



Insurance Proposal for

Collin County Government

11/16/2021 – 10/1/2022

Presented by:

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Products and services are offered through USI Southwest, Inc. a wholly owned subsidiary of USI Insurance Services, LLC.

THE USI  ONE ADVANTAGE®

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Service Team

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Sales Executive

Manages your overall account and brings all of USI's resources together for your benefit.

Senior Account Executive

Responsible for completing all technical transactions regarding the delivery and maintenance of insurance and underwriting services.

Claims

Advocates on claims to troubleshoot servicing issues, answer questions about the claims process and assist with optimizing claims outcomes.

Risk Control

Advocates on claims to troubleshoot servicing issues, answer questions about the claims process and assist with optimizing claims outcomes.

Certificates of insurance

Other telephone numbers

Office hours

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8 a.m. – 5 p.m. Central Time M - F

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General Provisions

Please read this document carefully and advise if any provisions contained herein are unclear or incorrect, and advise your USI. (“USI Insurance Services”) team immediately if any coverage is not reflected correctly or if any risks or potential risks have not been identified.

This document states the A. M. Best Company rating for each listed insurance company. Ratings are based on overall performance and financial strength. Performance ratings range from a low of “C-” to the highest rating assigned, “A++.” Some insurance companies are subject to “Not-Assigned” categories. Financial size categories range from “I” (up to \$1,000,000 in surplus) to “XV” (\$2,000,000,000 or more in surplus).

Admitted insurance companies afford certain regulatory protection not extended to non-admitted insurance companies. For example, your state’s Insurance Guarantee Association does not offer its loss protection to non-admitted insurance companies in the event of insolvency.

When, in USI’s judgment, it is necessary or beneficial to do so, we will utilize the services of other intermediaries, sometimes referred to as Wholesalers or Managing General Agents (MGA’s), to assist in accessing coverage for insureds or prospects. Such wholesale intermediaries may or may not be affiliated with USI, and would be compensated by the insurance company out of insured-paid premiums.

In some instances, insurance coverage placements made by USI require the payment of state surplus lines tax and fees, in addition to the insurance premium itself. USI will attempt to identify any such applicable tax and fees in advance of requesting coverage bound. In all instances, however, payment of any surplus lines tax and fees is the sole responsibility of the insured.

In evaluating your exposure to loss, we have been dependent upon information provided by you. If there are other areas that need to be evaluated prior to binding of coverage, please bring these areas to our attention. Should any of your exposures change after coverage is bound, such as your beginning new operation, hiring employees in new states, buying additional property, etc., please let us know so proper coverage(s) can be discussed.

Higher limits may be available. Please contact us if you would like a quote for higher limits.

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Who We Are

USI is a leading local, national and global insurance brokerage and consulting firm delivering property and casualty, employee benefits, personal risk, program and retirement solutions to large risk management clients, middle market companies, smaller firms and individuals. Headquartered in Valhalla, New York, USI connects together over 8,000 industry leading professionals across more than 200 offices. USI has become a premier insurance brokerage and consulting firm approaching \$2 billion in revenue by leveraging the USI ONE Advantage®, an interactive platform that integrates proprietary and innovative client solutions, networked local resources and expertise, and enterprise-wide collaboration to deliver customized results with positive, bottom line impact. USI attracts best-in-class industry talent with a long history of deep and continuing investment in our local communities. For more information, visit usi.com.

USI products and services include:

- **Commercial Property & Casualty:** including workers' compensation, property coverage, general liability, auto liability, umbrella/excess, management professional services (MPS), cyber risk, environmental, product liability, international, claims and risk control, and more.
- **Employee Benefits:** including underwriting and analytics, HR services, population health management, compliance/healthcare reform, healthcare cost management, pharmacy benefit consulting, ancillary benefit consulting.
- **Personal Risk:** including property, homeowners, farm and ranch, automobile, umbrella, recreational, workers' compensation for household staff, directors & officers/executive risk, and such specialized products as family office group excess, kidnap and ransom, identity theft and private collections.
- **Retirement Consulting:** including defined benefit, defined contribution, investment advisory, health and welfare administration, regulatory and compliance, employee communications and church plan solutions.
- **Affinity Programs:** providing a single source of comprehensive insurance and financial services products, member service and advocacy, persona-based strategic marketing, risk management and financial wellness tools for associations, affinity groups and select industries.

While USI is a full service brokerage operation, we have developed specialty operations within each region based upon local niche demographics.

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The USI ONE Advantage®

What truly distinguishes USI as a leading middle market insurance brokerage and consulting firm is the USI ONE Advantage, a game-changing value proposition that delivers clients a robust set of risk management and benefit solutions and exclusive resources with financial impact. USI ONE® represents **Omni, Network, Enterprise**—the three key elements that create the USI ONE Advantage and set us apart from the competition.

Omni Knowledge Engine™ – USI's Proprietary Analytics

Omni, which means “all,” is USI's one-of-a-kind solutions platform—real time, interactive, dynamic and evolving, and customized for each client. Built in-house by USI subject matter experts, Omni captures the experience of more than 150,000 clients, more than 6,000 professionals and over 100 years of business activity through our acquired agencies into targeted, actionable solutions.

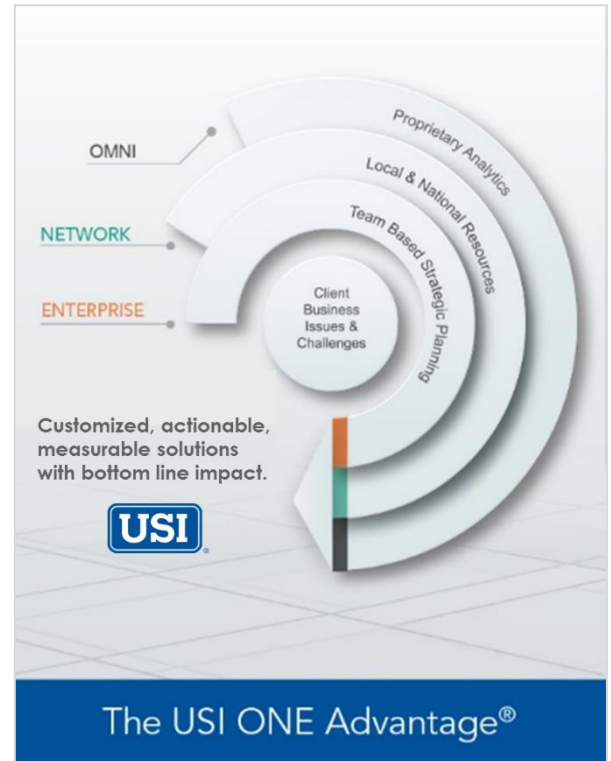
Network – USI's Local and National Resources

USI has made a very large investment in local resources and technical expertise, with more than 4,400 professionals networked nationally to build strong vertical capabilities and integrated account teams. Our local and regional experts ensure account team availability, hands-on service, and ongoing diligent follow-through so we can deliver on the solutions we customize for our clients.

Enterprise – USI's Team Based Strategic Planning

USI's enterprise planning is a disciplined, focused, analysis centered on our client's issues and challenges. Highly consultative meetings integrate USI's Omni analytics with our broad resource network to build a risk management strategy aligned with client business needs. Our enterprise process is a proven method for identifying, quantifying and minimizing client risk exposures.

The USI ONE Advantage—our **Omni** knowledge engine, with our **Network** of local and national resources, delivered to our clients through our **Enterprise** planning process gives USI fundamentally different solutions, the resources to deliver, and a process to bring superior results to our clients.



Property and Casualty Resources*

Employment Law Online Services

Credible, convenient, and quick advice — documented advice is available online and toll-free from experienced employment law attorneys. Receive documented, confidential answers to your specific human resources/employment law questions no later than the end of the next business day.

Risk Management Center

As a component of our risk control support, our clients have access to over 150 online safety courses. Our value-added tool through Risk Management Center is the premier resource for environmental, health, and safety training solutions.

Workers' compensation experience modification management

To help our clients reduce costs, USI may utilize a variety of tools to analyze the current workers comp mod and project changes in mod based on a variety of factors. This opens our clients' eyes to the impact of the workers' compensation mod. Seeing the cost drivers and trends allows for the creation of money saving strategies.

Risk management

Insurance premiums represent only one component within your Total Cost of Risk. The risks that you retain in the form of deductibles or retentions represent significant opportunities for risk control and expense management.

USI will tailor a service plan to meet your needs. The following is a sample of additional services that we provide.

- Risk control and engineering
 - Risk evaluation and assessment
 - Environmental, health, and safety training advisors
 - Consulting on property protection and engineering
 - Regulatory review and compliance services
 - Fleets and transportation risk
- Financial analytics
 - Loss forecast and accrual analysis
 - Risk retention analysis
 - Program comparison and cash flow modeling
 - Cost of risk allocation
 - Risk bearing capacity analysis
 - Benchmarking
- Claims consulting and solutions
 - Claims program best practices
 - Claims services administrator marketing and selection
 - Claims services provider auditing and quality measurement
 - Claims program analytics and metrics

**Some services require additional fees and may be offered directly through third-party providers.*

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A Note About “Claims Made” Policies

Some of the quotes provided in this proposal **may be** offered on a Claims Made or a Claims Made and Reported basis. A brief description of Claims Made and Claims Made and Reported forms is included below for your reference.

Claims Made

1. Under a **claims-made** form, the policy that is in effect at the time that a claim is made against you is the policy that will respond to that claim, regardless of when the wrongful act occurred (subject to any retroactive date). This differs from an **occurrence** form, which responds to claims resulting from accidents, incidents or injuries occurring while the policy was in effect, regardless of when a claim for damages is brought.
2. If your policy has a **retroactive date**, the wrongful act must have occurred after the retroactive date in order for the policy to respond to a claim.
3. You may have the right to purchase an extended reporting period (ERP) endorsement if the policy is cancelled or not renewed. This endorsement will provide a period of time to continue to report claims that arise resulting from wrongful acts that occurred after any retroactive date and before the end of your policy period. The ERP (often called “tail” coverage) must be requested within a specific time frame and the additional premium, which typically is required prior to the tail period begins, is fully earned.

Claims Made and Reported

A type of claims made policy in which a claim must be both made against the insured and reported to the insurer during the policy period for coverage to apply. *

**Source: IRMI Glossary of Insurance and Risk Management Terms.*

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Premium Overview

Coverage	21/22 Premiums
Law Enforcement Liability - Armored Services	\$9,593.25
Automobile**	
Total	\$9,593.25
Total premium	\$9,593.25

**** USI obtained Intact's agreement to extend coverage for the armored car operation on the 4 vehicles outlined below; ****

2020	FORD	F150	1FTEW1P45LKF20318
2017	FORD	F150	1FTEW1EF7HFA99402
2016	FORD	F150	1FTEW1EF0GFC48002
2013	FORD	F150	1FTFW1EF8DKE29506

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Premium Overview – Payment Options

<u>Option</u>	<u>Amount</u>
I. Payment in full	\$9,593.25

As a course of business, USI is required to pay premiums to insurers on a monthly basis. In return, we appreciate timely payments by our clients. Outstanding balances over 30 days may be subject to cancellation.

Note: Payment calculations may vary slightly upon policy issuance.

Direct bill and premium finance notification

If coverage is issued on a direct bill basis, i.e. billed to you directly by your insurance company, or if you select to have your premium financed through a premium finance company, please note the following information.

If your premium payment does not reach the carrier by the due date, they may send out a notice of late payment, or intent to cancel. Copies of these notices may not be received by USI until after the policy has been cancelled. In the event that you receive such a notice, please contact our office immediately.

Payment Information

Payment address:

USI Southwest Inc.
P.O. Box 61187
Virginia Beach, VA

Mailing and parcel delivery:

USI Southwest Inc.
14241 Dallas Parkway, Ste. 700
Dallas, TX 75254

Premium due:

Policy effective date or invoicing date – whichever is later. Prompt payment is required. If you'd like more information on payment options, please contact your sales executive.

Wiring instructions:

If you wish to wire your payment, please contact your service team member for wiring instructions.

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Marketing Summary

Collin County Cash in Transit

This list represents the carriers that were approached to provide a competitive insurance program for your armored car operations

Carrier	Coverage	Result
Acuity	Auto Liability	UW- Jim Lamrick- Declined – Vehicles are not armored
Applied Underwriters	Auto Liability	Declined- Small Risk not insuring Armed vehicles/Guards
GMI	Auto Liability	Left voicemail for Marketing manager- Lynise Walton
NICO	Auto Liability	UW- Declined- Vehicles are not armored.
BRS Insurance	Auto Liability	Declined- not a market for emergency vehicles
QEO	Auto Liability	Declined- Not a market for class of business
US Risk- Prime	Auto Liability	Submitted (submitting to prime)
US Risk- Guard	Auto Liability	Declined- Veh not armored
US Risk- Fairmatic	Auto Liability	Initial indication- MP \$150,000- Declined
US Risk- National General	Auto Liability	Declined- Vehicles not armored
US Risk- Kemper	Auto Liability	Declined- Due to Guards Being Armed
BHHC	Auto Liability	Declined- Vehicles Not Armored
Safety Auto	Auto Liability	Declined- due to vehicles being used for emergency use
AmWins	Auto Liability	Declined- Not a market for class of business
Philadelphia	Auto Liability	Declined- Not a market for class of business
Progressive Commercial Auto	Auto Liability	Declined- not a market for emergency vehicles
Progressive- Specialty Lines	Auto Liability	Declined- Not a market for class of business
Intact	Auto Liability	Agreed to extend coverage / leave on current auto policy
RT- Clear Blue Specialty	GL	Quoted- \$16,788- Including SLT/Fees
Century Surety	GL	Quoted- \$2472.08- Excludes Assault & Battery and Firearms
Pru-Tx/QBE	GL/LEL	Quoted \$9,593.25
Great American	Cash in Transit	Declined- Does not fit their u/w guidelines-Not enough vehicles
Price Forbes-Lloyds	Cash in Transit- \$250K limit	Quoted- \$30,952.88

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Named Insureds

Note: Any entity not named as an insured may not be covered under this proposal. This includes partnerships, joint ventures, and newly formed entities of any type.

Named insured	Applicable policies
Collin County Government	All quoted policies

Only the Named Insureds shown above are included in this proposal. If any Named Insureds are not shown above and should be included for coverage, please notify us immediately.

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Law Enforcement Liability

Named insured:	Collin County Government
Insurance carrier:	QBE Specialty Insurance Company – Non-admitted
Policy term:	11/08/2021 to 10/1/2022
Coverage:	Your legal liability to members of the public for claims arising from your premises, operations, products, or completed operations.
Limits of liability:	\$ 1,000,000 General aggregate limit (other than products/completed operations) \$ 1,000,000 Each Occurrence
Coverage form:	Occurrence
Deductible:	\$ 50,000 Per occurrence
Terms and conditions:	<ul style="list-style-type: none">• Completed, signed and dated PRU-TX application- Prior to binding• Trade or Economic Sanctions Endorsement (QBIL-0285 (08-14)• Service of Process Endorsement (IL-2002 (07-21)• Nuclear Energy Exclusion (QBLE-2044 (01-16)• 25% Minimum Earned Premium Endorsement (QBLE-2045 (01-16)• Line of Duty Death Endorsement (QBLE-2019 ((01-16)• Communicable Disease Exclusion Endorsement (QBLE-2010 (10-20)• Manuscript Endorsement- Fire Marshals Armed Transport Form Number- TBD• Any Notices or Disclosures Required by the state regulatory agency

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Coverages to Consider

In evaluating your exposures to loss, we have been dependent upon information provided by you. If there are other areas that need to be evaluated prior to binding of coverage, please bring these areas to our attention.

Specifically, we ask that you review the following items:

- Higher limits:** In today's litigious society, many businesses have found it necessary to increase the limits of liability to ensure they are adequate to protect their assets in the event of a loss. Higher limits of liability may be available. Please carefully review the limits to ensure your level of comfort with the limits.
- Building ordinance:** Provides coverage in the event there are building codes that mandate you to demolish remaining undamaged portions of the structure after partial damage. Coverage for increased cost of construction would also be included. Building codes have become more stringent as a result of City, State or Federal ordinances or laws (Americans With Disabilities Act {ADA}). An optional quote can be provided, and coverage should be considered.
- Business interruption:** Protection against loss of earnings of a business during the time required to rebuild or repair property damaged or destroyed by an insured peril.
- Extra expense:** Coverage for those expenses over and above normal operating expenses incurred to continue the insured's operations in the event of direct physical loss to property.
- Contingent business interruption:** Protection against loss of earnings during the time required to rebuild or repair property damaged or destroyed by an insured peril at a supplier's location or other key location which your operations are dependent upon.
- Kidnap, ransom and extortion, including dependent child coverage:** This provides coverage for kidnappings and other events through a combination of financial indemnification and expert crisis management. A basic policy can cover items such as ransom payment, loss of income, interest on bank loans, etc. This insurance provides assistance to the family and business with regard to independent investigations, negotiations, arrangement, and delivery of funds.
- Flood:** Covers direct physical loss caused by excess of water on land that is normally dry. A general and temporary condition of partial or complete inundation of two or more acres of normally dry land area or of two or more properties (at least one of which is your property) from:
- Overflow of inland or tidal waters;
 - Unusual and rapid accumulation or runoff of surface waters from any source;
 - Mudflow; or
 - Collapse or subsidence of land along the shore of a lake or similar body of water as a result of erosion or undermining caused by waves or currents of water exceeding anticipated cyclical levels that result in a flood as defined above.

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- Equipment breakdown** This coverage provides protection for loss due to mechanical or electrical breakdown of nearly any type of equipment, including photocopiers and computers. Coverage applies to the cost to repair or replace the equipment and any other property damaged by the equipment breakdown. Resulting business income and extra expense loss is often covered as well.
- Pollution legal liability:** This coverage helps mitigate the environmental risks that come with owning or operating a commercial real estate facility or site. We can design a policy to provide coverage for pre-existing unknown conditions, new conditions, on-site and off-site third party coverage for cleanup costs, bodily injury, and property damage.
- Fiduciary:** The Employee Retirement Income Security Act of 1974 imposes personal liability on Fiduciaries of employee welfare plans for acts of mismanagement or errors in judgment. This policy will pay on your behalf all sums you become legally obligated to pay as a result of any Wrongful Act. Wrongful Act means a breach of fiduciary duty, including negligence, by you in the discharge of duties as respects Trusts or Employee Benefit Plans.
- Foreign package:** Provides coverage for occurrences and suits brought in foreign countries, whereas, most domestic policies only cover suits brought in the U.S. Provides foreign GL, auto, voluntary workers' compensation and employer's liability, travel accident and sickness.
- Foreign workers' compensation provides coverage for endemic disease such as malaria or avian flu.
- Emergencies while traveling, such as security evacuation.
- Electronic data processing equipment coverage:** Coverage insures against loss or damage to electronic data processing equipment and the media and data owned, leased, or used by the Insured. Computerized production equipment may also be insured in addition to conventional computer equipment. Coverage may or may not include breakdown and power interruption and can provide Loss of income coverage as well as extra expense coverage.

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Client Authorization to Bind Coverage

TO: USI Southwest Inc.
14241 Dallas Parkway, Ste. 700
Dallas, TX 75254

RE: Insurance Proposal

This proposal contains proprietary confidential information concerning USI Insurance Services (“USI”) and our Clients. It may not be distributed or reproduced without the express prior written consent of USI. No disclosure concerning this proposal shall be made without the express prior written consent of USI.

The intent of this proposal is to provide a highlight of the coverage offered in our insurance program and is not meant to be all-inclusive. Read your actual policy(ies) for complete details including terms, conditions, limitations, and exclusions.

Exposure information, including but not limited to property values, auto schedules, payroll, and revenues, used in the proposal were those presented by you and should be carefully reviewed and/or appraised for adequacy.

I hereby acknowledge that, upon the renewal of the coverage described herein, unless I otherwise direct USI or USI otherwise notifies me, USI intends to renew my coverage with the insurer that, at the time of such renewal, underwrites my coverage and thus USI will not solicit any quotes or proposals from insurers on my behalf in connection with such renewal.

I have read and understand the terms and conditions of this proposal and the compensation USI may receive in connection with USI’s services described in this proposal. All questions and concerns I had regarding any of the terms outlined above have been discussed and addressed with USI.

Please check one:

- After careful review of your proposal dated (11/16/2021), we have decided to accept your proposal as presented.
- After careful review of your proposal dated (11/16/2021), we have decided to accept your proposal with the following changes:

Policy delivery (please check all that apply):

- Electronically via email
- Other _____

Please have binders and your invoice prepared for the agreed-upon coverage. Binding effective 12/06/2021. Court Order 2021-1197-12-06

DocuSigned by:
Michelle Charnoski
91220EADB3AE416
Client Signature

Michelle Charnoski
Name

12/7/2021
Date

Collin County
Name of Public Entity

Purchasing Agent
Title

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Insurance Company Financial Information

USI's objective is to place Clients risks with insurers that are financially sound. In assessing the financial strength of insurers, USI relies upon statutory financial statements as well as the opinions and assessments of recognized rating agencies and other carrier review companies. USI authorizes insurers that it believes, at the time of placement, have the financial ability to fulfill their claim payment obligations to our clients. USI is not a guarantor of the solvency of insurers with which its brokers place business. However, our goal is to use reasonable measures to do business with financially healthy insurers. Our recommendations are based on financial and other relevant information that is available at the time of placement.

The A.M. Best rating for the insurance companies represented in this proposal are as follows:

Name	A.M. Best rating	Effective date
Lloyd's of London	A+ XV	4/22/2021

Financial strength ratings

A.M. Best rating	S&P rating	Rating agency assessment
A++, A+	AAA	Superior
A, A-	AAA, AA, AA-	Excellent
B++, B+	A+, A, A-	Good
B, B-	BBB+, BBB, BBB-	Fair, vulnerable to adverse conditions
C++, C+	BB+, BB, BB-	Marginal, financial security may be adequate
C, C-	B+, B, B-	Weak, vulnerable
D, E, F	CCC, CC, C	Poor, extremely vulnerable or failed

Financial size ratings

A.M. Best also assigns categories to insurance companies to indicate levels of statutory surplus and related funds.

A.M. Best financial size category	Adjusted policyholder surplus (in millions)	A.M. Best financial size category	Adjusted policyholder surplus (in millions)
I	Less than \$1	IX	\$250 - \$500
II	\$1- \$2	X	\$500 - \$750
III	\$2 - 5	XI	\$750 - \$1,000
IV	\$5 - \$10	XII	\$1,000 - \$1,250
V	\$10 - \$25	XIII	\$1,250 - \$1,500
VI	\$25 - \$50	XIV	\$1,500 - \$2,000
VII	\$50 - \$100	XV	Above \$2,000
VIII	\$100 - \$250		

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USI Disclosures

Information Concerning Our Fees: As a licensed insurance producer, USI is authorized to confer with or advise our clients and prospective clients concerning substantive benefits, terms or conditions of insurance contracts, to sell insurance and to obtain insurance coverages for our clients. Our compensation for placement of insurance coverage, unless otherwise specifically negotiated and agreed to with our client, is customarily based on commission calculated as a percentage of the premium collected by the insurer and is paid to us by the insurer. We may also receive from insurers and insurance intermediaries (which may include USI affiliated companies) additional compensation (monetary and non-monetary) based in whole or in part on the insurance contract we sell, which is contingent on volume of business and/or profitability of insurance contracts we supply to them and/or other factors pursuant to agreements we may have with them relating to all or part of the business we place with those insurers or through those intermediaries. Some of these agreements with insurers and/or intermediaries include financial incentives for USI to grow its business or otherwise strengthen the distribution relationship with the insurer or intermediary. Such agreements may be in effect with one or more of the insurers with whom your insurance is placed, or with the insurance intermediary we use to place your insurance. You may obtain information about the nature and source of such compensation expected to be received by us, and, if applicable, compensation expected to be received on any alternative quotes pertinent to your placement upon your request.

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When to Notify USI

It is important that you advise USI of any material changes in your operations which may have a bearing on your insurance program. Your insurers have evaluated and accepted the risks on the basis of the information given. Any variation of these details could lead to complication in the event of a loss.

These changes may include, but are not limited to:

- Changes of personnel affecting responsibility for insurance decisions.
- Personnel traveling overseas/on temporary assignment overseas/working on military bases.
- Acquisition or creation of new companies or subsidiaries and/or mergers in which you are involved or any legal change in the corporate structure.
- Purchase, sale, lease, construction, or occupancy of new premises; real estate alteration, vacating the premises, or temporary unoccupancy; extension or demolition of existing premises. This applies for both domestic and foreign locations.
- Increase in values of building, business personal property, or inventory for both scheduled and unnamed locations.
- Removal of business personal property or stock to new or temporary locations.
- Addition of new locations, equipment, or vehicles, whether hired, purchased, leased, or borrowed.
- Changes in processes, occupancy, products, revenue, sales, or business operations.
- Addition, alteration, or temporary disconnection of fire or burglary protection systems.
- Use of owned or non-owned aircraft or watercraft.
- Major changes in value or nature of goods being shipped.
- Employment of personnel in states in which you were previously not doing business.
- Election or appointment of a new C.E.O. or C.O.O., or change in control of either the Board of Directors or the stock ownership of the company.
- Changes in ERISA Plan Assets.
- Any written contracts executed with contractor, subcontractors, suppliers, or others.

This proposal is merely a descriptive summary of coverage provided by the insurance companies being proposed and should be used for reference purposes only. This is a quotation of coverage only. It is not a binder. This proposal does not amend or alter the insurance contract. Please refer to the policy contract for specific terms, conditions, limitations, and exclusions.