer systems**.

Systems failure does not include any disruption or failure of **computer systems** resulting from: (i) a **security failure** or the failure of computer security of any third party's computer system; or (ii) the failure of any third party technology or cloud service provider that extends beyond the **Insured Organization's computer systems**.

Technology Products

Means computer or telecommunications hardware or software products, or related components or products (including software updates, service packs, and other maintenance releases for such products) that are:

1. created, designed, or manufactured by the **Insured Organization** for others; or
2. distributed, sold, licensed, or leased by the **Insured Organization** to others.

Technology Services

Means computer and electronic technology services, including data backup and processing, Internet and mobile services, email services, Software as a Service (SaaS), Platform as a Service (PaaS), Infrastructure as a Service (IaaS), Network as a Service (NaaS), data and application hosting, computer systems analysis, technology and security consulting and training, custom software programming, computer and software systems installation and integration, computer and software support, and network management services, performed by the **Insured Organization** for others.

Technology Wrongful Act

Means any actual or alleged negligent act, error, omission, misstatement, misleading statement, breach of duty, or unintentional breach of a contractual obligation by **you**, or by any other person for whom the **Insured Organization** is legally responsible:

1. in the performance of or failure to perform **technology services**; or
2. that results in:
 - a. the failure of **technology products** to perform as intended; or
 - b. software copyright infringement by **you** with respect to **technology products**.

Third Party Corporate Information

Means any confidential or proprietary business information of a third party that is:

1. in **your** care, custody, or control;
2. not available to the general public; and
3. for which **you** are contractually or legally obligated to maintain in confidence.

However, **third party corporate information** does not include **personally identifiable information**.

Voluntary Shutdown

Means:

1. with respect to Section I.E. Direct Business Interruption, the voluntary shutdown of **computer systems** by **you** after the discovery of a **security failure** or **systems failure**, with our prior consent, to mitigate **loss** that would otherwise be covered under Section I.E. Direct Business Interruption;
2. with respect to Section I.F. Contingent Business Interruption, the voluntary shutdown by **you** of **your** access or connectivity to **IT Provider computer systems**, with our prior consent, but only:
 - a. in response to an actual and on-going **IT Provider security failure**; and

- b. to the extent necessary to mitigate **loss** that would otherwise be covered under Section I.F. Contingent Business Interruption.

Waiting Period

Means the number of hours specified in Item 5 of the Declarations.

War

Means the use of physical force by a sovereign state against another sovereign state, or as part of a civil war, rebellion, revolution, insurrection, or military or usurped power, whether **war** be declared or not.

Section III. Exclusions

This Policy does not apply to any **claim**, **loss**, or any other amounts based upon, arising out of, or attributable to:

A. Bodily Injury

Any physical injury, sickness, disease, mental anguish, emotional distress, or death of any person. However, this exclusion will not apply to any **claim** for mental anguish or emotional distress under Section I.M. Network Security and Privacy Liability and Section I.R. Media Liability.

B. Contractual Liability

Any liability or obligation an **Insured** has under any contract, warranty or guarantee.

However, this exclusion will not apply to:

1. liability **you** would have in the absence of such contract, warranty or guarantee;
2. **your** obligations to maintain the confidentiality or security of **personally identifiable information** or **third party corporate information**;
3. with respect to a **privacy liability**, any failure to comply with the **Insured Organization's Privacy Policy**;
4. with respect to the coverage provided by Section I.Q. Technology Errors and Omissions, any unintentional breach of a contractual obligation to provide **technology services** or **technology products**; or
5. coverage provided by Section I.O. PCI Fines and Assessments.

C. Critical Infrastructure

Failure, interruption, or malfunction of any:

1. electrical, mechanical, telecommunications, internet, or satellite infrastructure;
2. utility, including without limitation electricity, power, oil, gas, and water; or
3. financial markets infrastructure, including but not limited to securities or exchange markets;

that is not under the direct operational control of the **Insured Organization**.

D. Employment Practices and Discrimination

Any actual or alleged:

1. discrimination of any kind; or
2. employer-employee relations, policies, practices, acts, or omissions, including but not limited to any wrongful dismissal, discharge or termination, discrimination, harassment, retaliation or other employment-related claim.

However, part 2 of this exclusion will not apply to:

- i. any **claim** under Section I.M. Network Security and Privacy Liability, brought by or on behalf of any individual who is or was employed by the **Insured Organization**; or
- ii. the coverage provided under Section I.B. Breach Response Costs, or Section I.A. Rapid Response Services.

E. Fraud by a Senior Executive

Any dishonest, fraudulent, criminal, or malicious act or omission or any intentional or knowing violation of the law by any **senior executive** or carried out with the knowledge of any **senior executive**.

However, this exclusion will not apply to **claim expenses** incurred in defending any **claim** alleging the foregoing until and unless a final, non-appealable adjudication in the underlying action establishes such conduct, at which time the **Named Insured** will reimburse us for all **claim expenses** we incurred or paid in defending such **claim**.

Provided that:

1. no conduct or knowledge pertaining to any natural person **insured** will be imputed to any other natural person **insured**; and
2. any conduct or knowledge of a **senior executive** will be imputed to the **Insured Organization**.

F. Governmental Action

The seizure, confiscation, nationalization, requisition, destruction of, or damage to any property, computer systems, software, or electronic data by order of any governmental or public authority.

G. Insured v. Insured and Related Entities

Any **claim** made by or on behalf of:

1. an **insured**; however, part 1 of this exclusion will not apply to a **claim** made by:
 - a. a natural person **insured** arising from a **security failure** or **data breach**; or
 - b. an **additional insured**.
2. any business enterprise in which **you** have greater than a 20% ownership interest, or by any parent company or other entity that owns more than 20% of any **Insured**.

H. Intellectual Property

Any actual or alleged infringement, violation, or misappropriation of any:

1. patent or patent right;
2. copyright (including copyright of software), trademark, trade dress, trade name, service mark, or any other intellectual property right; or
3. trade secret.

However:

- i. part 2 of this exclusion will not apply to any **claim** under Section I.R. Media Liability for a **media wrongful act**;
- ii. part 2 of this exclusion will not apply to any **claim** under Section I.Q. Technology Errors and Omissions for a **technology wrongful act** based upon the infringement of software copyright; and
- iii. part 3 of this exclusion will not apply to any **claim** under Section I.M. Network Security and Privacy Liability for a **security failure** involving **third party corporate information**.

I. Natural Disaster

Any physical event or natural disaster, including but not limited to fire, flood, earthquake, volcanic eruption, explosion, lightning, solar flare, wind, hail, tidal wave, and landslide.

J. Nuclear

Any exposure or threatened exposure to any radioactive matter or any form of radiation or contamination by radioactivity from any source, including any nuclear reaction, nuclear radiation, or radioactive contamination arising from nuclear fuels, waste, or the combustion or ignition of nuclear fuel.

K. Pollution

1. any actual or alleged threatened discharge, dispersal, seepage, migration, release, emission, escape or transportation of **pollutants**; or

2. any request, direction, demand, or order to test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize **pollutants**, or in any way respond to or assess the effects of **pollutants**.

L. Prior Acts

Any **event**, act, error, or omission that occurred prior to the **retroactive date**, or any related or continuing **events**, acts, errors, or omissions where the first such **event**, act, error, or omission first occurred prior to the **retroactive date**.

M. Prior Knowledge

1. any **event**, act, error, or omission, that on or before the **continuity date**, any **senior executive** knew or could have reasonably foreseen might be the basis of a **claim** or **loss** under this Policy; or
2. any **claim**, **event**, or circumstance which has been the subject of a notice that has been provided under any prior policy of which this Policy is a renewal or replacement.

N. Property Damage

Any injury or damage to, destruction, impairment, or loss of use of any tangible property.

However, this exclusion will not apply to coverage under Section I.D. Data Recovery and Computer Replacement Costs for the loss of use of tangible property that has been bricked or to **funds transfer loss** under Section I.I. Funds Transfer Fraud and Social Engineering.

O. Recall

Any costs, fees, or expenses to withdraw, recall, remove, repair, replace, or dispose of any **technology products**, or any products that contain or incorporate the results of **technology services**.

P. Securities

1. any actual or alleged violation of any securities laws, including the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Company Act of 1940, or any other local, state, federal or foreign securities laws, including any amendments thereto;
2. the ownership, sale or purchase of, or the offer to sell or purchase securities; or
3. a shareholder derivative demand or action alleging, based upon, or arising out of a breach of duty by any director or officer.

However, part 1 of this exclusion will not apply to any:

- i. **claim** against **you** alleging a **data breach** or **privacy liability** in violation of the Securities and Exchange Commission (SEC) regulation S-P (17 C.F.R. § 248); or
- ii. **SEC cybersecurity disclosure costs** covered under Section I.B. Breach Response Costs.

Q. Theft and Loss of Funds

Any actual or alleged theft, loss or transfer of money, securities, digital currencies, digital financial assets (including non-fungible tokens (NFT) and crypto assets) or tangible property.

However, this exclusion will not apply to the coverage provided under Sections I.I. Funds Transfer Fraud and Social Engineering, I.K. Impersonation Repair, I.L. Invoice Manipulation, and I.P. Funds Transfer Liability.

R. Unauthorized Tracking

Any actual or alleged wrongful, unlawful or unauthorized use of any web beacons, tracking pixels, or software tools by **you** or on **your** behalf, that collects, tracks, records, shares, or sells an individual's activity, information, data, or **personally identifiable information**.

S. Unfair Business Practices

Any actual or alleged:

1. false, deceptive, unlawful, anti-competitive, or unfair trade practices;
2. misleading, false or deceptive advertising, or any inaccurate, inadequate, or incomplete description of the price of any goods, products, or services; or

3. price fixing, restraint of trade, monopolization, or violation of the Sherman Antitrust Act, the Clayton Act, the Robinson-Patman Act, or any similar law.

However, part 1 of this exclusion does not apply to any **claim** under Section I.N. Regulatory Actions.

T. Unlawful Acts

Any actual or alleged violation of:

1. the Employee Retirement Income Security Act of 1974 (ERISA);
2. the Organized Crime Control Act of 1970 (RICO);
3. the Biometric Information Privacy Act (BIPA);
4. the Controlling the Assault of Non-Solicited Pornography and Marketing Act of 2003 (CAN-SPAM);
5. the Telephone Consumer Protection Act (TCPA); or
6. any similar local, state, federal, common, or foreign law to the laws specified in 1 through 5 above.

U. War

Any:

1. **war**;
2. a **cyber operation** that is carried out as part of a **war**; or
3. a **cyber operation** that causes a sovereign state to become an **impacted state**.

However, part 3 of this definition shall not apply to the direct or indirect effect of a **cyber operation** on a “computer system” used by the **insured** or its third party service providers that is not physically located in an **impacted state** but is affected by a **cyber operation**.

For the purposes of applying this exclusion, “computer systems” means any computers and related peripheral components (including Internet of Things (IoT) devices), systems and applications software, terminal devices, related communications networks, mobile devices (handheld and other wireless computing devices), and storage and back-up devices.

Notwithstanding our burden of proof, which shall remain unchanged by this clause, in determining attribution of a **cyber operation** to a sovereign state, the **insured** and we will consider such objectively reasonable evidence that is available to them. This may include formal or official attribution to another sovereign state (including those acting at its direction or under its control) by the government of the sovereign state in which the computer system affected by the **cyber operation** is physically located.

Section IV. Limits, Retentions, and Waiting Period

A. Aggregate Policy Limit of Liability

The Aggregate Policy Limit of Liability specified in Item 4.A of the Declarations is the maximum amount we will pay for all **loss** covered under this Policy.

B. Per Event Limit of Liability

The Per Event Limit of Liability specified in Item 4.B of the Declarations is the maximum amount we will pay for all **loss** arising from a single **event** under all Insuring Agreements, regardless of the number of Insuring Agreements triggered, **claims** made, or **insureds** implicated. The Per Event Limit of Liability is part of, and not in addition to, and does not increase, the applicable Limit(s) of Insurance or the Aggregate Policy Limit of Liability.

C. Optional Separate Limit of Liability for Breach Response Costs

If coverage is triggered under Section I.B. Breach Response Costs, and the Optional Separate Limit of Liability for Breach Response Costs has been elected in Item 4.C of the Declarations, then, notwithstanding Section IV.A. Aggregate Policy Limit of Liability, the Limit specified in Item 5.B Breach Response Costs will not be subject to the Aggregate Policy Limit of Liability specified in Item 4.A of the

Declarations or the Per Event Limit of Liability specified in Item 4.B of the Declarations. Instead, coverage for **breach response costs** under Section I.B. Breach Response Costs will be in addition to the Aggregate Policy Limit of Liability and not subject to the Per Event Limit of Liability.

Upon exhaustion of the Limit specified in Item 5.B Breach Response Costs, there will be no further coverage under this Policy for **breach response costs**.

D. Insuring Agreement Limit(s)

The Limit stated in Item 5 of the Declarations with respect to an Insuring Agreement is the maximum amount we will pay for all **loss** covered under that Insuring Agreement. Such limits are part of, and not in addition to, the Aggregate Policy Limit of Liability

Provided, however, that if the Optional Separate Limit of Liability for Breach Response Costs has been elected in Item 4.C of the Declarations, then the Limit specified in Item 5.B Breach Response Costs will not be subject to the Aggregate Policy Limit of Liability and instead will be in addition to the Aggregate Policy Limit of Liability.

E. Rapid Response Services

Rapid response services do not erode the Aggregate Policy Limit of Liability.

However, services provided by Coalition Incident Response (or any **panel provider** if Coalition Incident Response is unavailable) under Section I.A. Rapid Response Services, part 3, are limited to the initial response to an actual or suspected **security failure, data breach, cyber extortion, funds transfer fraud, or impersonation fraud**, and shall not exceed 2 hours. Any ongoing assistance thereafter will be considered **breach response costs** and are subject to the applicable limits of liability.

F. Retentions

1. We will only be liable for amounts payable under this Policy that exceed the applicable retention(s). The retention cannot be insured. Provided, however, the Retention applicable to Section I.I. Funds Transfer Fraud and Social Engineering can be satisfied by the payment of covered **funds transfer loss** paid to the **Named Insured** under a commercial crime policy or any other insurance policy, provided that the applicable limit of liability of such policy is exhausted by the payment of **funds transfer loss**.
2. If any **loss** amounts arising out of a **claim** or **event** are subject to more than one retention, the retention for each applicable insuring agreement will apply separately. However, the total of these retention amounts will not exceed the largest applicable retention amount.
3. If **you** choose to use Coalition Incident Response for computer forensic professional services, and Coalition Incident Response is available to provide such services, then any fees, costs, and expenses from Coalition Incident Response that result in covered **breach response costs** under this Policy will not be subject to any retention.

G. Waiting Period

For Sections I.E. Direct Business Interruption and I.F. Contingent Business Interruption, once the **waiting period** (or **reduced waiting period**, if applicable) is satisfied, we will pay the covered **loss** from the start of the **waiting period** (or **reduced waiting period**, if applicable), subject to the applicable retention.

Section V. Claims

A. Defense

We have the right and duty to defend any **claim** made against **you** under any Third Party Insuring Agreement even if the allegations are groundless, false, or fraudulent.

Our duty to defend ends once the applicable Limit of Liability is exhausted or upon depositing the remaining amount of the applicable Limit of Liability in a court of competent jurisdiction. After such payment, we have the right to withdraw from the defense of the **claim**.

B. Choice of Counsel

You have the right to select defense counsel from our list of **panel providers**.

If **you** wish to select defense counsel that is not one of our **panel providers**, such counsel: (i) must be mutually agreed upon by **you** and us; and (ii) will be subject to a fee rate structure substantially similar to that of our **panel providers**. In the absence of such agreement, we will select defense counsel.

C. Settlement

We will not settle any **claim** without **your** written consent. However, if **you** refuse to consent to a settlement recommended by us and acceptable to the claimant, our liability for such **claim** will not exceed:

1. the amount for which such **claim** could have been settled, less the retention, plus **claim expenses** incurred up to the time of refusal; and
2. 80% of **claim expenses** incurred after **you** refused the settlement, plus 80% of **damages, regulatory loss, or funds transfer liability loss** that exceed the amount for which the **claim** could have been settled.

We reserve the right to withdraw from further defense of the **claim** by tendering control of the defense to **you**.

You may settle any **claim** without our consent where the total **damages, claim expenses, and loss** does not exceed the remaining amount of the applicable retention, provided the entire **claim** is resolved and **you** obtain a full release on behalf of all **Insureds** and from all claimants.

Section VI. Your Obligations

A. When There Is a Claim or Incident

As a condition precedent to coverage under this Policy, **you** must provide us written notice of any **claim** or **incident** through the contacts listed in Item 8 of the Declarations as soon as practicable after such **claim** or **incident** is known to any **senior executive**. In no event will this notice to us be later than 60 days after the end of the **policy period** or termination of this Policy, whichever is earlier.

Provided, however, that if the **Named Insured** purchases an Optional Extended Reporting Period, all **claims** made during such Optional Extended Reporting Period must be reported to us no later than the expiration of the Optional Extended Reporting Period.

B. Notice of Circumstances

If, during the **policy period**, **you** first become aware of circumstances that could reasonably be expected to give rise to a future **claim** covered under this Policy, **you** may provide written notice to us through the contacts listed in Item 8 of the Declarations during the **policy period**, of:

1. a detailed description of the circumstances, including the reasons for anticipating the **claim** and any relevant dates, persons, and entities involved;
2. the identity of potential claimants;
3. details of how **you** first became aware of the circumstances; and
4. the nature of the potential damage.

Any **claim** subsequently arising out of the circumstances reported under this Section will be deemed to have been made at the time we first received notice of such circumstances.

C. Law Enforcement Cooperation

If **you** receive an authorized order from a law enforcement or governmental authority to maintain the confidentiality of certain information about an actual or reasonably suspected **incident**, then notice to us of such **incident** will be considered timely under Section VI.A. When There Is a Claim or Incident, provided that:

1. a **senior executive** requests permission from the law enforcement or governmental authority to share the information with us as soon as practicable after receiving the order;
2. **you** withhold from us only the portion of information **you** are instructed not to share by the authority; and
3. **you** provide us full notice of the **incident** as soon as **you** are legally permitted to do so.

D. Duty to Cooperate

You will cooperate with us in all investigations related to this Policy, responding to reasonable requests for information (including forensic investigations and reports), executing necessary documents, and assisting as requested. **You** will refrain from any action or conduct that increases our exposure under this Policy. Additionally, **you** will cooperate with us and counsel in defending all **claims** and responding to all **events**, including attending any hearings, depositions, trials and other proceedings, securing and providing evidence (including the attendance of witnesses), enforcing any right to contribution or indemnity against a third party which may be liable to **you**, and providing all information necessary for appropriate and effective representation.

E. Proof of Loss

1. For Business Interruption and Cyber Crime Coverages, **you** must complete and sign a written, detailed, and affirmed proof of loss within 90 days of notifying us of a **loss** (unless extended by us in writing). This must include:
 - a. a full description of the circumstances, including the time, place, and cause of the **loss**; and
 - b. a detailed calculation of any **loss**, and all underlying documents and materials that relate to or form part of the proof of such **loss**.
2. We will pay **proof of loss preparation expenses** up to the Limit stated in Item 5 of the Declarations. Any other costs **you** incur in connection with establishing or proving **loss** are not covered under this Policy.
3. Regarding the verification of **loss** under Business Interruption and Cyber Crime Coverages, **you** agree to allow us to examine and audit **your** books and records related to this Policy at any time during the **policy period** and up to 12 months following our receipt of any proof of loss in accordance with this Section.

F. Obligation to Not Incur Expense or Admit Liability

You will not admit or assume any liability, make any payment, assume any obligation, incur any expense, make any offer to negotiate or terminate a **cyber extortion**, enter into any settlement (except as specifically provided in Section V.C. Settlement), stipulate to any judgment or award, or dispose of any **claim** without our prior written consent.

G. Subrogation

We will be subrogated to all **your** rights of recovery regarding any payment of **loss** under this Policy. **You** will take all reasonable steps to fully secure and preserve these subrogation rights, including executing any documents necessary for us to bring suit in **your** name. **You** will not do anything to prejudice our position or any rights of recovery. However, the obligation to preserve our right of subrogation will not apply if the **Insured** has agreed in a written contract with any person or entity, to waive the right of recovery against a person or entity, provided that such contract was executed before the **event** giving rise to a **claim** or **loss**.

H. Recovery

All recoveries from any third parties (made by either **you** or us) for payments made under this Policy, after first deducting the costs and expenses incurred in obtaining such recovery, will be applied in the following order of priority:

1. first, to the **Named Insured** to reimburse the **Insured** for **loss** sustained that would have been covered under this Policy but for the fact that the **loss** was in excess of the applicable limit(s);

2. second, to us, to reimburse us for any amounts we paid under this Policy; and
3. third, to the **Named Insured** in recognition of the retention paid.

I. Authorization of Named Insured

It is agreed that the **Named Insured** will act on behalf of all **insureds** regarding the notice of a **claim**, providing and receiving of notice of cancellation and nonrenewal, payment of premiums and receipt of any return premiums that may become due under this Policy, receipt and acceptance of any endorsements issued to form a part of this Policy, exercising or declining of the right to tender the defense of a **claim** to us, and exercising or declining to exercise of any right to an Optional Extended Reporting Period. Where there is more than one **Named Insured** specified in Item 1 of the Declarations or by endorsement to this Policy, then for the purpose of this clause only, the **Named Insured** is deemed to be the first entity specified under Item 1 of the Declarations.

Section VII. Cancellation and Nonrenewal

A. Cancellation by the Insurer

We may only cancel this Policy for non-payment of premium by providing the **Named Insured** with written notice of cancellation at least ten (10) days prior to the effective date of cancellation. Where permitted by applicable law, this notice may be delivered electronically. Mailing or electronic transmission of the notice, where allowed, will serve as sufficient proof of notice, and this Policy will terminate as specified in the notice.

B. Cancellation by the Named Insured

The **Named Insured** may cancel this Policy by providing us with written notice stating the effective date of cancellation. In such an event, we will refund to **you** the unearned premium calculated on a pro-rata basis.

C. Nonrenewal

We are not obligated to renew this Policy.

Section VIII. Optional Extended Reporting Period

For Third Party Liability Coverages, if this Policy is canceled or non-renewed, other than for non-payment of premium, the **Named Insured** has the right to purchase an Optional Extended Reporting Period under this Policy for:

1. one year for an additional premium of 100% of the total annual premium;
2. two years for an additional premium of 125% of the total annual premium;
3. three years for an additional premium of 150% of the total annual premium;
4. four years for an additional premium of 175% of the total annual premium; or
5. five years for an additional premium of 200% of the total annual premium.

The **Named Insured's** right to purchase the Optional Extended Reporting Period must be exercised in writing no later than 60 days after the effective date of cancellation or nonrenewal of this Policy, and must include payment of the additional premium due for the applicable Optional Extended Reporting Period, as well as payment of any other premiums due to us. If we do not receive this written notice together with the additional premium due, the **Named Insured** will not be able to exercise this right at a later date.

The Optional Extended Reporting Period applies only to **claims** first made against **you** during the Optional Extended Reporting Period arising out of any act, error, or omission committed on or after the **retroactive date** and before the end of the **policy period** (or, if applicable, before the effective date of the Change in Control in Section IX.A. Change in Control), subject to the Retention, Limits of Liability, exclusions, conditions, and other terms of this Policy. **Claims** made during any applicable Optional Extended

Reporting Period must be reported to us no later than the expiration of the Optional Extended Reporting Period.

The additional premium for the Optional Extended Reporting Period will be deemed fully earned at the start of the Optional Extended Reporting Period. An Optional Extended Reporting Period cannot be canceled, and we will not be liable to return any portion of the additional premium for the Optional Extended Reporting Period.

The fact that the time to report **claims** under this Policy may be extended by virtue of an Optional Extended Reporting Period will not increase the Limits of Liability, and any amounts incurred during the Optional Extended Reporting Period will be part of, and not in addition to, the Limits of Liability stated in the Declarations.

Section IX. Other Provisions

A. Change in Control

If during the **policy period**:

1. the **Named Insured**:
 - a. merges into or consolidates with another entity, so that the **Named Insured** is not the surviving entity; or
 - b. sells more than 50% of its assets to another entity, so the **Named Insured** is not the surviving entity; or
2. any entity, person, or group of affiliated entities or persons acting in concert acquire **management control** of the **Named Insured**;

(both parts 1 and 2 specified above referred to as a “Change in Control”), then this Policy will remain in force until the end of the **policy period**, but will only cover **events**, acts, errors, or omissions that first occurred before the Change in Control. There will be no coverage provided by this Policy for any **event**, act, error, or omission occurring after the Change in Control. The **Named Insured** must provide written notice of a Change in Control to us as soon as practicable, but no later than 30 days after the Change in Control. Upon the effective date of the Change in Control, the full premium for this Policy will be considered fully earned.

This provision may be waived in writing by us.

B. Subsidiary Status

Coverage for a **subsidiary** acquired during the **policy period** applies as follows:

1. for Third Party Liability Coverages, only for acts, errors, omissions, or **events** that occurred on or after the date the **Named Insured** gained **management control** over the **subsidiary**;
2. for Active Risk Control and Cyber Crime Coverages, only for **incidents** first discovered by **you** on or after the date the **Named Insured** gained **management control** over the **subsidiary**; and
3. for Business Interruption Coverages, only for **incidents** that first occurred and are first discovered by **you** on or after the date that the **Named Insured** obtained **management control** over such **subsidiary**.

If, during the **policy period**, an entity ceases to be a **subsidiary**, then coverage for such entity will remain in force under this Policy, subject to the following conditions:

- i. for Third Party Liability Coverages, only for acts, errors, omissions, or **events** that first occurred prior to the date such entity ceased to be a **subsidiary**;
- ii. for Active Risk Control and Cyber Crime Coverages, only for **incidents** first discovered by **you** prior to the date such entity ceased to be a **subsidiary**; and
- iii. for Business Interruption Coverages, only for **incidents** that first occurred and are first discovered by **you** prior to the date such entity ceased to be a **subsidiary**.

C. Choice of Law

Any disputes involving this Policy will be resolved applying the law specified in Item 11 of the Declarations, without reference to that jurisdiction's choice of law principles.

D. Dispute Resolution

If any dispute arises out of the rights and obligations owed under this Policy, or the breach thereof, we and the **Named Insured** agree to participate in a non-binding mediation in which the parties will attempt in good faith to settle such dispute in accordance with the commercial mediation rules of the American Arbitration Association ("AAA") in effect at the time of the dispute. If such non-binding mediation does not result in a settlement of the dispute, then after 60 days following termination of the non-binding mediation, either party may:

1. commence a judicial proceeding; or
2. with the consent of the other party, commence an arbitration proceeding in accordance with the commercial arbitration rules of the AAA in effect at the time of the dispute. The decision of the arbitrator will be final and binding, and any award may be confirmed and enforced in a court of competent jurisdiction.

E. No Assignment

No change, modification, or assignment of interest under this Policy will be effective except when made by a written endorsement to this Policy which is signed by us.

F. Non-Permissible Insurance

Where we may not permissibly insure any entity that falls within the definition of an **insured** under this Policy, solely by virtue of the entity's domicile (or deemed location of risk for regulatory purposes), we will indemnify the **Named Insured** in respect of any **loss** to its insurable financial interest in such uninsured entity by way of agreed valuation calculated as the amount that we would have been liable to pay such uninsured entity for the applicable **loss** under the terms and conditions of this Policy had it been permissible to insure such uninsured entity.

G. Prevention and Mitigation Costs

If **you** provide notice of an **incident** under Section VI.A. When There Is a Claim or Incident, or a notice of circumstances under Section VI.B. Notice of Circumstances, and **you** request assistance from us to help **you** prevent or mitigate a potential future **claim** or potential **loss** resulting from the **incident**, we may, in our sole discretion, agree to pay up to the amount specified in Item 6 of the Declarations for:

1. with respect to a notice of circumstances under Section VI.B. Notice of Circumstances, legal, forensic, and IT services; or
2. with respect to notice of an **incident** under Section VI.A. When There Is a Claim or Incident, forensic and IT services.

If provided, such services will be rendered by a vendor or firm we have mutually agreed upon.

H. Other Insurance

Except for Sections I.A. Rapid Response Services and I.B. Breach Response Costs, which operate as primary insurance, this Policy applies in excess of, and will not contribute with, any other valid and collectible insurance including the self-insured retention or deductible portion thereof, unless such other insurance is specifically written only to apply excess of this Policy.

I. Territory

This Policy applies to **events** occurring, **claims** made, and **losses** incurred, anywhere in the world.

J. Titles

The titles and headings of the various sections, subsections, and endorsements of this Policy are included solely for ease of reference and do not limit coverage, expand coverage, or otherwise affect the provisions of these sections, subsections, or endorsements.

K. Sanctions

This Policy does not apply to the extent that trade or economic sanctions, or other laws or regulations, prohibit us from providing insurance, including but not limited to the payment of **loss**.

L. Prior Consent

We agree that whenever our consent is required by any provision of this Policy, our consent shall not be unreasonably withheld.

SPECIMEN



ENDT NO.: 1

PROPERTY DAMAGE – 1ST PARTY

Effective Date of Endorsement	September 03, 2025
Named Insured	Central Nebraska Economic Development Inc. and Central Nebraska Housing Developers Inc.
Policy Number	C-4LRL-134678-CYBER-2025
Issued by (Name of Insurance Company)	Arch Specialty Insurance Company, Aspen Specialty Insurance Company, Fireman's Fund Indemnity Corporation, Fortegra Specialty Insurance Company, Vantage Risk Specialty Insurance Company

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

Coalition Active Cyber Policy

In consideration of the premium charged for this Policy, it is hereby understood and agreed that:

- Item 5. of the Declarations, FIRST PARTY COVERAGES, is amended to add the following:

INSURING AGREEMENT	LIMIT	RETENTION
PD1. Property Damage – 1st Party	\$250,000	\$2,500

- Section I. Insuring Agreements, First Party Coverages, is amended to add the following:

PD1. Property Damage – 1st Party

We will pay on behalf of the **Insured Organization** for **loss** incurred for:

- damage or injury to or destruction of **your** tangible property resulting directly from a **security failure**; or
- impairment to or loss of use of **your** tangible property, whether physically damaged, injured, destroyed or not, including tangible property that cannot be accessed, used, or is less useful, resulting directly from a **security failure**;

provided, such **security failure** is first discovered by **you** during the **policy period**.

- Solely with respect to the coverage provided by this endorsement for Insuring Agreement PD1. Property Damage – 1st Party, Section III., Exclusion N. Property Damage, is deleted.
- Solely for the purposes of the coverage provided by this endorsement under Insuring Agreement PD1. Property Damage – 1st Party, “**Loss**” is defined to mean the following:

the cost to repair or replace **your** tangible property other than **Data Recovery and Computer Replacement Costs**.

- Solely with respect to the coverage provided by this endorsement for Insuring Agreement PD1. Property Damage – 1st Party, Section III., Exclusions is amended to add the following:



- a. any bodily injury or property damage arising out of the ownership, maintenance, use or entrustment to others of any aircraft, auto, or watercraft, including but not limited to the transportation or use of mobile equipment in connection with any such aircraft, auto or watercraft.

All other terms and conditions of this Policy remain unchanged.

This endorsement forms a part of the Policy to which attached, effective on the inception date of the Policy unless otherwise stated herein.

SPECIMEN



ENDT NO.: 2

BODILY INJURY AND PROPERTY DAMAGE – 3RD PARTY

Effective Date of Endorsement	September 03, 2025
Named Insured	Central Nebraska Economic Development Inc. and Central Nebraska Housing Developers Inc.
Policy Number	C-4LRL-134678-CYBER-2025
Issued by (Name of Insurance Company)	Arch Specialty Insurance Company, Aspen Specialty Insurance Company, Fireman's Fund Indemnity Corporation, Fortegra Specialty Insurance Company, Vantage Risk Specialty Insurance Company

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

Coalition Active Cyber Policy

In consideration of the premium charged for this Policy, it is hereby understood and agreed that:

- Item 5. of the Declarations, THIRD PARTY LIABILITY COVERAGES, is amended to add the following:

INSURING AGREEMENT	LIMIT	RETENTION
BI/PD3. Bodily Injury and Property Damage – 3rd Party	\$250,000	\$2,500

- Section I. Insuring Agreements, Third Party Liability Coverages, is amended to add the following:

BI/PD3. Bodily Injury and Property Damage – 3rd Party

We will pay on **your** behalf **claim expenses, damages, and regulatory loss** that **you** become legally obligated to pay resulting from a **claim** made against **you** for:

- bodily injury, sickness, disease, or death of a person resulting directly from a **security failure**;
 - damage or injury to or destruction of tangible property resulting directly from a **security failure**;
 - or
 - impairment to or loss of use of tangible property, whether physically damaged, injured, destroyed or not, including tangible property that cannot be accessed, used, or is less useful resulting directly from a **security failure**.
- Solely with respect to the coverage provided by this endorsement for Insuring Agreement BI/PD3. Bodily Injury and Property Damage – 3rd Party, Section III., Exclusions A. Bodily Injury, and N. Property Damage are deleted.
- Solely with respect to the coverage provided by this endorsement for Insuring Agreement BI/PD3. Bodily Injury and Property Damage – 3rd Party, Section III., Exclusions is amended to add the following:
 - any obligation under a workers' compensation, disability benefits, or unemployment compensation law or any similar law; or

- b. any bodily injury or property damage arising out of the ownership, maintenance, use or entrustment to others of any aircraft, auto, or watercraft, including but not limited to the transportation or use of mobile equipment in connection with any such aircraft, auto or watercraft.

All other terms and conditions of this Policy remain unchanged.

This endorsement forms a part of the Policy to which attached, effective on the inception date of the Policy unless otherwise stated herein.

SPECIMEN



ENDT NO.: 3

CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

Effective Date of Endorsement	September 03, 2025
Named Insured	Central Nebraska Economic Development Inc. and Central Nebraska Housing Developers Inc.
Policy Number	C-4LRL-134678-CYBER-2025
Issued by (Name of Insurance Company)	Arch Specialty Insurance Company, Aspen Specialty Insurance Company, Fireman's Fund Indemnity Corporation, Fortegra Specialty Insurance Company, Vantage Risk Specialty Insurance Company

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

Coalition Active Cyber Policy

In consideration of the premium charged for this Policy, it is hereby understood and agreed that:

Certified Acts of Terrorism

If aggregate insured losses attributable to terrorist acts certified under the federal Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we will not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

"Certified Act of Terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a certified act of terrorism include the following:

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for **damages** or **loss** that is otherwise excluded under this Policy.

All other terms and conditions of this Policy remain unchanged.

This endorsement forms a part of the Policy to which attached, effective on the inception date of the Policy unless otherwise stated herein.



ENDT NO.: 4

COALITION ACTIVE INSURED – VANISHING RETENTION ENDORSEMENT

Effective Date of Endorsement	September 03, 2025
Named Insured	Central Nebraska Economic Development Inc. and Central Nebraska Housing Developers Inc.
Policy Number	C-4LRL-134678-CYBER-2025
Issued by (Name of Insurance Company)	Arch Specialty Insurance Company, Aspen Specialty Insurance Company, Fireman's Fund Indemnity Corporation, Fortegra Specialty Insurance Company, Vantage Risk Specialty Insurance Company

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

Coalition Active Cyber Policy

In consideration of the premium charged for this Policy, it is hereby understood and agreed that:

1. If **you** are an **active insured**, then **you** are eligible for a **vanishing retention benefit**.
2. Section II. Definitions is amended to add the following definitions:

Active Insured means that:

1. within 30 days following the inception date of each applicable **prior policy(ies)** and this Policy, **you**:
 - a. accessed **Coalition Control** and provided therein current contact information for both the **Named Insured** and the **Named Insured's** IT/Security User; and
 - b. provided in **Coalition Control** or by email to us, a complete and current Coalition Ransomware Supplemental Application (the "RSA") (or another application containing, at a minimum, the information requested in the RSA); and
2. **you** remediated all **critical security vulnerabilities**:
 - a. within 30 days following notification of such vulnerabilities to **you**; or
 - b. pursuant to an alternative remediation approach, date, or both, approved in writing by us.

Vanishing Retention Benefit means:

1. a 25% reduction in the applicable Retention appearing in this Policy to the first covered **claim** or **incident** reported under this Policy (regardless of the number of **claims, incidents, or insureds**), if, at the time such **claim** or **incident** is reported, **you** had continuously maintained **active insured** status: (i) for 12 consecutive months under a **prior policy** immediately preceding this Policy; and (ii) under this Policy;
2. a 50% reduction in the applicable Retention appearing in this Policy to the first covered **claim** or **incident** reported under this Policy (regardless of the number of **claims, incidents, or insureds**), if, at the time such **claim** or **incident** is reported, **you** had continuously maintained **active insured** status: (i) for 24 consecutive months under the **prior policies** immediately preceding this Policy; and (ii) under this Policy; or
3. a 100% reduction in the applicable Retention appearing in this Policy to the first covered **claim** or **incident** reported under this Policy (regardless of the number of **claims, incidents, or insureds**), if, at the time such **claim** or **incident** is reported, **you** had continuously maintained **active insured** status: (i) for 36 consecutive months or more under the **prior policies** immediately preceding this



Policy; and (ii) under this Policy.

Provided, however, the **vanishing retention benefit** described in parts 1-3 above is subject to a maximum reduction of \$25,000, and shall only apply if: (i) the **Named Insured's** annual ratable revenue provided in the **application** for this Policy did not exceed \$100,000,000; and (ii) we have not paid a total **loss** amount in excess of \$25,000 under the immediately preceding **prior policy** of which this Policy is a renewal thereof.

Critical Security Vulnerabilities means any security vulnerability that: (i) we identified and communicated to **you** via email, phone, or within **Coalition Control** as a "critical" security vulnerability; and (ii) for which we have provided **you** with instructions on how to remediate.

Notice given by us to **you** of a **critical security vulnerability**, via email, phone or within **Coalition Control** as set out above, will be sufficient proof of **your** receipt of notice of such **critical security vulnerability**.

Prior Policy(ies) means the prior Coalition Cyber or Coalition Active Cyber Policy(ies) we issued to the **Named Insured** with an inception date on or after April 15, 2024.

All other terms and conditions of this Policy remain unchanged.

This endorsement forms a part of the Policy to which attached, effective on the inception date of the Policy unless otherwise stated herein.



ENDT NO.: 5

DISCLOSURE PURSUANT TO TERRORISM RISK INSURANCE ACT

Effective Date of Endorsement	September 03, 2025
Named Insured	Central Nebraska Economic Development Inc. and Central Nebraska Housing Developers Inc.
Policy Number	C-4LRL-134678-CYBER-2025
Issued by (Name of Insurance Company)	Arch Specialty Insurance Company, Aspen Specialty Insurance Company, Fireman's Fund Indemnity Corporation, Fortegra Specialty Insurance Company, Vantage Risk Specialty Insurance Company

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

Coalition Active Cyber Policy

In consideration of the premium charged for this Policy, it is hereby understood and agreed that:

DISCLOSURE OF TERRORISM RISK INSURANCE ACT PREMIUM

In accordance with the federal Terrorism Risk Insurance Act, we are required to provide **you** with a notice disclosing the portion of **your** premium, if any, attributable to coverage for terrorist acts certified under the Terrorism Risk Insurance Act. The portion of **your** premium attributable to such coverage, if any, is shown in the Policy Declarations.

The United States Government, Department of the Treasury will pay a share of terrorism losses insured under the federal program. The federal share equals 80% of the amount of such insured losses that exceeds the applicable insurer retention.

However, if aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year, the Treasury will not make any payment for any portion of the amount of such losses that exceeds \$100 billion.

If aggregate insured losses attributable to terrorist acts certified under the federal Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we will not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

All other terms and conditions of this Policy remain unchanged.

This endorsement forms a part of the Policy to which attached, effective on the inception date of the Policy unless otherwise stated herein.



ENDT NO.: 6

POLLUTION ENDORSEMENT

Effective Date of Endorsement	September 03, 2025
Named Insured	Central Nebraska Economic Development Inc. and Central Nebraska Housing Developers Inc.
Policy Number	C-4LRL-134678-CYBER-2025
Issued by (Name of Insurance Company)	Arch Specialty Insurance Company, Aspen Specialty Insurance Company, Fireman's Fund Indemnity Corporation, Fortegra Specialty Insurance Company, Vantage Risk Specialty Insurance Company

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

Coalition Active Cyber Policy

In consideration of the premium charged for this Policy, it is hereby understood and agreed that:

1. Section III. Exclusions, K. Pollution is amended by the addition of the following:

However, this exclusion will not apply to:

- a. an otherwise covered **claim** under Section I.M. Network Security and Privacy Liability; and;
- b. **claim expenses** resulting from an otherwise covered **claim** under Section I.N. Regulatory Actions only.

Provided, however, the amount of **claim expenses** and **damages** paid by us under this Endorsement will not exceed the sub-limit amount of \$250,000, regardless of the number of **claims** or **insureds**. This sub-limit will be part of, and not in addition to, the Limits of Liability for Sections I.M. Network Security and Privacy Liability and I.N. Regulatory Actions, and the Aggregate Policy Limit of Liability.

All other terms and conditions of this Policy remain unchanged.

This endorsement forms a part of the Policy to which attached, effective on the inception date of the Policy unless otherwise stated herein.



ENDT NO.: 7

ENHANCED PRIVACY LIABILITY ENDORSEMENT

Effective Date of Endorsement	September 03, 2025
Named Insured	Central Nebraska Economic Development Inc. and Central Nebraska Housing Developers Inc.
Policy Number	C-4LRL-134678-CYBER-2025
Issued by (Name of Insurance Company)	Arch Specialty Insurance Company, Aspen Specialty Insurance Company, Fireman's Fund Indemnity Corporation, Fortegra Specialty Insurance Company, Vantage Risk Specialty Insurance Company

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

Coalition Active Cyber Policy

In consideration of the premium charged for this Policy, it is hereby understood and agreed that:

1. Exclusion R. Unauthorized Tracking is deleted from Section III. Exclusions.
2. The following is added to Exclusion T. Unlawful Acts:

However, part 3 of this exclusion does not apply to: (i) a **security failure**; or (ii) the coverage provided under Sections I. M. Network Security and Privacy Liability and I. N. Regulatory Actions, for any **claim** against **you** by or on behalf of an individual or individuals, other than an **employee**, for a **privacy liability**.

3. Our maximum liability under Sections I. M. Network Security and Privacy Liability and I. N. Regulatory Actions for all **claim expenses, damages, and regulatory loss** resulting from all **claim(s)** against **you** alleging, in whole, or in part, a **privacy liability** under parts 2.b. or 3 is **\$1,000,000**. Such amount is part of, and not in addition to, the Limits of Liability set forth in Item 5 of the Declarations for Insuring Agreements M. Network Security and Privacy Liability and N. Regulatory Actions, as well as the Aggregate Policy Limit of Liability.

All other terms and conditions of this Policy remain unchanged.

This endorsement forms a part of the Policy to which attached, effective on the inception date of the Policy unless otherwise stated herein.

ENDT NO.: 8

QUOTA SHARE ENDORSEMENT

Effective Date of Endorsement	September 03, 2025
Named Insured	Central Nebraska Economic Development Inc. and Central Nebraska Housing Developers Inc.
Policy Number	C-4LRL-134678-CYBER-2025
Issued by (Name of Insurance Company)	Arch Specialty Insurance Company, Aspen Specialty Insurance Company, Fireman's Fund Indemnity Corporation, Fortegra Specialty Insurance Company, Vantage Risk Specialty Insurance Company

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

Coalition Active Cyber Policy

This Policy is issued on a quota share basis. Each insurer will be responsible for payment of a certain percentage share of the Limits of Liability as specified in the Declarations for this Policy as follows:

Quota Share Percentage of each insurer:

Arch Specialty Insurance Company 30%
Aspen Specialty Insurance Company 10%
Fireman's Fund Indemnity Corporation 20%
Fortegra Specialty Insurance Company 35%
Vantage Risk Specialty Insurance Company 5%

The quota share insurers' obligations to you under this Policy are several and not joint and are limited solely to the extent of their individual quota share percentage. The quota share insurers are not responsible for the obligations of any quota share insurer who for any reason does not satisfy all or part of its obligations. None of the quota share insurers has a duty to pay before any of the other quota share insurers. **Claim expenses** are part of and not in addition to the Limits of Liability.

Provided that:

1. The collective liability of the insurers shall not exceed the Aggregate Policy Limit of Liability as specified in Item 4.A. of the Declarations.
2. The Limit of Liability of each of the insurers individually shall be limited to the pro rata percentage of liability set opposite its name.

All other terms and conditions of this Policy remain unchanged.

This endorsement forms a part of the Policy to which attached, effective on the inception date of the Policy unless otherwise stated herein.



ENDT NO.: 9

SERVICE OF SUIT ENDORSEMENT

Effective Date of Endorsement	September 03, 2025
Named Insured	Central Nebraska Economic Development Inc. and Central Nebraska Housing Developers Inc.
Policy Number	C-4LRL-134678-CYBER-2025
Issued by (Name of Insurance Company)	Arch Specialty Insurance Company, Aspen Specialty Insurance Company, Fireman's Fund Indemnity Corporation, Fortegra Specialty Insurance Company, Vantage Risk Specialty Insurance Company

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

Coalition Active Cyber Policy

In consideration of the premium charged for this Policy, it is hereby understood and agreed that in the event we fail to pay any amount claimed to be due hereunder, we, at the request of the **Named Insured**, will submit to the jurisdiction of a court of competent jurisdiction within the United States of America. The foregoing shall not constitute a waiver of the right by us to remove, remand, or transfer such suit to any other court of competent jurisdiction in accordance with the applicable statutes of the state of United States pertinent hereto. In any suit instituted against us upon this contract, we will abide by the final decision of such court or of any appellate court in the event of an appeal.

It is further agreed that service of process in such suit may be made upon the Superintendent, Commissioner, or Director of Insurance or other person specified for that purpose in the Statute or his successor or successors in office as their true and lawful attorney upon whom may be served any lawful process in any action, suit, or proceeding instituted by or on behalf of the **Named Insured** or any beneficiary hereunder arising out of this contract of insurance.

We hereby designate the President of Arch Specialty Insurance Company, One Liberty Plaza, 53rd Floor, New York, NY 10006, as the person to whom the said Superintendent, Commissioner, or Director of Insurance is authorized to mail such process or a true copy thereof, in compliance with the applicable statutes governing said service of process in the state or jurisdiction in which a cause of action under this contract of insurance arises.

All other terms and conditions of this Policy remain unchanged.

This endorsement forms a part of the Policy to which attached, effective on the inception date of the Policy unless otherwise stated herein.



ENDT NO.: 10

**SINGLE HIGHEST RETENTION/DEDUCTIBLE ENDORSEMENT/PRO RATA SHARING OF LIMITS
COALITION PREFERRED - CYBER & EXECUTIVE RISK**

Effective Date of Endorsement	September 03, 2025
Named Insured	Central Nebraska Economic Development Inc. and Central Nebraska Housing Developers Inc.
Policy Number	C-4LRL-134678-CYBER-2025
Issued by (Name of Insurance Company)	Arch Specialty Insurance Company, Aspen Specialty Insurance Company, Fireman's Fund Indemnity Corporation, Fortegra Specialty Insurance Company, Vantage Risk Specialty Insurance Company

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

Coalition Active Cyber Policy

In consideration of the premium charged for this Policy, it is hereby understood and agreed that:

1. Notwithstanding any provision to the contrary in this Policy (including any endorsement added thereto), Section IV.F. Retentions is amended to add the following new sections:

If:

- a. the **Named Insured** has been issued a Coalition Executive Risks Policy with Limits of Liability provided under the Crime Coverage Part (Form Number: ERUSP-00PF-0923-C1); and
- b. this Coalition Active Cyber Policy and the Coalition Executive Risks Policy both provide coverage for the same **loss** covered under Insuring Agreement I. Funds Transfer Fraud and Social Engineering of this Policy, then only a single Retention/Deductible will apply to such matter and that Retention/Deductible will be the higher of the Retentions/Deductibles applicable under the Coalition Active Cyber Policy and the Coalition Executive Risks Policy.

2. Solely with respect to the coverage provided by this Endorsement, the following is added to Section IX. H. Other Provisions, Other Insurance:

In the event coverage is afforded for the same matter as described in part 1.b. of this Endorsement, then coverage will be afforded on a pro rata basis according to the ratio each policy's respective limit or sublimit bears to the total Limit of Liability for such matter.

All other terms and conditions of this Policy remain unchanged.

This endorsement forms a part of the Policy to which attached, effective on the inception date of the Policy unless otherwise stated herein.



ENDT NO.: 11

NEBRASKA CHANGES

Effective Date of Endorsement	September 03, 2025
Named Insured	Central Nebraska Economic Development Inc. and Central Nebraska Housing Developers Inc.
Policy Number	C-4LRL-134678-CYBER-2025
Issued by (Name of Insurance Company)	Arch Specialty Insurance Company, Aspen Specialty Insurance Company, Fireman's Fund Indemnity Corporation, Fortegra Specialty Insurance Company, Vantage Risk Specialty Insurance Company

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

Coalition Active Cyber Policy

In consideration of the premium charged for this Policy, it is hereby understood and agreed that:

1. Sections VII.A. Cancellation by the Insured and VII.C. Nonrenewal are deleted and replaced with the following:

A. Cancellation by the Insured

We may only cancel this Policy for non-payment of premium and will mail to the **Named Insured** written notice of cancellation at least 10 days prior to the effective date of cancellation at the address shown in Item 1 of the Declarations stating when the cancellation will be effective. Where permitted by applicable law, however, we may provide such written notice of cancellation by electric transmission. The mailing (or electronic transmission where permitted) of such notice as aforesaid will be sufficient proof of notice, and this Policy will terminate at the date and hour specified in such notice.

If this Policy has been in effect for more than 60 days or if this is a renewal of a policy we issued, we may cancel this Policy only for one or more of the following reasons:

1. non-payment of premium;
2. certification of the Director of Insurance of our loss of reinsurance which provided coverage to us for a substantial part of the underlying risk insured; or
3. a determination by the Director of Insurance that the continuation of the Policy could place us in violation of Nebraska insurance law.

We will mail to the **Named Insured** written notice of cancellation at least 10 days prior to the effective date of cancellation at the address shown in Item 1 of the Declarations stating when the cancellation will be effective. Where permitted by applicable law, however, we may provide such written notice of cancellation by electronic transmission. The mailing (or electronic transmission where permitted) of such notice as aforesaid will be sufficient proof of notice and this Policy will terminate at the date and hour specified in such notice.

If this Policy is cancelled by us, we will refund any unearned premium computed pro rata.

We will provide written notice to the **Named Insured** at the address shown in Item 1 of the Declarations, by registered mail, certified mail, first-class mail using intelligent Mail barcode (IMb), or similar tracking method used or approved by the United States Postal Service, or electronically if permitted. If we mail



our notice by first-class mail, a United States Postal Service Certificate of Mailing shall be sufficient proof of receipt of notice on the third calendar day after the date of the certificate of mailing.

C. Nonrenewal

We are not obligated to renew this Policy. If we decide not to renew this Policy, we may only non-renew by mailing to the **Named Insured** at the address shown in Item 1 of the Declarations written notice of nonrenewal, stating the reason for nonrenewal, at least 60 days prior to the expiration date of the Policy. Where permitted by applicable law, however, we may provide such written notice of nonrenewal by electronic transmission. The mailing (or electronic transmission where permitted) of such notice as aforesaid will be sufficient proof of notice and this Policy will terminate at the date and hour specified in such notice.

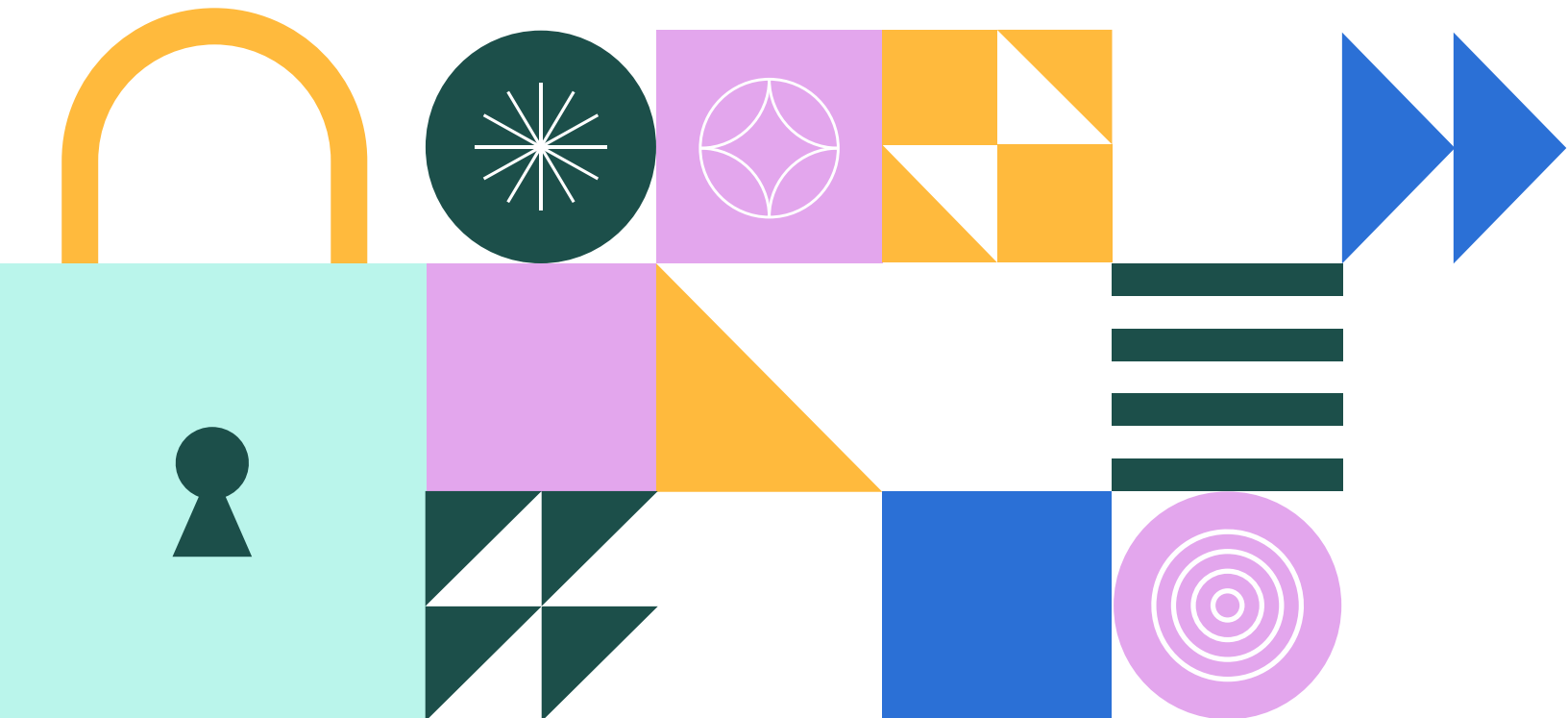
Any notice of nonrenewal will be mailed by registered mail, certified mail, first-class mail using Intelligent Mail barcode (IMb), or similar tracking method used or approved by the United States Postal Service, or electronically if permitted, to the **Named Insured** at the address shown in Item 1 of the Declarations. If we mail our notice by first-class mail, a United States Postal Service Certificate of Mailing shall be sufficient proof of receipt of notice on the third calendar day after the date of the certificate of mailing.

All other terms and conditions of this Policy remain unchanged.

This endorsement forms a part of the Policy to which attached, effective on the inception date of the Policy unless otherwise stated herein.

Welcome to Coalition

Please **sign the application and consent for electronic communication** prior to the issuance of your insurance policy.



COALITION ACTIVE CYBER POLICY APPLICATION

NOTICE: THIS POLICY'S LIABILITY INSURING AGREEMENTS PROVIDE COVERAGE ON A CLAIMS-MADE AND REPORTED BASIS AND APPLY ONLY TO CLAIMS THAT ARE FIRST MADE AGAINST THE INSURED DURING THE POLICY PERIOD OR EXTENDED REPORTING PERIOD, IF PURCHASED, AND REPORTED TO THE INSURER IN ACCORDANCE WITH THE TERMS OF THE POLICY. THE LIMIT OF LIABILITY AVAILABLE TO PAY JUDGMENTS OR SETTLEMENTS WILL BE REDUCED AND MAY BE EXHAUSTED BY AMOUNTS INCURRED FOR LEGAL DEFENSE AND CLAIMS EXPENSES. FURTHERMORE, AMOUNTS INCURRED FOR LEGAL DEFENSE AND CLAIMS EXPENSES WILL BE APPLIED AGAINST THE RETENTION. PLEASE READ THE POLICY CAREFULLY.

IF A POLICY IS ISSUED, THIS APPLICATION WILL ATTACH TO AND BECOME PART OF THE POLICY. THEREFORE, IT IS IMPORTANT THAT ALL QUESTIONS ARE ANSWERED TRUTHFULLY AND ACCURATELY.

General Information

Named Insured Central Nebraska Economic Development Inc. and Central Nebraska Housing Developers Inc.

Website Domain(s) cnedd.org, cnhd.org

Please list all website addresses including web and email domains

Address 85152 489 Avenue Chambers, NE 68725

Industry Domestic Non-Profit - Professional Associations (Business Association)

Number of Employees 1-25

Revenue (expected over the next 12 months) \$285,000.00

Gross Profit / Net Revenue (expected over the next 12 months) N/A

Attestation Questions	
1. Within the last 3 years has Central Nebraska Economic Development Inc. and Central Nebraska Housing Developers Inc. suffered any cyber incidents resulting in a claim in excess of \$25,000?	No
(If Yes) Please explain the cyber incidents and/or claims.	
2. Is Central Nebraska Economic Development Inc. and Central Nebraska Housing Developers Inc. aware of any circumstances that could give rise to a claim under this insurance policy?	No
(If Yes) Please explain the circumstances and/or potential claims.	
3. Does Central Nebraska Economic Development Inc.	Yes

and Central Nebraska Housing Developers Inc. implement encryption on laptop computers, desktop computers, and other portable media devices?	
4. Does Central Nebraska Economic Development Inc. and Central Nebraska Housing Developers Inc. collect, process, store, transmit, or have access to any Payment Card Information (PCI), Personally Identifiable Information (PII), or Protected Health Information (PHI) other than employees of Central Nebraska Economic Development Inc. and Central Nebraska Housing Developers Inc.?	No
4a. (If yes) What is the estimated annual volume of payment card transactions (credit cards, debit cards, etc.)?	
4b. (If yes) How many PII or PHI records does Central Nebraska Economic Development Inc. and Central Nebraska Housing Developers Inc. collect, process, store, transmit, or have access to?	
5. Does Central Nebraska Economic Development Inc. and Central Nebraska Housing Developers Inc. maintain at least weekly backups of all sensitive or otherwise critical data and all critical business systems offline or on a separate network?	Yes
6. For which of the following services does Central Nebraska Economic Development Inc. and Central Nebraska Housing Developers Inc. enforce Multi-Factor Authentication (MFA)?	
6a. Email	Yes
6b. Virtual Private Network (VPN), Remote Desktop Protocol (RDP), RDWeb, RD Gateway, and other remote access	N/A - No remote access allowed
6c. Network / cloud administration and other privileged user accounts	Yes
7. Does Central Nebraska Economic Development Inc. and Central Nebraska Housing Developers Inc. require a secondary means of communication to validate the authenticity of funds transfers (ACH, wire, etc.) requests before processing a request in excess of \$25,000?	Yes
8. Within the last 3 years has Central Nebraska Economic Development Inc. and Central Nebraska Housing Developers Inc. been subject to any complaints concerning the content of its website, advertising materials, social media, or other publications?	No
9. Does Central Nebraska Economic Development Inc. and Central Nebraska Housing Developers Inc. enforce procedures to remove content (including third party content) that may infringe or violate any intellectual property or privacy right?	No



Coalition Insurance Solutions, Inc.
NE License No. 0100270681
44 Montgomery Street, Suite 4210
San Francisco, CA 94104

THE UNDERSIGNED AUTHORIZED REPRESENTATIVE OF THE APPLICANT DECLARES (1) THIS APPLICATION FORM HAS BEEN COMPLETED AFTER REASONABLE INQUIRY, (2) THE STATEMENTS SET FORTH HEREIN ARE TRUE AND COMPLETE TO THE BEST OF HIS/HER KNOWLEDGE, AND (3) THAT THESE DECLARATIONS ARE A MATERIAL INDUCEMENT TO THE UNDERWRITER TO PROVIDE A PROPOSAL FOR INSURANCE. THE UNDERSIGNED AUTHORIZED REPRESENTATIVE AGREES THAT IF THE INFORMATION SUPPLIED ON THIS APPLICATION CHANGES BETWEEN THE DATE OF THIS APPLICATION AND THE EFFECTIVE DATE OF THE INSURANCE, HE/SHE WILL, IN ORDER FOR THE INFORMATION TO BE ACCURATE ON THE EFFECTIVE DATE OF THE INSURANCE, IMMEDIATELY NOTIFY THE UNDERWRITER OF SUCH CHANGES, AND THE UNDERWRITER MAY WITHDRAW OR MODIFY ANY OUTSTANDING QUOTATIONS OR AUTHORIZATIONS OR AGREEMENTS TO BIND THE INSURANCE.

SHOULD THERE BE A MATERIAL MISSTATEMENT OR MISREPRESENTATION BY THE APPLICANT IN THIS APPLICATION FORM OR IN ANY OTHER MATERIALS FURNISHED TO THE INSURER AS PART OF THE UNDERWRITING PROCESS, THE INSURER SPECIFICALLY AND GENERALLY RESERVES ITS RIGHTS TO DISCLAIM ANY CLAIM OR INCIDENT THAT WAS BASED UPON, ARISES OUT OF, OR IS ANY WAY RELATING TO THAT MATERIAL MISSTATEMENT OR MISREPRESENTATION. ADDITIONALLY, THE INSURER RESERVES THE RIGHT TO RESCIND THE POLICY IN ACCORDANCE WITH THE LAWS OF ANY APPLICABLE JURISDICTION.

NOTHING CONTAINED HEREIN OR INCORPORATED HEREIN BY REFERENCE SHALL CONSTITUTE NOTICE OF A CLAIM OR POTENTIAL CLAIM SO AS TO TRIGGER COVERAGE UNDER ANY CONTRACT OF INSURANCE.

ALL WRITTEN STATEMENTS AND MATERIALS FURNISHED TO THE INSURER IN CONJUNCTION WITH THIS APPLICATION ARE HEREBY INCORPORATED BY REFERENCE INTO THIS APPLICATION AND MADE A PART HEREOF.

WARNING

ANY PERSON WHO, WITH INTENT TO DEFRAUD OR KNOWING THAT HE/SHE IS FACILITATING A FRAUD AGAINST THE INSURER, SUBMITS AN APPLICATION OR FILES A CLAIM CONTAINING A FALSE OR DECEPTIVE STATEMENT MAY BE GUILTY OF INSURANCE FRAUD.

CONSENT FOR ELECTRONIC COMMUNICATION

YOU AGREE TO RECEIVE INSURANCE-RELATED COMMUNICATIONS AND THE USE OF AN ELECTRONIC SIGNATURE FOR ALL DOCUMENTS RELATED TO YOUR INSURANCE POLICY, INCLUDING (BUT NOT LIMITED TO) ANY LEGAL NOTICES OR DISCLOSURES, VIA ELECTRONIC MEANS, IN ACCORDANCE WITH [COALITION'S ELECTRONIC SIGNATURE AND DISCLOSURES POLICY](#). YOU CAN WITHDRAW YOUR CONSENT ANYTIME. PLEASE REVIEW [COALITION'S PRIVACY POLICY](#), WHICH GOVERNS YOUR USE OF COALITION'S PRODUCTS AND SERVICES.

BY SIGNING BELOW, THE UNDERSIGNED HAS AGREED THAT THEY READ COALITION'S ELECTRONIC SIGNATURE AND DISCLOSURE POLICY AND PRIVACY POLICY.

Policyholder/Applicant Signature: _____

Print Name of Authorized Representative: _____

Policyholder/Applicant Email: _____

Policyholder/Applicant Phone Number: _____

Title: _____ **Date:** _____

Security Contact Email: _____

Security Contact Phone Number: _____

NOTICE TO APPLICANTS

NOTICE TO ARIZONA APPLICANTS: For your protection Arizona law requires the following statement to appear on this form. “Any person who knowingly presents a false or fraudulent claim for payment of a loss is subject to criminal and civil penalties.”

NOTICE TO ARKANSAS APPLICANTS: Any person who knowingly presents a false or fraudulent claim for payment for a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

NOTICE TO CALIFORNIA APPLICANTS: For your protection California law requires the following to appear on this form: “Any person who knowingly presents false or fraudulent claim for the payment of a loss is guilty of a crime and may be subject to fines and confinement in state prison.”

NOTICE TO COLORADO APPLICANTS: It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado Division of Insurance within the Department of Regulatory Agencies.

NOTICE TO DISTRICT OF COLUMBIA APPLICANTS: Warning: it is a crime to provide false or misleading information to an insurer for the purpose of defrauding the insurer or any other person. Penalties include imprisonment and/or fines. In addition, an insurer may deny insurance benefits if false information materially related to a claim was provided by the applicant.

NOTICE TO FLORIDA APPLICANTS: Any person who knowingly, and with intent to injure, defraud, or deceive any insurer files a statement of claim or an application containing any false, incomplete or misleading information is guilty of a felony of the third degree.

NOTICE TO HAWAII APPLICANTS: For your protection, Hawaii law requires you to be informed that presenting a fraudulent claim for payment of a loss or benefit is a crime punishable by fines or imprisonment, or both.

NOTICE TO KANSAS APPLICANTS: A person who knowingly and with intent to defraud, presents, causes to be presented or prepares with knowledge or belief that it will be presented to or by an insurer, purported insurer, broker or any agent thereof, any written, electronic, electronic impulse, facsimile, magnetic, oral, or telephonic communication or statement as part of, or in support of, an application for the issuance of, or the rating of an insurance policy for personal or commercial insurance, or a claim for payment or other benefit pursuant to an insurance policy for commercial or personal insurance which such person knows to contain materially false information concerning any fact material thereto; or conceals, for the purpose of misleading, information concerning any fact material thereto is guilty of fraud.

NOTICE TO KENTUCKY APPLICANTS: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance containing any materially false information, or conceals, for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime.

NOTICE TO LOUISIANA APPLICANTS: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

NOTICE TO MAINE APPLICANTS: It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purposes of defrauding the company. Penalties may include imprisonment, fines or a denial of insurance benefits.

NOTICE TO MARYLAND APPLICANTS: Any person who knowingly or willfully presents a false or fraudulent claim for payment of a loss or benefit or who knowingly or willfully presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

NOTICE TO MINNESOTA APPLICANTS: A person who submits an application or files a claim with intent to defraud or helps commit a fraud against an insurer is guilty of a crime.

NOTICE TO NEW JERSEY APPLICANTS: Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.

NOTICE TO NEW HAMPSHIRE APPLICANTS: Any person who, with a purpose to injure, defraud or deceive any insurance company, files a statement of claim containing any false, incomplete or misleading information is subject to prosecution and punishment for insurance fraud as provided in RSA 638:20.

NOTICE TO NEW MEXICO APPLICANTS: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to civil fines and criminal penalties.

NOTICE TO NEW YORK APPLICANTS: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime, and shall also be subject to a civil penalty not to exceed five thousand dollars and the stated value of the claim for each such violation.

NOTICE TO OHIO APPLICANTS: Any person who, with the intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud.

NOTICE TO OKLAHOMA APPLICANTS: WARNING: Any person who knowingly, and with intent to injure, defraud, or deceive any insurer, makes any claim for the proceeds of an insurance policy containing any false, incomplete or misleading information is guilty of a felony.

NOTICE TO OREGON APPLICANTS: Any person who knowingly and with intent to defraud any insurance company or another person, files an application for insurance or statement of claim containing any materially false information, or conceals information for the purpose of misleading, commits a fraudulent insurance act and may subject such person to criminal and civil penalties.

NOTICE TO PENNSYLVANIA APPLICANTS: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

NOTICE TO RHODE ISLAND AND WEST VIRGINIA APPLICANTS: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

NOTICE TO TENNESSEE, VIRGINIA AND WASHINGTON APPLICANTS: It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits.

NOTICE TO VERMONT APPLICANTS: Any person who knowingly presents a false statement in an application for insurance may be guilty of a criminal offense and subject to penalties under state law.

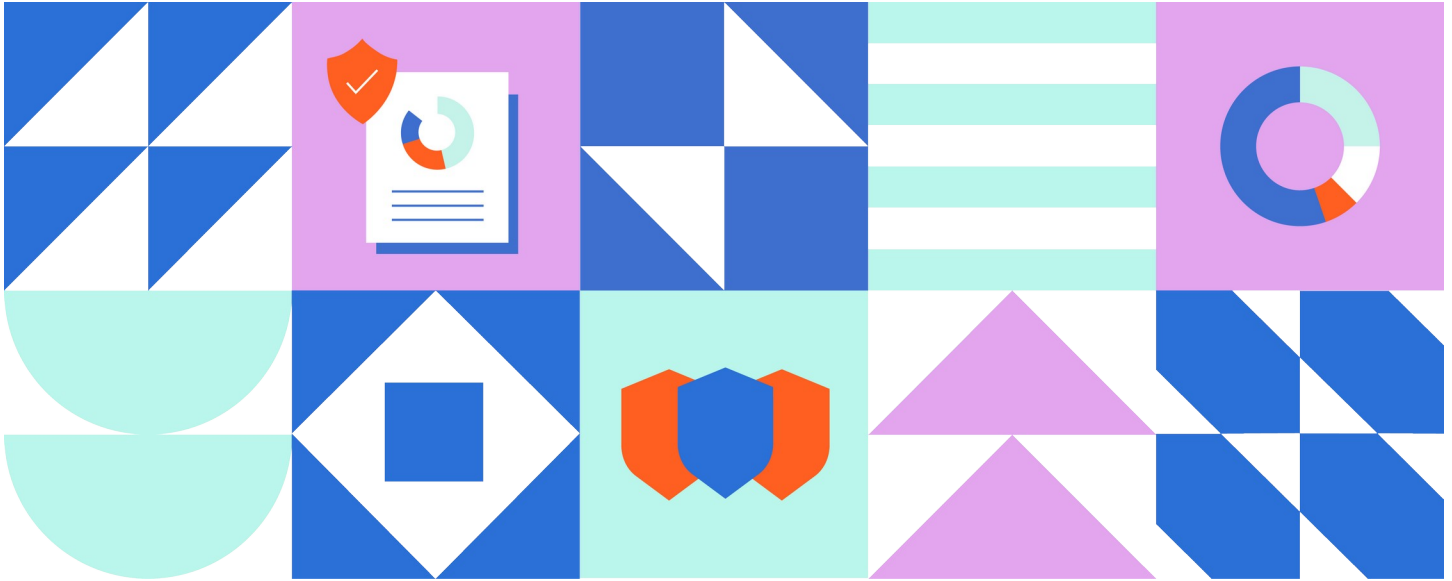


POLICYHOLDER DISCLOSURE
NOTICE OF TERRORISM INSURANCE COVERAGE

Coverage for acts of terrorism is included in your policy. You are hereby notified that the Terrorism Risk Insurance Act of 2002, as amended in 2019, defines an act of terrorism in Section 102(1) of the Act: The term “act of terrorism” means any act or acts that are certified by the Secretary of the Treasury—in consultation with the Secretary of Homeland Security, and the Attorney General of the United States—to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion. Under your coverage, any losses resulting from certified acts of terrorism may be partially reimbursed by the United States Government under a formula established by the Terrorism Risk Insurance Act, as amended. However, your policy may contain other exclusions which might affect your coverage, such as an exclusion for nuclear events. Under the formula, the United States Government generally reimburses 80% beginning on January 1, 2020, of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage. The Terrorism Risk Insurance Act, as amended, contains a \$100 billion cap that limits U.S. Government reimbursement as well as insurers’ liability for losses resulting from certified acts of terrorism when the amount of such losses exceeds \$100 billion in any one calendar year. If the aggregate insured losses for all insurers exceed \$100 billion, your coverage may be reduced.

The portion of your annual premium that is attributable to coverage for acts of terrorism is \$0 and does not include any charges for the portion of losses covered by the United States government under the Act.

UNDER THE TERRORISM RISK INSURANCE ACT, AS AMENDED, ANY LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM UNDER THIS POLICY COVERAGE MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT AND MAY BE SUBJECT TO A \$100 BILLION CAP THAT MAY REDUCE MY COVERAGE.



Active Cyber Policy Quote

CONTINGENT

Created for Central Nebraska Economic Development Inc. and Central Nebraska Housing Developers Inc.

Broker: Michael Butterfield, IIAA Agency Administrative Services, Inc.

Quote #: C-4LRL-134678-CYBER-2025	Market: Surplus
Policy Period: Sep 03, 2025 - Sep 03, 2026	Insurance Premium: \$1,034.00
Limit: \$1M	Retention: \$2.5K

Questions?

Contact Sam Clark, Risk Engineer (Underwriting) at
sam.clark@coalitioninc.com or +1 (650) 547-1957

Active protection from digital risk

Coalition pioneered Active Insurance to proactively protect your business against cyber threats. That's why our policyholders experience **73% fewer claims** than the industry average.¹



 **Comprehensive cyber coverage** to protect against incidents like ransomware and funds transfer fraud²

 **Upfront expenses paid on your behalf**, so you can skip the wait for reimbursement³

 **A top-notch team** of claims experts and incident response specialists at the ready

 **No-cost rapid response services**, including initial legal consultation and incident response assistance

 **Personalized security alerts** to help spot and fix vulnerabilities *before* they escalate.

 **Tangible insurance benefits** for maintaining good cyber hygiene. [Learn More.](#)



\$101M+
in fraudulently transferred funds **successfully recovered** by Coalition¹



60%
average **reduction in ransomware demands** through threat actor negotiation¹

"Coalition helped us rebuild our business and went above and beyond typical insurance. The professionalism and skill level was outstanding."

SYSTEMS ADMINISTRATOR, REAL ESTATE DEVELOPMENT RANSOMWARE VICTIM

¹ Coalition, 2025 Cyber Claims Report

² Insurance products are offered in the U.S. by Coalition Insurance Solutions Inc.), a licensed insurance producer and surplus lines broker, (Cal. license # 0L76155) acting on behalf of a number of unaffiliated insurance companies, and on an admitted basis through Coalition Insurance Company, a licensed insurance underwriter (NAIC # 29530). See licenses and disclaimers.

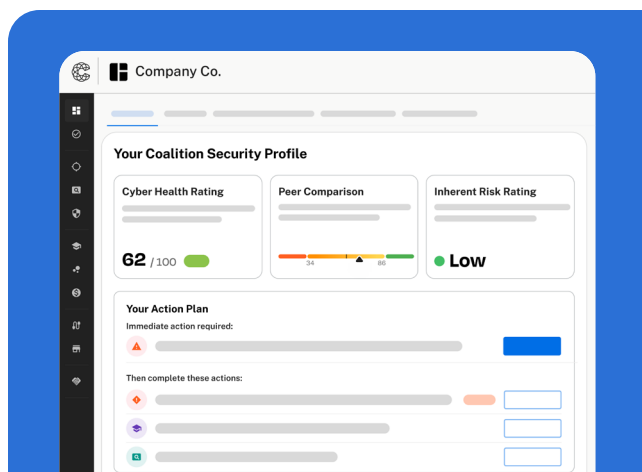
³ Only covered upfront claims expenses will be paid. Coverage is subject to and governed by the language of the policy as actually issued. Please see a copy of your policy for the full terms and conditions. Exclusions and limitations apply, and may vary by state.

✓ INCLUDED WITH YOUR POLICY

Coalition Control®

Your unified cyber risk management platform

Coalition Control helps you detect, assess, and mitigate cyber risks **before** they turn into claims.



Understand your specific risks
and access helpful remediation guidance



Stay on top of your cyber posture
with ongoing monitoring and personalized alerts



Resolve security issues
with on-demand support from our expert team

Get started at coalitioninc.com/control or ask your broker for an invitation

ADDITIONAL SECURITY SOLUTIONS

Add security services to enhance policy terms



Managed Detection & Response → Up to 12.5% premium credit¹



Security Awareness Training → \$100k added to Funds Transfer Fraud sublimit²

Learn more at coalitioninc.com/security →

¹Eligibility for premium credit can depend on risk profile and underwriting qualifications determined at time of quote or renewal. Through the underwriting process other exclusions and limitations may apply. Customers with MDR other than Coalition's MDR product may be eligible for a MDR premium credit; contact MDRsales@coalitioninc.com for more information.

²Eligibility for Additional FTF Coverage requires enrollment in and payment for Coalition Security Awareness Training ("SAT") for a 12-month period at the time of binding a Coalition cyber insurance policy. SAT is provided by Coalition Incident Response, Inc. (d/b/a Coalition Security) ("CIR"), a wholly owned affiliate of Coalition, Inc. Coalition Security. The purchase of a Coalition insurance policy is not required to purchase SAT or any other Coalition Security product. Additional FTF Coverage offer is only for eligible organizations. See [Terms of Service](#) for more information on this offer. Limitations and exclusions apply.



Central Nebraska Economic Development Inc. and Central Nebra...

ACTION REQUIRED

Resolve Contingencies Before Binding

Coalition's Active Insurance approach allows us to monitor your digital profile and help you resolve risks before bad actors can exploit them. In order to bind the quoted cyber coverage¹, we need to fix the following security finding(s):

Contingency	Resolution Guidance
BEC/FTF Loss Questions	See conditions section

For additional help addressing these contingencies, ask your broker for access to Coalition Control[®] or [schedule a call](#) with a Coalition Security Engineer.

What is a contingency?

A contingency is a requirement that must be implemented before coverage can be bound. Many contingencies from Coalition represent critical security findings that we identify using our proprietary monitoring technology and real-time threat intelligence. These contingencies represent security improvements that we've identified as the most impactful in managing cyber risk and avoiding claims.

What is Coalition Control?

Control is Coalition's proprietary cyber risk management platform, powered by the same cybersecurity technology and data used to underwrite and protect hundreds of thousands of businesses. Control can help you detect, assess, and mitigate cyber threats before they turn into attacks. Learn more at coalitioninc.com/control.

¹Exclusions and limitations apply. See [disclaimers](#) and the policy as issued.

Coalition Active Cyber Policy

QUOTATION

Coalition Quote Number: C-4LRL-134678-CYBER-2025

Please be advised this quotation is for surplus lines coverage. Compliance with applicable laws and payment of taxes and fees is the responsibility of the Named Insured, Insurance Agent, or Insurance Broker. Upon binding of this account, we must receive a signed application from the Insured.

Subject to the terms and conditions contained herein, Coalition Insurance Solutions ("Coalition") agrees to issue to the below Named Insured the following Quotation for insurance coverage:

Named Insured: Address:	Central Nebraska Economic Development Inc. and Central Nebraska Housing Developers Inc. 85152 489 Avenue Chambers, NE 68725		
Policy Period:	From: September 03, 2025 To: September 03, 2026 Both dates at 12:01 A.M. at the Named Insured's Address		
Aggregate Policy Limit of Liability:	\$1,000,000	Optional Separate Limit of Liability for Breach Response Costs:	Included
Retroactive Date:	Full Prior Acts Coverage	Continuity Date:	September 03, 2025
Policy Premium		\$1,034.00	
<i>Broker Fee</i>		\$125.00	
<i>NE Surplus Lines Tax (3%)</i>		\$31.02	
Total:		\$1,190.02	

Insuring Agreement(s), Limits, Retentions, and Waiting Period		
Coverage under this Policy is provided only for those Insuring Agreements for which a limit is indicated below. If no limit is shown for an Insuring Agreement, such Insuring Agreement is not provided by this Policy. The Aggregate Policy Limit of Liability shown above is the maximum amount the Insurer(s) will pay under this Policy, regardless of the number of Insuring Agreements purchased.		
If the Optional Separate Limit of Liability for Breach Response Costs has been elected, then the Limit specified for the Breach Response Costs Insuring Agreement will not be subject to the Aggregate Policy Limit of Liability or the Per Event Limit of Liability.		
Per Event Limit of Liability	\$1,000,000	
INSURING AGREEMENTS		
FIRST PARTY COVERAGES		
ACTIVE RISK CONTROL COVERAGES	LIMIT	RETENTION
Rapid Response Services	Rapid Response Services are not subject to a Retention and will not erode the Aggregate Policy Limit of Liability	
Breach Response Costs	\$1,000,000	\$2,500 \$0 for computer forensic services provided by Coalition Incident Response
Ransomware and Cyber Extortion	\$1,000,000	\$2,500
Data Recovery and Computer Replacement Costs	\$1,000,000	\$2,500
BUSINESS INTERRUPTION COVERAGES	LIMIT	RETENTION
Direct Business Interruption Waiting Period: 8 hours Reduced Waiting Period: 1 hour		
• Security Failure	\$1,000,000	\$2,500
• Systems Failure	\$1,000,000	\$2,500
• Voluntary Shutdown	\$1,000,000	\$2,500
Contingent Business Interruption Waiting Period: 8 hours		
• IT Provider Security Failure	\$1,000,000	\$2,500
• IT Provider Systems Failure	\$1,000,000	\$2,500
• Non-IT Provider Security Failure	\$1,000,000	\$2,500
• Non-IT Provider Systems Failure	\$1,000,000	\$2,500
• Voluntary Shutdown	\$1,000,000	\$2,500
Reputational Harm Loss	\$1,000,000	\$2,500
Proof of Loss Preparation	\$250,000	\$2,500

CYBER CRIME COVERAGES	LIMIT	RETENTION
Funds Transfer Fraud and Social Engineering	\$250,000	\$2,500
		Reduced FTF Retention: \$1,250
Service Fraud Including Cryptojacking	\$250,000	\$2,500
Impersonation Repair	\$250,000	\$2,500
Invoice Manipulation	\$250,000	\$2,500
THIRD PARTY LIABILITY COVERAGES		
CYBER LIABILITY COVERAGES	LIMIT	RETENTION
Network Security and Privacy Liability	\$1,000,000	\$2,500
Regulatory Actions	\$1,000,000	\$2,500
PCI Fines and Assessments	\$1,000,000	\$2,500
Funds Transfer Liability	\$1,000,000	\$2,500
TECHNOLOGY E&O AND MEDIA LIABILITY COVERAGES	LIMIT	RETENTION
Technology Errors and Omissions	N/A	N/A
Media Liability	\$1,000,000	\$2,500
ADDITIONAL BENEFITS		
Court Attendance	i. Total Limit: \$50,000 ii. Per day, per person limit: \$250	\$0
Criminal Reward	\$50,000	\$0

Prevention and Mitigation Costs: \$250

See Section IX. Prevention and Mitigation Costs of the Policy for details.

Endorsements and Forms at Inception

#	Name of Endorsement	Coalition Reference #
	DECLARATIONS	CYUSP-50DC-0125-01
	SIGNATURE PAGE - USA	CYUSP-00NT-000002-0725-03
	SIGNATURE PAGE ARCH	CYUSP-00NT-000006-0922-00
	SIGNATURE PAGE FORTEGRA	CYUSP-00NT-000003-0323-01
	SIGNATURE PAGE VANTAGE	CYUSP-50NT-000007-0225-01
	SIGNATURE PAGE ASPEN SPECIALTY INSURANCE COMPANY	CYUSP-50NT-000003-0124-01
	COALITION ACTIVE CYBER POLICY	CYUSP-50PF-0125-01
1	PROPERTY DAMAGE – 1ST PARTY	CYUSP-50EN-020001-0125-01

2	BODILY INJURY AND PROPERTY DAMAGE – 3RD PARTY	CYUSP-50EN-030001-0125-01
3	CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM	CYUSP-50EN-000109-0125-01
4	COALITION ACTIVE INSURED – VANISHING RETENTION ENDORSEMENT	CYUSP-50EN-000120-0125-01
5	DISCLOSURE PURSUANT TO TERRORISM RISK INSURANCE ACT	CYUSP-50EN-000110-0125-01
6	POLLUTION ENDORSEMENT	CYUSP-50EN-000096-0125-01
7	ENHANCED PRIVACY LIABILITY ENDORSEMENT	CYUSP-50EN-000030-0125-02
8	QUOTA SHARE ENDORSEMENT	CYUSP-50EN-000085-0125-01
9	SERVICE OF SUIT ENDORSEMENT	CYUSP-50EN-000090-0125-02
10	SINGLE HIGHEST RETENTION/DEDUCTIBLE ENDORSEMENT/PRO RATA SHARING OF LIMITS COALITION PREFERRED - CYBER & EXECUTIVE RISK	CYUSP-50EN-000088-0125-01
11	NEBRASKA CHANGES	CYUSP-50EN-NE0001-0125-01

Insurer(s) and Participation

Insurer	Participation
Arch Specialty Insurance Company	30%
Aspen Specialty Insurance Company	10%
Fireman's Fund Indemnity Corporation	20%
Fortegra Specialty Insurance Company	35%
Vantage Risk Specialty Insurance Company	5%

Conditions:

This quotation expires in 90 days or on the expiration date of the current coverage, whichever comes first.

This quotation for insurance coverage is issued based on the truthfulness and accuracy of the responses to the questions on the insurance application entered into our underwriting system, and any other materials furnished to us as part of the underwriting process, including without limitation, any supplemental applications or questionnaires.

If between the date of the quotation and the Effective Date of the proposed insurance contract, there is a material change in the condition of the Named Insured or if any notice of claim or circumstance giving rise to a claim is reported prior to the Effective Date of the proposed insurance contract, then the Named Insured must notify Coalition. Whether or not this quotation has already been accepted by the Named Insured, Coalition reserves the right to rescind this quotation as of its Effective Date or to modify the final terms and conditions of the quotation upon review of the information. Coalition also reserves the right to modify the final terms and conditions upon review of the information received in satisfaction of the aforementioned conditions.

This quotation is also subject to our review and acceptance of responses to the following conditions:

- An authorized representative of the Named Insured signs the Coalition application in 10 days of the issuance of a binder, or insurance coverage will not take effect.

- BEC/FTF Loss Questions
 - Prior to binding, due to the recent incident reported, please confirm the following remediation controls are in place:
 - Multi-Factor Authentication enabled and enforced for all email users
 - Email passwords have been reset since the compromise
 - Delete any mail forwarding rules since the compromise
 - Sender Policy Framework (SPF) email filter is properly configured
 - Confirming that funds transfer requests are confirmed by a secondary method of communication
 - Confirming that new wire requests or requests to change wire instructions are confirmed via a pre-established phone number for the requester

Please note this quotation contains only a general description of coverage provided. For a detailed description of the terms, you must refer to the insurance contract itself and the endorsements listed herein.

CNEDD Budget Proposal

Projected 7/1/25
to 6/30/26

Category	
<u>INCOME</u>	
Balance Forward	
CNEDD Memberships	\$ 62,448.00
EDA Grant	\$ 70,000.00
ACP/SENDD Agreement	
EDA CARES Act Grant	\$ -
CNHD	\$ 20,000.00
Housing Management Fees	
Digital Equity Plan/NITC	\$ -
USDA Technical Assistance / SENDD	\$ 7,500.00
NIFA Disaster	\$ -
Nebraska Legislature Funds	\$ 75,000.00
Interest	
Reimbursed Expenses	
Annual Conference	\$ 500.00
6R1N	\$ 10,000.00
Fees for Service	\$ 14,000.00
Grant Administration	\$ 163,000.00
TOTAL INCOME	\$ 422,448.00
<u>EXPENSES</u>	
Advertising	\$ 1,000.00
Equipment/Software	\$ 1,500.00
Annual Conference	\$ 1,300.00
Board Meeting Expenses	\$ 100.00
Insurance	\$ 5,200.00
Legal	\$ 300.00
Consulting - Judy	\$ 24,000.00
Registration/Dues/Training	\$ 10,000.00
Market Development/PR	
Mileage (EDA-attributed)	\$ 20,000.00
Company Car	\$ 22,000.00
Payroll, Benefits, Insurance (EDA)	\$ 353,796.00
Postage	\$ 4,000.00
Printing/Copies	\$ 3,500.00
Office Supplies/Supplies	\$ 15,000.00
Phone/Internet	\$ 8,500.00
Travel (hotel, meals, parking)	\$ 10,000.00
Digital Equity Expenses	
Broadband Mapping-CARES	
Small Business Training-CARES	
Livestock Demand Analysis-CARES	
Landlord Assistance Program	
Miscellaneous	\$ 200.00
No Central Dev Network Expenses	
Rent	\$ 10,500.00
Audit	\$ 17,000.00
Carry over to next year	
Cash Reserves	
TOTAL EXPENSES	\$ 507,896.00
	\$ (85,448.00)

CNEDD - District
Budget vs. Actuals: Budget_FY25_P&L - FY25 P&L
July 2024 - June 2025

	Total			% of
	Actual	Budget	over Budget	Budget
Revenue				
2024/25 Membership Dues	62,448.00	66,118.00	-3,670.00	94.45%
2025/2026 Membership Dues	13,867.20	0.00	13,867.20	
6R1N	0.00	10,000.00	-10,000.00	0.00%
Annual Conference Registrations	550.00	1,000.00	-450.00	55.00%
Broadband	554.00	0.00	554.00	
USDA Technical Assistance	708.24	39,028.00	-38,319.76	1.81%
Total Broadband	\$ 1,262.24	\$ 39,028.00	-\$ 37,765.76	3.23%
CNHD	21,568.56	20,000.00	1,568.56	107.84%
EDA	0.00	0.00	0.00	
EDA 2023/2024 Planning Grant	35,000.00	70,000.00	-35,000.00	50.00%
EDA 2024/2025 Planning Grant	17,500.00	0.00	17,500.00	
Total EDA	\$ 52,500.00	\$ 70,000.00	-\$ 17,500.00	75.00%
Envrionmental Review	2,085.00	0.00	2,085.00	
Fee for Services	2,000.00	14,000.00	-12,000.00	14.29%
Grant Administration Fees	73,724.03	209,235.00	-135,510.97	35.24%
Interest	2,359.60	200.00	2,159.60	1179.80%
Nebraska Legislature Funds	105,519.70	105,552.00	-32.30	99.97%
Non Profit Income	17,163.02	0.00	17,163.02	
Unapplied Cash Payment Income	-22,136.00	0.00	-22,136.00	
Total Revenue	\$ 332,911.35	\$ 535,133.00	-\$ 202,221.65	62.21%
Gross Profit	\$ 332,911.35	\$ 535,133.00	-\$ 202,221.65	62.21%
Expenditures				
Advertising	40.80	1,000.00	-959.20	4.08%
Newspaper Ad's	831.40	0.00	831.40	
Total Advertising	\$ 872.20	\$ 1,000.00	-\$ 127.80	87.22%
Annual Conference	1,667.74	1,000.00	667.74	166.77%
Council of Officials Mtg	818.75	0.00	818.75	
Total Annual Conference	\$ 2,486.49	\$ 1,000.00	\$ 1,486.49	248.65%
Board Meeting Expenses	15.84	600.00	-584.16	2.64%
Equipment costs	725.00	1,500.00	-775.00	48.33%
Insurance	3,400.00	4,000.00	-600.00	85.00%
Public Officials	1,415.00	0.00	1,415.00	
Total Insurance	\$ 4,815.00	\$ 4,000.00	\$ 815.00	120.38%
Internet Service	500.76	0.00	500.76	
Mileage	12,218.44	18,000.00	-5,781.56	67.88%
Company Car	0.00	7,000.00	-7,000.00	0.00%

Gas	1,586.26	0.00	1,586.26	
Insurance	210.00	0.00	210.00	
Maintenance-company car	1,124.83	0.00	1,124.83	
Taxes-car	72.30	0.00	72.30	
Total Company Car	\$ 2,993.39	\$ 7,000.00	-\$ 4,006.61	42.76%
Total Mileage	\$ 15,211.83	\$ 25,000.00	-\$ 9,788.17	60.85%
Miscellaneous	-424.87	0.00	-424.87	
Office Supplies	10,903.29	18,000.00	-7,096.71	60.57%
Payroll Expenses	0.00	353,796.00	-353,796.00	0.00%
Taxes	22,018.95	0.00	22,018.95	
Wages	284,166.86	0.00	284,166.86	
Total Payroll Expenses	\$ 306,185.81	\$ 353,796.00	-\$ 47,610.19	86.54%
Postage and Delivery	435.77	4,000.00	-3,564.23	10.89%
Printing and Reproduction	782.11	3,500.00	-2,717.89	22.35%
Professional Fees	0.00	0.00	0.00	
Accounting	6,600.00	12,000.00	-5,400.00	55.00%
Consulting Fee	13,409.00	24,000.00	-10,591.00	55.87%
Legal Fees	737.93	275.00	462.93	268.34%
Total Professional Fees	\$ 20,746.93	\$ 36,275.00	-\$ 15,528.07	57.19%
Registration/Training/Dues	8,428.54	10,000.00	-1,571.46	84.29%
Rent	2,420.65	10,000.00	-7,579.35	24.21%
Burwell Office Rent	2,975.00	0.00	2,975.00	
Disaster Office Rent	-170.65	0.00	-170.65	
MBREC	2,100.00	0.00	2,100.00	
Total Rent	\$ 7,325.00	\$ 10,000.00	-\$ 2,675.00	73.25%
Repairs	0.00	0.00	0.00	
Computer Repair	250.00	0.00	250.00	
Total Repairs	\$ 250.00	\$ 0.00	\$ 250.00	
Telephone	6,393.86	8,500.00	-2,106.14	75.22%
Cell Phone	303.00	0.00	303.00	
Total Telephone	\$ 6,696.86	\$ 8,500.00	-\$ 1,803.14	78.79%
Travel	0.00	8,000.00	-8,000.00	0.00%
hotel	4,250.98	0.00	4,250.98	
Meals	3,371.21	0.00	3,371.21	
Parking	27.00	0.00	27.00	
Total Travel	\$ 7,649.19	\$ 8,000.00	-\$ 350.81	95.61%
Total Expenditures	\$ 393,605.75	\$ 485,171.00	-\$ 91,565.25	81.13%
Net Operating Revenue	-\$ 60,694.40	\$ 49,962.00	-\$ 110,656.40	-121.48%
Other Expenditures				
Other Miscellaneous Expense	240.00	400.00	-160.00	60.00%
Total Other Expenditures	\$ 240.00	\$ 400.00	-\$ 160.00	60.00%
Net Other Revenue	-\$ 240.00	-\$ 400.00	\$ 160.00	60.00%
Net Revenue	-\$ 60,934.40	\$ 49,562.00	-\$ 110,496.40	-122.95%

Wednesday, Oct 29, 2025 02:55:32 PM GMT-7 - Cash Basis

CNEDD Board of Directors

2024-2025

Board Directors may serve for three 3-year terms. If a director fills a vacant position mid-term, that partial term will not be counted as a full 3-year term.

Director Name/Title	Representing	Category	Term / Ends	Region
Ed Brown, Chair	City of Long Pine	Government	Remainder of Term to 9/2017 Term 1 – 2017-2020 Term 2 – 2020-2023 Term 3 – 2023 to 2026	1
Cheryl Carson, Vice Chair	Village of Arnold	Economic Development	Term 1 – 2023-2026 Term 2 – Term 3 –	3
Deb Ritz	Village of Comstock	Government (Clerk/Treasurer)	Remainder of Term to 2025 Term 1 – 2025-2028 Term 2 – Term 3 -	3
			Term 1 – 2024-2027 Term 2 – Term 3 –	2
Alvin Johnson	Village of Arcadia	Business	Remainder of term to 9/2024 Term 1 – 2024-2027 Term 2 – Term 3 –	2
Kellee Rasmussen	Wheeler County	Business	Term 1 – 2024-2027 Term 2 – Term 3	2
Kristy Beard	City of Bassett	Government (Clerk/Treasurer)	Term 1 – 9/2025 Term 2 –9/2025-9/2028 Term 3 -	1
Melissa Wegner	Village of Springview	Government	Remainder of term to 9/2025 Term 1 – 9/2025-9/2028 Term 2 – Term 3 -	1
Anne Gibbons	Custer County	Government	Term 1 – 2023-2025 Term 2 – 2025-2028 Term 3 -	3

ARTICLE III - EXECUTIVE COMMITTEE

Section 1: Membership and Composition of Board of Directors

The membership of the Board of Directors shall consist of not less than seven (7) persons elected annually by the Council of Officials and consist of elected or appointed officials from the Council of Officials membership. Elections will be held annually for existing vacancies as a result of term limits. The Board composition will comply with the current requirements set forth by the Economic Development Administration (EDA).

- A. At least one (1) Board of Directors member shall be a representative of each of the following three (3) regions:
 - 1) Region One (1): Blaine, Boyd, Brown, Cherry, Keya Paha, Loup and Rock counties

- 2) Region Two (2): Garfield, Greeley, Holt, Valley and Wheeler counties
- 3) Region Three (3): Custer and Sherman counties

Section 2: Length of Terms of Board of Director Members

The terms of members of the Board of Directors shall be three years, except that at the inception one- third of the Board shall serve for a period of one year, one-third for two years, and one-third for three years, and shall be determined by lot. A member may serve two (2) consecutive terms and then must be off the Board for at least one (1) year prior to further Board eligibility.

Section 6: Quorum

A quorum shall be present at any meeting of the Board of Directors with the presence of a simple majority of the membership of that body.

Section 7: Vote Required for Action

Any action of the Board of Directors may be taken by a simple majority vote of the members present.

Section 8: Removal of Board Member

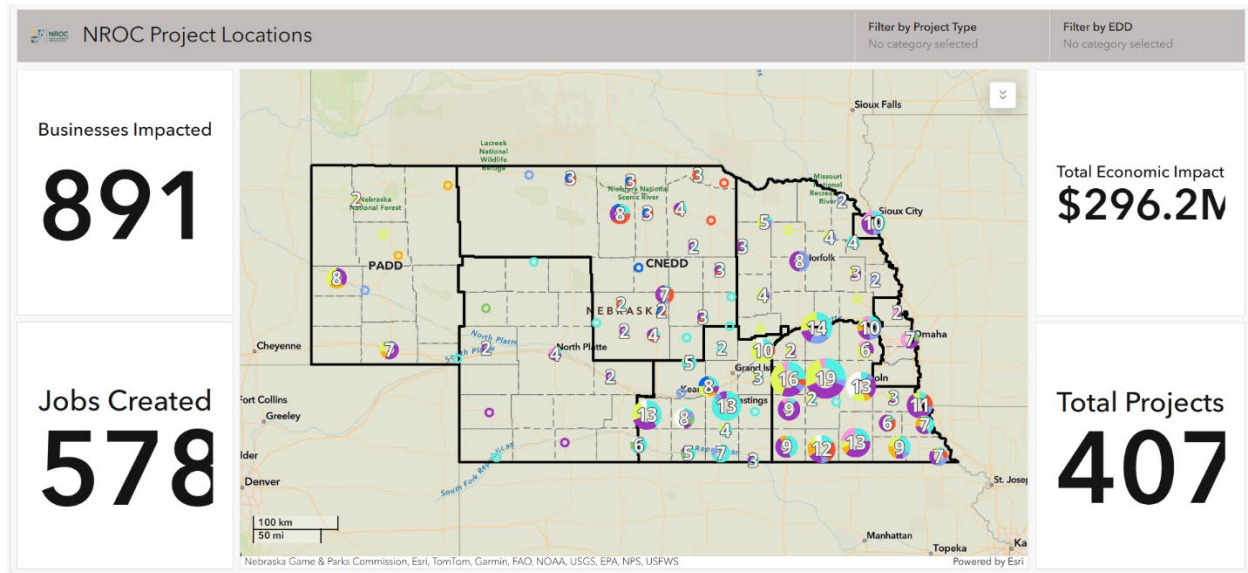
Any member elected or appointed by the Council of Officials may be removed by the Board of Directors whenever, in its judgment, the best interest of the District would be served thereby. Any Board member missing three board meetings during the 12-month fiscal year may be removed from the Board by a simple majority vote of the Board.

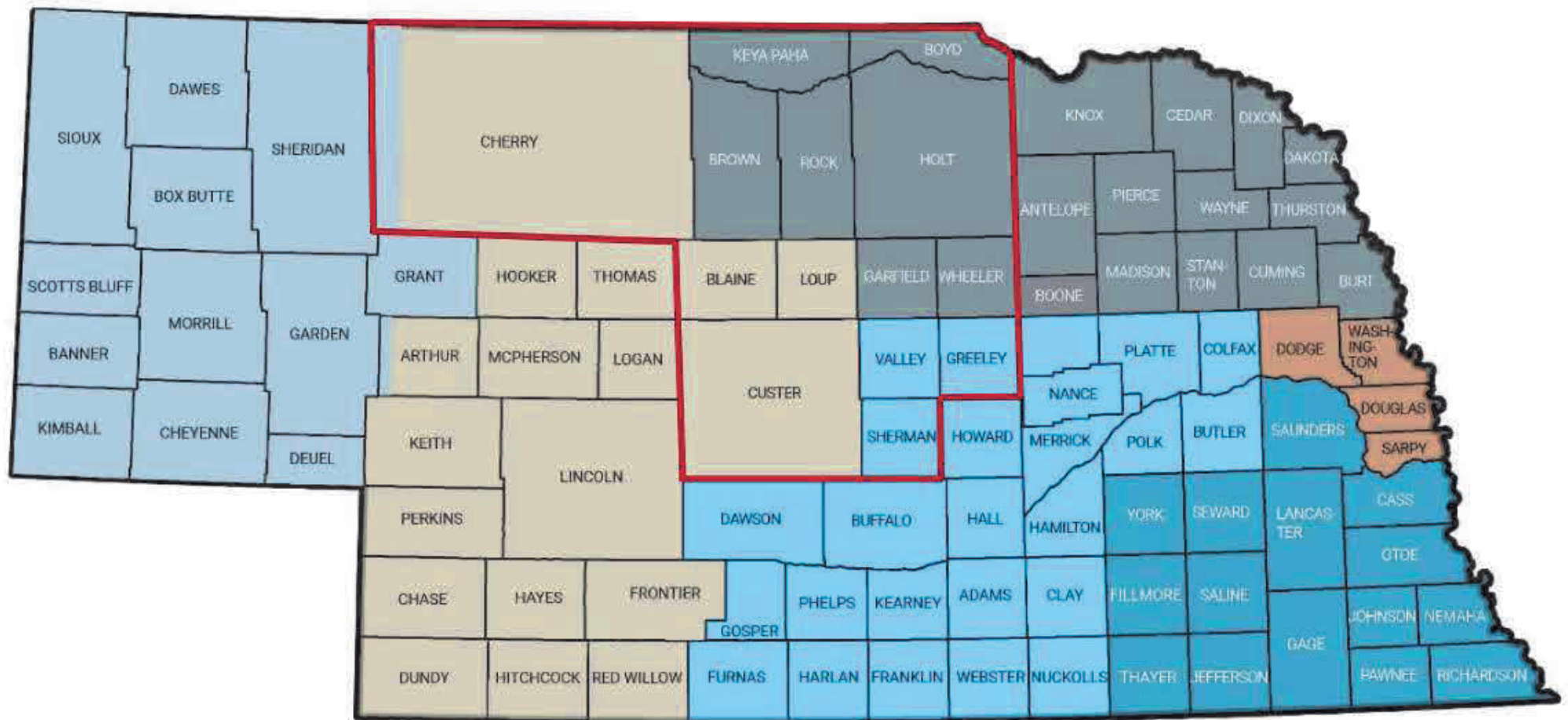
Section 9: Vacancy on the Board of Directors

A vacancy on the Board of Directors because of death, resignation, removal, disqualification, or otherwise shall be filled by a vote of the Board of Directors.

Nebraska Regional Officials Council (NROC) Impact Map

<https://www.nrocne.com/>





- | | | |
|--|---|---|
|  Western |  Northeast |  Metro |
|  Mid-Plains |  Central |  Southeast |

Central Nebraska Economic Development District
Grant Update - 29October2025

GRANTS IN PROGRESS (does not include CDBG-Disaster Recovery Applications)				
Community	Grant #	Grant Amount	Project	Status
Ansley	23PP001	\$39,000	Planning Grant	In Progress
Long Pine	24PP002	\$53,000	Comprehensive Plan	In Progress
Scotia	24PWI014	\$480,000	Public Works Infrastructure Streets	Contractor Selected
Stuart Village Manor	24TFRH32022	\$789,500	2 New Rental Duplexes	Groundbreaking 15Oct2025
Wolbach	23PWI011	\$433,000	Public Recreation Improvements	PreCon Meeting 13Oct2025
CNEDD	25-11-148	\$200,000	6R1N Housing (RDI)	In Progress
Totals		\$1,994,500		

2025 GRANTS WRITTEN				
Community	Grant #	Grant Amount	Project	Status
Burwell	CDBG DTR	\$ 435,000	Downtown Revitalization	Submitted
Burwell	CDBG PWI	\$ 630,000	Public Works Infrastructure	Submitted
CEDC	NAHTF	\$ 750,000	Single Family Homes	Not Awarded
Greeley	CDBG PP	\$ 53,000	Planning Grant	Submitted
Greeley	CDBG PWI	\$ 630,000	Street Improvement	Submitted
North Loup	CDBG PWF	\$ 380,000	Park Improvements	Submitted
Sandhills Care Center	NDOT	\$ 77,000	New Vehicle for Transport	Due 31Oct2025
Stuart	NDEE	\$ 125,000	American Public Power Grant	Not Awarded
		\$ 3,080,000		

GRANTS CLOSING OUT				
Community	Grant #	Grant Amount	Project	Status
Ainsworth	22PW001	\$433,000	Street Improvements	Closeout Letter Received
Anselmo	21PW002	\$410,597	Community Center Expansion	Closeout Letter Received
Arnold	21PP002	\$37,500	Community Planning	Closeout Letter Received
Bartlett	22PW002	\$420,279	Street Improvements	
Bassett	20TFRH32007	\$356,490	New Rental Duplex	Closeout Letter Received
Brown County	USDA	\$871,336	Hospital Rehab/Equipment	Deobligated per BCH request
Burwell	21PP004	\$33,000	Community Planning	Closeout Letter Received
Burwell	22TFHP32019	\$516,520	Single Family Home Construction	
Cherry County	21TD001	\$385,039	Tourism	
Ewing	22TFRH32033	\$431,640	Rental Duplex Construction	
Valentine	21TFHP32019	\$500,000	Single Family Home Construction	
CNED Inc.	22TFHP32012	\$599,500	DPA/Minor Rehab	
CNED Inc.	22TFHO32013	\$599,500	Owner Occupied Housing Rehab	
Totals		\$5,594,401		

REPURPOSED GRANTS				
Community	Grant#	Grant Amount	Project	Status
Ainsworth	Repurposed	\$ 158,000	Street Lights	In Progress
Bassett	Repurposed	\$ 45,000	Bathroom Remodel	In Progress
Custer County	Repurposed	\$ 216,000	OOR	Ongoing
Sargent	Repurposed	\$ 103,000	Public Works	In Process
Stuart	Repurposed	\$ 370,000	Public works	In Process
Valentine	Repurposed	\$ 36,000	Public Works	In Process
Totals		\$ 928,000		