

February 4, 2019

Monroe County District School Board
241 Trumbo Road
Key West, FL 33040

Re: Builders Risk – Marathon High School Athletic Complex
Westchester Fire Insurance Company
Policy Effective: 2/13/19

Dear Kathryn:

Attached our REVISED quotation for Builders Risk coverage in regard to the new project at Marathon High School Athletic Complex. This quote is revised to have an effective date of 2/13/19 per your request.

We are not aware of any changes in your exposures to loss, nor are we aware of any changes in your business operations that would necessitate additional coverage options. Please notify us immediately if you are planning any new business operations.

We would like to outline the following notable points for your consideration:

- Any entity not named in this proposal, may not be an insured entity. This may include affiliates, subsidiaries, LLC's, partnerships and joint ventures.
- The insurance carrier is **Westchester Fire Insurance Company**.
- **Policy Term: 2/13/19 to 8/30/19**
- **The PREMIUM \$25,000**
- Additional premium for TRIA \$1,061.00
- The premium is subject to minimum earned premium of \$6,898.00
- **OPTIONAL INDICATION TO INCLUDE INCREASED NAMED WIND:**

Carrier	Premium	Named Wind/Hail Limit
Westchester Fire Insurance Co 50% and 50% another participant TBD	\$40,000.00 Minimum premium 35% TRIA TBD	Named Wind \$12,111,505

- The premium is based upon your application and additional information requested.
- Significant policy exclusions include but are not limited to the following: Refer to quote attached.
- Quote attached. Outline of coverages include but are not limited to:
 - Construction contract price \$12,111,505
 - Soft Costs \$747,805
 - Named Storm sublimit \$1,000,000 (higher limit is available upon request – Optional quote for full limit named wind is above)
 - Various sublimits per the quote attached
 - Deductible \$10,000 per occurrence except;



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Boca Raton, FL 33431
UK or Australia

305.592.6080
www.ajg.com

- Deductible Named Windstorm \$100,000 or 5%
- Other deductibles as per the quote attached

- Immediately report all claims to Gallagher Claim.
 - **E-mail:** seclaims@ajg.com
 - **Phone:** 225.906.0128 or **Toll Free** 855.497.0578
 - **Fax:** 225.663.3224

To bind this policy, please refer to the “Client Authorization to Bind Coverage” page attached.

1. Note any changes you desire to be made.
2. Date and sign.
3. Return prior to the effective date of coverage.

We appreciate your business and look forward to working with you in the coming year. Please contact me if you have any questions.

Sincerely,

Kathy Hill
Client Service Manager, Sr.

Compensation Disclosure Schedule

Coverage(s)	Carrier Name(s)	Wholesaler, MGA, or Intermediary Name 1	Estimated Annual Premium 2	Comm % or Fee 3	Gallagher U.S. owned Wholesaler, MGA or Intermediary %
Builders Risk	Westchester Fire Insurance Company	Risk Placement Services	\$25,000.00	8% AJG 4.5% RPS	Yes
Builders Risk	Westchester Fire Insurance Company	Risk Placement Services	\$40,000.00	8% AJG 4.5% RPS	Yes

1. We were able to obtain more advantageous terms and conditions for you through an intermediary/wholesaler.
2. If the premium is shown as an indication: The premium indicated is an estimate provided by the market. The actual premium and acceptance of the coverage requested will be determined by the market after a thorough review of the completed application.
* A verbal quotation was received from this carrier. We are awaiting a quotation in writing.
3. The commission rate is a percentage of annual premium excluding taxes & fees.
* Gallagher is receiving ___% commission on this policy. The fee due Gallagher will be reduced by the amount of the commissions received.



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Important Disclosures

IMPORTANT: The proposal and/or any executive summaries outline certain terms and conditions of the insurance proposed by the insurers, based on the information provided by your company. The insurance policies themselves must be read to fully understand the terms, coverages, exclusions, limitations and/or conditions of the actual policy contract of insurance. Policy forms will be made available upon request. We make no warranties with respect to policy limits or coverage considerations of the carrier.

TRIA/TRIPRA Disclaimer – If this proposal contains options to purchase TRIA/TRIPRA coverage, the proposed TRIA/TRIPRA program may not cover all terrorism losses. While the amendments to TRIA eliminated the distinction between foreign and domestic acts of terrorism, a number of lines of coverage excluded under the amendments passed in 2005 remain excluded including commercial automobile, burglary and theft insurance; surety insurance, farm owners multiple perils and professional liability (although directors and officers liability is specifically included). If such excluded coverages are required, we recommend that you consider purchasing a separate terrorism policy. Please note that a separate terrorism policy for these excluded coverages may be necessary to satisfy loan covenants or other contractual obligations. TRIPRA includes a \$100 billion cap on insurers' aggregate liability.

The TRIPRA program increases the amount needed in total losses by \$20 million each calendar year before the TRIPRA program responds from the 2015 trigger of \$100 million to \$200 million by the year 2020.

TRIPRA is set to expire on December 31, 2020. There is no certainty of extension, thus the coverage provided by your insurers may or may not extend beyond December 31, 2020. In the event you have loan covenants or other contractual obligations requiring that TRIA/TRIPRA be maintained throughout the duration of your policy period, we recommend that a separate "Stand Alone" terrorism policy be purchased to satisfy those obligations.



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Compensation Disclosure

1. Gallagher Companies are primarily compensated from the usual and customary commissions, fees or, where permitted, a combination of both, for brokerage and servicing of insurance policies, annuity contracts, guarantee contracts and surety bonds (collectively "insurance coverages") handled for a client's account, which may vary based on market conditions and the insurance product placed for the client.
2. In placing, renewing, consulting on or servicing your insurance coverages, Gallagher companies may participate in contingent and supplemental commission arrangements with intermediaries and insurance companies that provide for additional compensation if certain underwriting, profitability, volume or retention goals are achieved. Such goals are typically based on the total amount of certain insurance coverages placed by Gallagher with the insurance company, not on an individual policy basis. As a result, Gallagher may be considered to have an incentive to place your insurance coverages with a particular insurance company. If you do not wish to have your commercial insurance placement included in consideration for additional compensation, contact your producer or service team for an Opt-out form.
3. Gallagher Companies may receive investment income on fiduciary funds temporarily held by them, or from obtaining or generating premium finance quotes, unless prohibited by law.
4. Gallagher Companies may also access or have an ownership interest in other facilities, including wholesalers, reinsurance intermediaries, captive managers, underwriting managers and others that act as intermediaries for both Gallagher and other brokers in the insurance marketplace some of which may earn and retain customary brokerage commission and fees for their work.

If you have specific questions about any compensation received by Gallagher and its affiliates in relation to your insurance placements, please contact your Gallagher representative for more details.

In the event you wish to register a formal complaint regarding compensation Gallagher receives from insurers or third-parties, please contact Gallagher via e-mail at Compensation_Complaints@ajg.com or by regular mail at:

Chief Compliance Officer
Gallagher Global Brokerage
Arthur J. Gallagher & Co.
2850 Golf Rd.
Rolling Meadows, IL 60008

CARRIER RATINGS AND ADMITTED STATUS

Proposed Insurance Companies	A.M. Best's Rating & Financial Size Category *	Admitted/Non-Admitted **
Westchester Fire Insurance Company	A++XV	Admitted

*Gallagher companies use A.M. Best rated insurers and the rating listed above was verified on the date the proposal document was created.

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A Best's Financial Strength Rating is an independent opinion of an insurer's financial strength and ability to meet its ongoing insurance policy and contract obligations. It is not a warranty of a company's financial strength and ability to meet its obligations to policyholders. Best's Credit Ratings™ are under continuous review and subject to change and/or affirmation. For the latest Best's Credit Ratings™ and Guide to Best's Credit Ratings, visit the A.M. Best website at <http://www.ambest.com/ratings>.

**If coverage placed with a non-admitted carrier, it is doing business in the state as a surplus lines or non-admitted carrier, and is neither subject to the same regulations as an admitted carrier nor do they participate in any state insurance guarantee fund.

Gallagher companies make no representations and warranties concerning the solvency of any carrier, nor does it make any representation or warranty concerning the rating of the carrier which may change.

MONROE COUNTY DISTRICT SCHOOL BOARD

CLIENT AUTHORIZATION TO BIND COVERAGE

After careful consideration of Gallagher's proposal dated **February 4, 2019**, we accept the following coverage(s). Please check the desired coverage(s) and note any coverage amendments below:

POLICY OPTIONS:

YES	NO	OPTION DESCRIPTION
		Bind Builders Risk with Named Wind/Hail \$1,000,000 – Premium \$25,000 Effective 2/13/19
		Bind Builders Risk with Named Wind/Hail \$12,111,505 – Premium \$40,000 (optional quote)
		Bind TRIA Terrorism Coverage As Quoted Except For the Following Policies
		Provide Quotations or Additional Information on the following Coverage Considerations

The above coverage may not necessarily represent the entirety of available insurance products. If you are interested in pursuing additional coverages other than those addressed in the coverage considerations included in this proposal, please list below:

EXPOSURES AND VALUES

We confirm the payroll, values, schedules, and other data contained in the proposal, and submitted to the underwriters, are compiled from our records and we acknowledge it is our responsibility to see that they are maintained accurately. If no updates were provided to Gallagher, the values, exposures and operations used were based on the expiring policies.

Gallagher has established security controls to protect Client confidential information from unauthorized use or disclosure. For additional information, please review Gallagher's Privacy Policy located at <https://www.ajg.com/privacy-policy/>.

I have read, understand and agree that the above-information is correct and has been disclosed to us prior to authorizing Gallagher to bind coverage and/or provide services to us.

Client Signature

Dated

To: Connie Mirfakhraie
Company: RISK PLACEMENT SERVICES

Builders Risk Coverage Quotation

Quote #: 05HQ5Z 001QU

NAMED INSURED & Mailing Address: Monroe County School Board
350 Sombrero Beach Blvd, Marathon, FL 33050

Thank you for submitting the captioned account. Please read this quotation carefully, as the limits, coverage, exclusions, and any other terms and conditions may vary from those you requested in your submission and/or from the expiring policy.

This quote is valid for 60 days from the date sent or until the effective date shown below, whichever comes first. Please contact me with any questions that you may have.

Effective Date: 02/13/2019 12:01 A.M. Local Time at the NAMED INSURED's Address
Expiration Date: 08/30/2019 12:01 A.M. Local Time at the NAMED INSURED's Address
Term: 200 Days
Company: Westchester Fire Insurance Company (Admitted)
Coverage: Builder's Risk
Coverage Form(s): Construction Risk Coverage Form ACE0728 (10/15)
Covered Perils: Direct physical LOSS subject to the terms, conditions and exclusions in the policy forms and as specified below.

Whenever "NCP" is shown below it denotes no coverage has been purchased and no coverage is provided. Whenever "NA" is shown below it denotes "Not Applicable" to that coverage, deductible, Sub-limit of Insurance, or other policy provision.

I. Description, Location and Estimated Completed Value of the INSURED PROJECT at Policy Inception

- A. Estimated construction contract price is: \$12,111,505
- B. Value of all property not declared in A. above to be insured by this policy and intended for installation under the construction contract, whether supplied by the INSURED PROJECT owner(s) or other(s): \$NCP
- C. Estimated Completed Value of the INSURED PROJECT at Policy Inception: \$0
- D. INSURED PROJECT Name:
- E. INSURED PROJECT Description / Construction: A new athletic complex for Marathon High School, including; a new parking lot, new multi-use field, new baseball and softball fields, and two new

concessions buildings.

F. INSURED PROJECT Site: 350 Sombrero Beach Blvd, Marathon, Florida, 33050

II. Limits of Insurance:

\$ 12,859,310 (100%) part of \$ 12,859,310 per OCCURRENCE

The Company will pay no more for direct physical LOSS in any one OCCURRENCE than the above Limit of Insurance. In addition, the Company will not pay for more than its proportionate share (100 %) of the following Sub-limits of Insurance and Annual Aggregate Sub-limits of Insurance, which are part of, and not in addition to, the Limit of Insurance above:

Sub-limits of Insurance

A. Physical LOSS to the INSURED PROJECT	\$ 12,111,505		
B. Delay in Opening (per Form Number ACE0729)	\$ 747,805	Period of Indemnity 227 Calendar Days	
Loss of RENTAL INCOME:	NCP	Monthly Limit of Indemnity	NCP
Loss of BUSINESS INCOME::	NCP	Monthly Limit of Indemnity	NCP
SOFT COSTS / ADDITIONAL EXPENSES:	\$ 747,805	Monthly Limit of Indemnity	N/A
Interest expense on construction loan(s);	Included	Monthly Limit of Indemnity	N/A
Advertising and promotional expense;	Included	Monthly Limit of Indemnity	N/A
Legal and accounting fees;	Included	Monthly Limit of Indemnity	N/A
Commissions incurred upon the renegotiation of leases;	Included	Monthly Limit of Indemnity	N/A
Fees for licenses and permits;	Included	Monthly Limit of Indemnity	N/A
Insurance premiums for Builders Risk, Workers' Compensation and General Liability Insurance;	Included	Monthly Limit of Indemnity	N/A
Real estate taxes and assessments;	Included	Monthly Limit of Indemnity	N/A
Project administration expense;	Included	Monthly Limit of Indemnity	N/A
C. EXISTING PROPERTY	NCP		
D. Damage to EXISTING PROPERTY – Limited	NCP		
E. Property in Transit per Conveyance	\$ 1,000,000		
F. Temporary Off-site Storage and Off-site Staging Areas, any one location	\$ 1,000,000		

G. Expediting and Extra Expenses	20% of the insured physical LOSS, or \$ <u>1,000,000</u> ; whichever is less
H. Debris Removal	25% of the insured physical LOSS, or \$ <u>1,000,000</u> ; whichever is less
I. Trees, Shrubs and Plants	\$ 100,000
J. Protection Service Charges	\$ 100,000
K. Fire Protective Equipment Recharge	\$ 250,000
L. Valuable Papers and Records	\$ 50,000
M. Claim Preparation Expenses	\$ 50,000
N. Protection of Insured Property Pre-LOSS	\$ 500,000
O. Architects and Engineers Fees	\$ 250,000
P. Office and Construction Trailers/Semi-trailers and their Contents	\$ 100,000
Q. Ordinance or Law	\$ 250,000
R. TESTING	Included
S. Business Personal Property	Included
T. Contract Penalty	NCP
U. TOWER CRANE Re-Erection Expense	\$ 25,000
V. NAMED WINDSTORM	\$ 1,000,000

Annual Aggregate Sub-limits of Insurance

A. FLOOD	Per OCCURRENCE	NCP
	Annual Aggregate	NCP
B. EARTH MOVEMENT	Per OCCURRENCE	\$ 10,000,000
	Annual Aggregate	\$ 10,000,000
C. Pollution or Contamination Clean-Up	Per OCCURRENCE	\$ 50,000
	Annual Aggregate	\$ 50,000
D. Limited Coverage For FUNGUS, Wet Rot, Dry Rot or Bacteria	Per OCCURRENCE	\$ 50,000
	Annual Aggregate	\$ 50,000

III. Escalation Clause

The Sub-limit of Insurance for Physical LOSS to the INSURED PROJECT stated above is considered an estimate. Should any increase in the Estimated Completed Value of the INSURED PROJECT occur, the Sub- limit of Insurance for Physical LOSS to the INSURED PROJECT will automatically increase to reflect the change concurrently, subject to a maximum increase of 0% of the original Sub-limit of Insurance stated above. The Per OCCURRENCE Limit of Insurance stated above will increase by the same amount.

This clause does not apply to other Sub-limits of Insurance, including Delay in Opening, if endorsed to this Policy, nor does it apply to the Annual Aggregate Sub-limits of Insurance.

IV. Deductibles

\$ 10,000 Direct physical LOSS in any one OCCURRENCE except;

- A. LOSS in any one OCCURRENCE caused by or resulting from FLOOD NCP or %
Subject to a maximum deductible of:
- B. LOSS in any one OCCURRENCE caused by or resulting from EARTH MOVEMENT \$ 25,000 or %
Subject to a maximum deductible of:
- C. LOSS in any one OCCURRENCE caused by or resulting from WATER DAMAGE \$ 50,000 or %
Subject to a maximum deductible of:
- D. LOSS in any one OCCURRENCE caused by or resulting from NAMED WINDSTORM \$ 100,000 or 5%
Subject to a maximum deductible of:
- E. LOSS in any one OCCURRENCE caused by or resulting from TESTING \$ 10,000 or %

Where a percentage deductible is shown above, the deductible shall be the greater of the dollar amount shown, or the stated percentage of the total insured values at the INSURED PROJECT site or sites at the time and date of the LOSS, unless a maximum deductible is listed.

- | | |
|---|--------------------------------------|
| Delay in Opening – WAITING PERIOD: | 14 Calendar Days, Each DELAY except; |
| A. Each DELAY Caused by or resulting from FLOOD: | 14 Calendar Days |
| B. Each DELAY Caused by or resulting from EARTH MOVEMENT | 14 Calendar Days |
| C. Each DELAY Caused by or resulting from NAMED WINDSTORM | 14 Calendar Days |

V. Rates and Adjustment

Coverage Type	Rate	Term Deposit
INSURED PROJECT Physical LOSS	Various Per \$100 <u>Annual</u>	\$ 25,000
Delay in Opening	Various Per \$100 <u>Annual</u>	Included
TESTING (days)	Various Per \$100 <u>Term</u>	Included
TESTING (days) Delay in Opening	Various Per \$100 <u>Term</u>	Included

Total Deposit Premium:	\$ 25,000
TRIPRA Premium:	\$ 1,000
Total Deposit Premium Including TRIPRA:	\$ 26,000
Subject to a minimum earned premium of	\$ 6,500

Any applicable taxes, surcharges or fees, etc. are in addition to the above stated premium. The actual taxes, surcharges or fees, etc. will be those in effect on the date coverage is bound. The insured is responsible for paying these taxes, surcharges or fees in addition to the above stated premium.

Commission: 12.5 %

Terms & Conditions:

General:

VI. Extension of Term:

This Policy may be extended for a period not to exceed days from the original expiration date shown above, subject to the same terms and conditions in effect at the time of the extension, and subject to a pro-rata additional premium, exclusive of TESTING.

NOTE: Premium rates applicable to coverage during the period of June 1st through November 30th (NAMED WINDSTORM Season) may differ from rates applicable during the period December 1st through May 31st, and additional premium for extensions will reflect those pricing differences.

The TESTING PERIOD may be extended for a period not to exceed days from the number of days for TESTING stated above, subject to the same terms and conditions in effect at the time of the extension, and subject to an additional premium based upon the number of days of the extension period.

The NAMED INSURED must request these extensions in writing and receive acceptance from the Company prior to the original expiration date of this Policy. If the NAMED INSURED does not provide the aforementioned written extension request(s), coverage provided hereunder shall terminate on the original expiration date stated in this Policy.

VII. Additional NAMED INSURED Information: Ajax Building Corporation

Policy Forms:

IL 09 52 (01/15)	Cap on Losses From Certified Acts Terrorism
ALL-20887 (10/06)	CHUBB Producer Compensation Practices & Policies
MA-608255p (04/15)	Claims Directory Property and Inland Marine
BB-5W58a (09/11)	Common Policy Declarations
ACE0728 (10/15)	Construction Risk Coverage Form
ACE0727 (10/15)	Construction Risk Declarations
Cover Letter	Cover Letter

TR-45231 (01/15)

CM 01 16 (02/12)	Florida Changes
IL 02 55 (04/15)	Florida Changes - Cancellation And Nonrenewal
IL 01 75 (09/07)	Florida Changes - Legal Action Against Us
CPFs2 (03/08)	Forms Schedule
CPfs2 (12/10)	Forms Schedule
ACE0210 (01/08)	Nuclear, Biological, Chemical, Radiological Exclusion
TR-45231 (01/15)	Policyholder Disclosure Notice Of Terrorism Insurance Coverage
ALL-5X45 (11/96)	Questions About Your Insurance
CC-1K11i (02/18)	Signatures
ALL-21101 (11/06)	Trade or Economic Sanctions Endorsement
IL P 001 (01/04)	U.S. Treasury Departments' Office of Foreign Assets Control ("OFAC") Advisory Notice to Policyholders

Valuation:

- A. Property Under Construction – The cost to repair or replace the insured property lost or damaged with material of like kind and quality, less betterment, including contractor's reasonable profit and overhead not exceeding the percentages in the original contract. If the insured property is not repaired or replaced then direct physical LOSS shall be settled on the basis of ACTUAL CASH VALUE.
- B. EXISTING PROPERTY - The Company will pay the least of the following for direct physical LOSS to EXISTING PROPERTY:
 - 1. The ACTUAL CASH VALUE of the EXISTING PROPERTY;
 - 2. The cost of reasonably restoring the EXISTING PROPERTY to its condition immediately prior to the LOSS;
 - 3. The cost of replacing the EXISTING PROPERTY with substantially identical property unless replacement with substantially identical property is impossible or unnecessary. In such case, FUNCTIONAL REPLACEMENT COST would apply.
- C. Property of Others (Including Items Supplied by the Owner) – If Property of Others is new, the cost to repair or replace the insured property lost or damaged with material of like kind and quality, less betterment. If Property of Others is not new then, the Owner's cost or ACTUAL CASH VALUE, whichever is less.

If the Property of Others is not repaired or replaced then direct physical LOSS shall be settled on the basis of ACTUAL CASH VALUE.
- D. TEMPORARY STRUCTURES – The cost to repair or replace the insured property lost or damaged with material of like kind, quality and condition but in the event the insured property is not repaired or replaced recovery will not exceed the ACTUAL CASH VALUE.
- E. Valuable Papers and Records - The cost to reproduce the insured property with other property of like kind and quality including the cost of gathering or assembling information from back up data if replaced, or if not replaced, at the value of blank material.
- F. ELECTRONIC MEDIA or ELECTRONIC DATA - The cost of the blank media, plus the costs of copying or restoring ELECTRONIC DATA from back-up or from originals of a previous generation, not including research and engineering or the costs or expense of recreating, gathering or assembling such ELECTRONIC DATA.

This Policy does not insure any amount pertaining to the value of such ELECTRONIC DATA to the Named Insured or any other party, even if such ELECTRONIC DATA cannot be recreated, gathered

or assembled. If not repaired, replaced or restored, ELECTRONIC MEDIA shall be valued at the cost of the blank media.

- G. Trees, Shrubs and Plants - The cost to replace with property of like kind and quality plus the proper proportion of labor expended if such damage occurs after installation.
- H. Office and Construction Trailers/Semi-trailers and their Contents – If not more than 5 years old as of the expiration date of this Policy, based on the manufacturer's model year, and the NAMED INSURED repairs or replaces the insured property, the least of the following shall apply:
 - 1. The cost to replace the lost or damaged insured property, without deduction for depreciation, with new property of comparable quality and utility;
 - 2. The amount the NAMED INSURED actually spends to repair or replace the lost or damaged insured property.

If the insured property is more than 5 years old or the NAMED INSURED does not actually repair or replace the insured property within a reasonable period of time after the date of LOSS, the Company will pay the ACTUAL CASH VALUE

The Company will pay for direct physical LOSS to insured property by determining its REPLACEMENT COST, provided that the NAMED INSURED actually repairs or replaces the lost or damaged insured property, or begins to repair the damaged insured property, within 24 months from the date of direct physical LOSS; otherwise, the Company will pay for direct physical LOSS to insured property by determining its ACTUAL CASH VALUE.

Mandatory Exclusions and Amendments:

All policy form exclusions including but not limited to Contaminants or Pollutants, Asbestos, Electronic Data/Cyber Risk, Fungus, Wet Rot, Dry Rot or Bacteria, and Nuclear, Biological, Chemical, Radiological Exclusions.

Remarks:

The terms, conditions, limits and exclusions of this quotation supersede the submitted information and specifications submitted to us for consideration, and all prior quotations.

Actual coverage will be determined by and in accordance with the policy as issued by the insurer.

The insurer is not bound by any statements made in the submission purporting to bind the insurer unless such statement is in the actual policy.

This quotation has been constructed in reliance on the information and specifications provided in the submission. A material change or misrepresentation of the submission information and specifications may void this quotation.

TRIPRA:

ATTACHED PLEASE FIND A DISCLOSURE NOTICE REQUIRED BY THE TERRORISM RISK INSURANCE PROGRAM REAUTHORIZATION ACT OF 2015 ("TRIPRA").

FATCA COMPLIANCE: The U.S. Foreign Account Tax Compliance Act, commonly known as "FATCA", became the law in the U.S. in March of 2010 and becomes effective July 1, 2014. Pursuant to FATCA, brokers, producers, agents and/or clients may need to obtain withholding certificates from insurance companies. For information on how to obtain the applicable withholding certificate from CHUBB U.S. insurance companies, please go to <http://www2.chubb.com/us-en/u-s-foreign-account-tax-compliance-act-fatca.aspx>

Certificates of Insurance:

Please be advised that we do not review Certificates of Insurance or Evidences of Commercial Property Insurance issued by you, or by any party, relating to this policy of insurance either for content or accuracy. Accordingly, we request that you do not provide copies of certificates or evidences to us for review or for our records. Authority is granted to you for the limited purpose of issuing **unmodified ACORD Certificates (ACORD 25-S for Casualty and ACORD 24 for Property and Inland Marine) and unmodified Evidence of Commercial Property Insurance (ACORD 27 and 28) only**. It is your responsibility to see that any Certificate or Evidence provides an accurate representation of the coverage form and endorsements applicable to this policy at the time the Certificates or Evidences is issued. **Any modification of the approved ACORD forms specifically set forth above, or the issuance of a non-approved Certificates of Insurance ACORD or other is prohibited**. Certificates of Insurance or Evidence of Commercial Property Insurance may only be issued as a matter of information. You have no authority by virtue of a Certificate, Evidence, or otherwise, to amend, extend or otherwise alter coverage afforded under this policy. Certificates of Insurance or Evidences of Commercial Property Insurance are never recognized as endorsements or policy change requests. You must submit a separate written request if an endorsement or policy change (including but not limited to adding additional insureds, loss payees and mortgagees and/or alteration of notice requirements for cancellation) is requested. In the event a policy change is requested, the underwriter will advise if the request is acceptable to the Company.

**POLICYHOLDER DISCLOSURE
NOTICE OF TERRORISM
INSURANCE COVERAGE**

Coverage for acts of terrorism is included in your policy. You are hereby notified that under the Terrorism Risk Insurance Act, as amended in 2015, the definition of act of terrorism has changed. As defined 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 85% through 2015; 84% beginning on January 1, 2016; 83% beginning on January 1, 2017; 82% beginning on January 1, 2018; 81% beginning on January 1, 2019 and 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 \$ 1,061, and does not include any charges for the portion of losses covered by the United States government under the Act.