



Pre-Renewal Executive Summary

Monroe County District School Board

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Key West, FL 33040

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STATE OF THE MARKET

2020 is proving to be the most challenging market our industry has faced in over 15 years. Many of our clients are experiencing very difficult renewals where they are encountering significant price increases, deductible changes or reduced coverage from carriers.

Looking back at the last hard market our industry faced in the early 2000s, carriers took sweeping rate action across their books, with most insureds seeing average renewal rate increases in excess of 20%. Additionally, as capacity became limited, businesses were forced to renew their insurance programs with lower limits of liability. We aren't consistently seeing an approach this drastic in today's market.

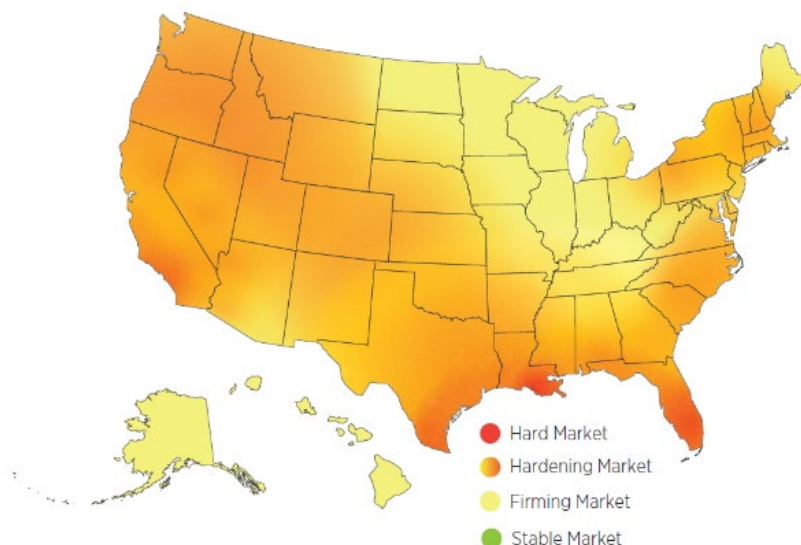
Instead, carriers are intensely focused on underwriting discipline, ensuring they secure the right terms and pricing on certain classes of business or lines of coverage that have historically not performed from an underwriting standpoint. We also see carriers better leveraging their real-time data, allowing them to make faster, more calculated decisions to address challenges within their books. This means today's underwriters are not taking a one-size-fits-all approach.

It's this highly nuanced environment that makes it difficult to effectively communicate the marketplace, given the extreme differences between classes of business. Our teams working on core middle-market accounts are still delivering relatively favorable renewals, while teams working on larger, more complex businesses face an entirely different marketplace, where capacity and adequate pricing can be scarce.

Therefore, in 2020 our clients need to understand how their specific risk profile is perceived in the market, which can change based on a wide variety of risk attributes, including class of business, location and loss experience.

Key general trends:

1. Property rates are on the rise.
2. Social inflation impacts casualty.
3. The hard market does exist in pockets.
4. Cyber's healthy capacity means expanding coverage with increased claims frequency and potential market hardening.



LINE OF COVERAGE	CURRENT MARKET PLACE (RANGE OF RATE INCREASES)
CAT Property*	Greater than +10%
General Property	+5% to +15%
General Liability	+5% to +10%
Umbrella	Greater than +10%
Management Liability (Private)	Flat to +5%
Management Liability (Public)	Greater than +15%
Auto	+5% to +15%
Workers Compensation	-5% to flat

*CAT property is defined as a location portfolio with exposure to catastrophic loss (i.e., California EQ, Flood, Florida/Texas/Gulf Coast—wind/hail, the Carolinas, etc.).



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Property rates are on the rise. Just over four months ago, our industry anxiously tracked the path of Hurricane Dorian, one of the most powerful storms ever recorded in the Atlantic Ocean. Fortunately, the hurricane took a sharp turn northeast and the U.S. avoided what could have been one of the most catastrophic weather-related events in modern history. In spite of overall lower catastrophe losses in 2019, the challenges within the property marketplace persist.

Today, carriers are pushing for rate increases across all classes of property with certain classes (such as multifamily, food processing, hospitality, recycling operations and dealer open lot) experiencing significantly higher than average rate increases, and changes to terms and conditions. Carriers are also paying much closer attention to their pricing models and ensuring rate adequacy, not only across their books, but across each individually written policy. This means that clients with strong risk profiles and good loss history may still see a significant increase as a result of pricing models.

Overall, underwriters are less willing to budge and are generally willing to walk away from deals if they can't reach desired terms. Looking further into 2020, we expect pricing to vary greatly based on industry segment, geography and loss experience, with increases of 30% or more for clients located in catastrophic exposed areas or with poor loss experience.

Pricing pressure is not the only stress being realized in the property market. Terms and conditions are being challenged as carriers in many cases are pushing for changes in sublimits or higher deductibles, particularly larger hail deductibles for clients in the central regions of the U.S. These changes in terms or deductibles can create significant financial risk for our clients, so it's important for clients to understand these changes, potential financial impact and what alternatives may be available in the market.

Lastly, underwriters are placing higher emphasis on quality, ensuring that client property valuations are adequate and that they have complied with all engineering recommendations. Property underwriters are overwhelmed with submissions, making it important that clients start the process early and present a quality underwriting file to the marketplace.

Social inflation impacts casualty. Over the past month, our team met with executives from many of our top carriers to discuss market trends, the current rate environment and the challenges they are seeing ahead. In all of those meetings, the topic of social inflation was used to describe the challenges facing today's casualty marketplace. Social inflation is something we haven't had to pay too much attention to until recently, but it is generally defined as the increase in insurance costs due to rising litigation, larger jury verdicts and overarching anti-corporate sentiment in the economy.

General Liability rates in Public Sector have been relatively consistent in recent years. Rate pressure on the General Liability line is primarily one of rate adequacy – as well as a growing concern on the potential financial impact of sexual abuse, traumatic brain injury and the various shootings within the past year. Casualty markets continue to 'right-size' their General Liability rates as their loss history matures. Rate changes will largely be governed by the loss experience of the individual account.

Auto Liability rates are still not keeping pace with the increases in claims frequency and severity. While distracted driving continues to be a growing problem, contributing to the trend is a strong economy where more vehicles are on the road and traveling longer distances. Additionally, loss costs are rising as new technologies make vehicles more expensive to repair. We expect carriers to continue to push rate increases across the board in auto liability.

School Leaders Errors & Omissions and Employment Practices Liability marketplace continues to harden. Federal claims continue to drive a lot of the losses in these coverages. In addition to seeing nominal rate increases, we are seeing some carriers implement new restrictions.



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Sexual Molestation Liability (SML) coverage is almost non-existent at any price. It appears that less than a handful of carriers are offering stand-alone coverage; most out of Lloyds of London. Limits are being slashed; premiums are being increased at a very high rate and client retentions are soaring. Claims in this area around the country are rising at a very rapid pace which is driving the market.

Excess Workers Compensation - Workers' compensation is relatively stable. It is a market that can shift at any time given one large work comp loss. Employee injuries are an exposure every entity has and they are challenging to control. Most Excess Workers Compensation Carriers require minimum retentions of \$600,000-\$1,000,000.

Although rates overall are flat, some states continue to struggle with legislative and/or other legal challenges allowing for larger-than-desired claim settlements. In addition, with the purchase of Midlands Insurance by Safety National, there are less Excess Workers Compensation markets in the State of Florida.

Cyber Liability - According to the World Economic Forum's 2019 Executive Opinion Survey of more than 10,000 executives, large cyber attacks ranked as the No. 1 risk for doing business for almost all advanced countries.

The cyber insurance industry continues to grow with overall premium trends showing flat to some early signs of increases, which will vary by an organization's size and industry. While robust insurance carrier capacity and expanded policy coverage terms remain available, underwriters are becoming more selective in writing complex risks in both the healthcare and retail sectors.

Coverage continues to evolve and expand in various ways:

- At least one carrier that offers explicit coverage for reputational harm has expanded due to losses caused by false news stories.
- More insurers have issued endorsements to cover emerging cyber attack trends, including losses caused by cryptojacking, where a hacker uses a victim's networks to mine for cryptocurrency.
- Numerous carriers are offering coverage for the insured's lost income as a result of fraudulent electronic communications designed to mimic personal invoice fraud scenarios.
- Coverage continues to broaden for contingent business interruption where an insured is covered for losses caused by accidental system failure, software patching or software updates.

The U.S. experienced an unprecedented number¹ of ransomware attacks in 2019, impacting at least 966 government agencies, educational establishments and healthcare providers. This incurred an estimated potential cost in excess of \$7.5 billion.

Impacted organizations:

- 113 state and municipal governments and agencies
- 764 healthcare providers
- 89 universities, colleges and school districts
- Operations at up to 1,233 individual schools

We expect the cyber insurance marketplace to continue to evolve and remain competitive. But as the trends highlight, threats continue to multiply, and this coverage is becoming a priority for more of our clients.

Workplace Violence - The active shooter/workplace violence insurance industry continues to grow and develop. Each carrier has developed its own policy forms so coverage wording varies greatly policy by policy. Like cyber insurance, we expect this marketplace to continue to evolve. The true value in this coverage for public sector clients is the incident response coverage and access the various consultants engaged to respond to an event.

Conclusion

Our insurance carriers have said that this challenging market environment is not going away anytime soon. Our expectation is for the themes discussed in this update to continue into 2020. Despite these challenges, we have the expertise and solutions to help our clients reach the best outcome.

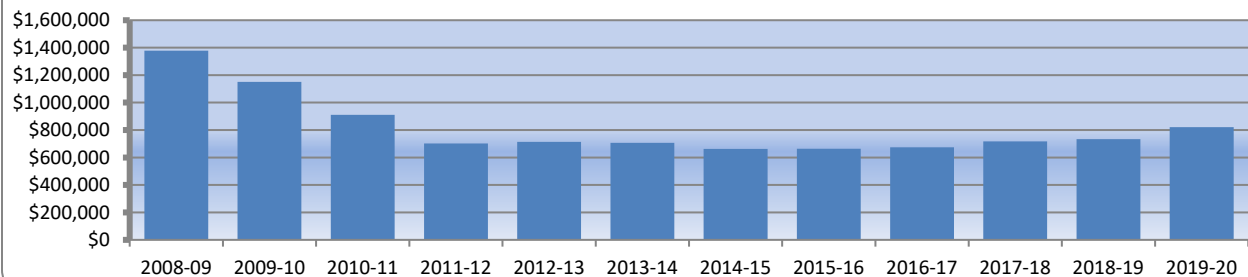


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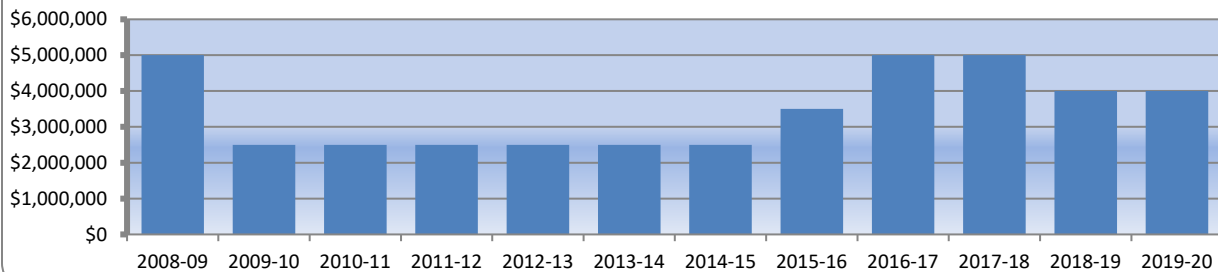
HISTORICAL REVIEW

Gallagher and the Monroe County School Board have worked together for many years structuring programs that are cost effective and comprehensive in coverage during both hard and soft market cycles.

Historical Premium 2008 – 2019



Historical Named Storm Limits 2008 – 2019



In addition to managing your premium costs, Gallagher has also been providing the following, which help reduce the Districts total cost of risk:

- FEMA Education and keeping you updated with FEMA Stafford Act changes.
- Assistance with Risk Management education and information.
- Claim Advocacy Services – Coordinating and assisting the School Board and your claims administrator in managing your workers compensation, liability and property claims.
- Participating in claim reviews and following up for resolution of specific issues.
- Providing Loss Control strategy and training services.

RENEWAL EXPOSURES

Exposures	2019 Expiring	2020 Renewal	% Change
Property Values	\$338,736,156	\$358,871,240	5.9%
Total GOE	\$103,981,869	\$103,981,869	0%
Number of Students	8670	8937	3.1%
Number of Employees	1169	1195	2.2%
Payroll	\$64,233,470	66,647,970	3.8%
Vehicle Count	143	150	4.90%



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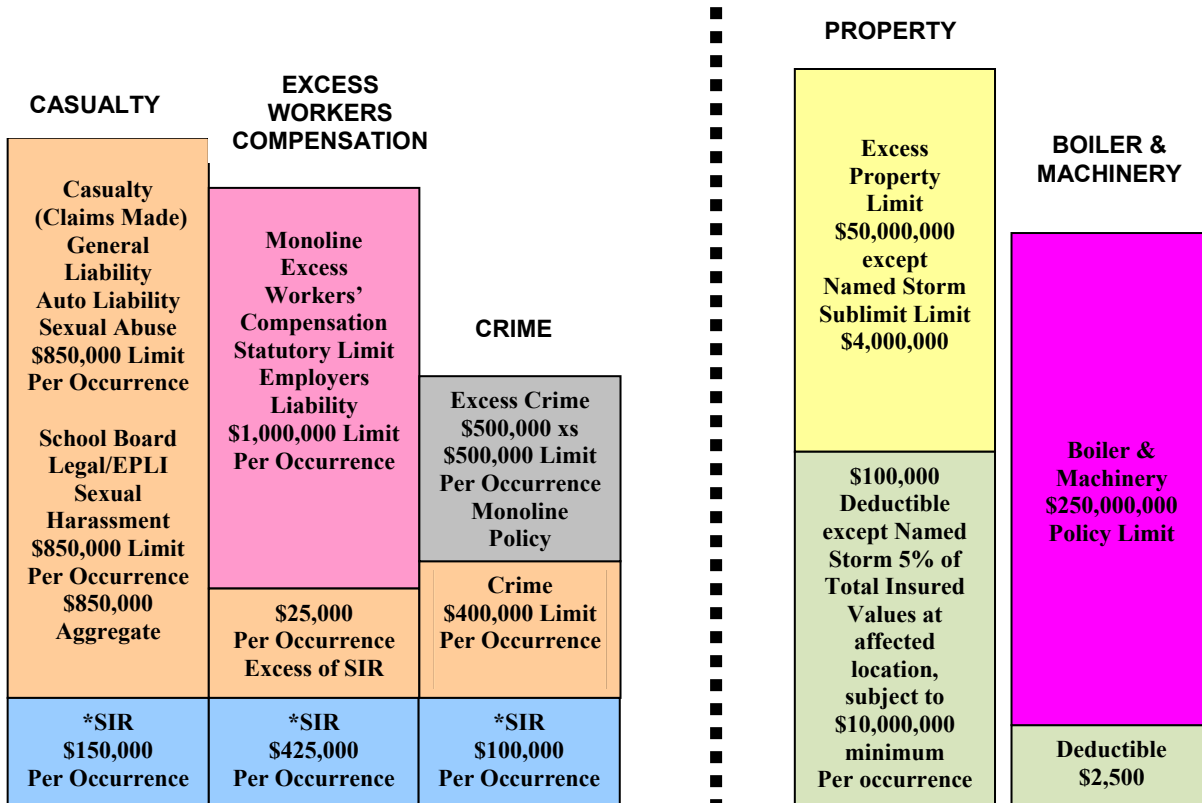
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2020 RISK MANAGEMENT PROGRAM STRUCTURE

PREMIER PUBLIC ENTITY PACKAGE

MONOLINE POLICIES



* In a multiple coverage part loss, only one self-insured retention applies. That retention would be the largest of the applicable retention
 Note: Exhibit does not reflect complete deductible terms, limitations, coverage's or exclusions. Refer to actual policy wording for details

Glossary of Terms/Acronyms:

School Board Legal Liability (SBL) – Errors and Omissions Liability Coverage

Employment Practices Liability (EPLI) – Errors and Omissions Liability Coverage

Excess (xs) – Excess Liability – Excess of the underlying

Self-Insured Retention (SIR) – That portion of a loss the insured must pay out before the carrier will pay

Deductible – That portion of a loss the insured will reimburse to the carrier after the carrier pays a loss



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WIND MODELING

Hurricane Including Storm Surge

The tables below illustrate the probability of ground up & gross losses exceeding various amounts due to one event in a given year, as described by the Occurrence Exceedance Probability (OEP). For the peril of Hurricane, the 250yr event loss probability is commonly used by the insurance market-place as a gauge for insurance pricing.

HU Exposed Value	\$354,148,895
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Critical Prob.	Return Period	RMS	
		Ground Up	Gross Loss
0.01%	10,000	\$181,363,697	\$167,833,575
0.10%	1,000	\$89,593,107	\$79,127,944
0.20%	500	\$68,984,931	\$58,601,314
0.40%	250	\$47,635,263	\$37,354,696
1.00%	100	\$26,324,473	\$16,280,598
2.00%	50	\$14,856,386	\$4,842,011
5.00%	20	\$4,769,729	\$0
AAL		\$1,176,321	\$542,898

DRIVERS OF LOSS

Locations listed below are the Top 5 key drivers of loss.

Loc ID	Address	AAL	Flood Zone	Dist. To Coast (mi.)
59	100 Lake Rd, Tavernier, FL 33070	\$83,512	AE	0.24
9	5855 W Junior College Rd, Key West, FL 33040	\$68,421	AE	0.05
3	89901 Overseas Hwy, Tavernier, FL 33070	\$55,867	X	0.19
19	104801 Overseas Hwy, Key Largo, FL 33037	\$55,374	X500	0.28
30	2100 Flagler Ave, Key West, FL 33040	\$42,013	AE	0.32

Glossary of Terms/Acronyms:

Risk Management Solutions (RMS) – Catastrophe Modeling Software

Average Annual Loss (AAL): the annualized estimate of loss to a representative unit of exposure from a broad range of modeled catastrophe events;

Return Period: the expected length of time between recurrences of two events with similar characteristics. The return period can also refer to specific level of loss;

Probable Maximum Loss (PML): estimate of the maximum loss on a particular risk as a result of a single event, assessed with due care and taking into account all risk elements;

Ground Up Loss: the amount of loss sustained before deductions, underlying coverage and reinsurance are applied.

Gross Loss: the insurer's or cedant's loss after deductibles, attachment point(s), and limits are applied, but before any reinsurance.



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MARKETING EFFORTS

Based on the difficult insurance marketplace, we have conducted an extensive marketing search for carriers that were interested in school boards, and in particular Monroe County. Below is a list of the markets we approached and their responses:

Carrier	Coverage	Incumbent or New	Response
Everest	Property	Incumbent	\$465,000 premium for expiring terms
Chubb	Property	New	Indicated \$625,000+ for primary \$5,000,000 layer
AmRisc	Property	New	Decline – uncompetitive pricing
Arch	Property	New	Declined – unable to provide capacity in primary position due to construction
Arrowhead	Property	New	Declined – due to location
Aspen	Property	New	Pending, limited capacity on q/s basis
AWAC	Property	New	Declined – not competitive, limited on capacity due to exposure
Axis	Property	New	Declined– uncompetitive pricing
Beazley	Property	New	Pending, limited capacity
Berkshire	Property	New	Pending, last year was 40%+ higher from what was bound
Brit	Property	New	Declined – due to exposure and uncompetitive pricing
Colony	Property	New	Pending, last year was 75% higher from what was bound
CV Starr	Property	New	Declined – not interested due to exposure
Sompo	Property	New	Indicated will be well over \$500,000 for primary \$5,000,000
Great American	Property	New	Excess capacity market
Hallmark	Property	New	Pending – typically look at buffer/excess
Hiscox	Property	New	Pending, last year was multiplies of pricing
Ironshore	Property	New	Declined – AAL are multiplies of pricing
One Beacon	Property	New	Excess capacity market
RSUI	Property	New	Not competitive
Swiss Re	Property	New	Limited capacity in a layered basis
XL	Property	New	Declined due to location
Zurich	Property	New	Max capacity \$2.5m, uncompetitive pricing



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MARKETING EFFORTS - CONTINUED

Based on the difficult insurance marketplace, we have conducted an extensive marketing search for carriers that were interested in school boards, and in particular Monroe County. Below is a list of the markets we approached and their responses:

Carrier		Incumbent or New	Response
Safety National	XS WC	Incumbent	Quoted increased SIR \$450k and \$500k
Midwest Employers Casualty	XS WC	New	Not competitive with current terms – Would need SIR \$1,000,000 due to loss experience
Arch Insurance Co.	XS WC	New	Requires SIR \$600,000 – Pending Indication if desired
Lloyds of London (Brit)	Casualty Package	Incumbent	Quoted
Safety National	Casualty Package	New	Terms not competitive
Travelers (RPS)	Boiler & Machinery	Incumbent	Quoted - \$250,000 Limit
CNA (RPS)	Boiler & Machinery	New	Pending
HSB (RPS)	Boiler & Machinery	New	Quoted - \$250,000 Limit
Lloyds of London (Brit)	Cyber Liability	New	Indications Only
Chubb	Cyber Liability	New	Indications Only
Hudson (RPS)	Cyber Liability	New	Indications Only
Lloyds of London (/Scholastic First)	Cyber Liability	New	Declined – no vulnerability assessment after the Cyber event
Indian Harbor Ins. Co. (McGowan)	Active Shooter	New	Indication Only
Lloyds of London/ (Gallagher UK)	Active Shooter	New	Indication Only
Hiscox (RPS)	Active Shooter	New	Pending



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PROPERTY

The District currently purchases \$50,000,000 in property coverage with a sublimit of \$4,000,000 for Named Storm and \$3,500,000 for Flood. We have provided additional options for your consideration:

Carrier	Limit	Named Storm Coverage	Windstorm Deductible	Total Premium
OPTION #1 Everest Indemnity Insurance Co.	\$50,000,000	\$4,000,000 Named Storm Sublimit	Named Storm - 5% of the total insured values at affected location/campus, subject to \$10,000,000 minimum in any one occurrence. All other Windstorm/Hail - \$100,000 per occurrence.	\$465,000*
OPTION #2 Everest Indemnity Insurance Co.	\$50,000,000	\$5,000,000 Named Storm Sublimit	Named Storm - 5% of the total insured values at affected location/campus, subject to \$10,000,000 minimum in any one occurrence. All other Windstorm/Hail - \$100,000 per occurrence.	\$500,000*
OPTION #3 Everest Indemnity Insurance Co.	\$50,000,000	\$3,000,000 Named Storm Sublimit	Named Storm - 5% of the total insured values at affected location/campus, subject to \$10,000,000 minimum in any one occurrence. All other Windstorm/Hail - \$100,000 per occurrence.	\$445,000*

- Above premiums do not include TRIA, FL Fees or Inspection Fee
- Total Insured Values (TIV) have increased 5.9% due to increased values from Phase I appraisals, addition of the new Marathon Athletic Complex and completed renovations of two buildings at Stanley Switlik Elementary school.
- Flood sublimit of \$3,500,000 per occurrence/aggregate will decrease to \$3,000,000 per occurrence/aggregate with Option 3
- Inspection Fee indication \$800
- Deductibles remain the same as expiring.



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EXCESS WORKERS COMPENSATION

The Florida Excess Workers Compensation marketplace continues to be limited and can no longer support a \$350,000 Self-Insured Retention. Your current carrier, Safety National is the only carrier willing to write the coverage at a Self-Insured Retention of \$450,000. Lloyds of London provides a \$25,000 buffer in the Casualty Package (discussed in the next section) which would bring your Workers Compensation SIR to \$425,000.

Options including higher SIRs were explored, but yielded a higher total cost to the School Board. The savings achieved by increasing the SIR in the Excess Insurance was not enough to offset the additional premium needed to expand the WC buffer in the Casualty Package.

- Excess Workers Compensation coverage will remain with Safety National
- Payrolls have increased 3.8% from \$64,233,470 to \$66,647,970
- Rate is per expiring at \$0.41031 for the \$450,000 SIR.
- Expiring Deposit Premium \$263,556 (subject to annual audit)
- Renewal Deposit Premium \$273,457 for the \$450,000 SIR.
- Effective 1/1/2020, the Florida Workers Compensation Insurance Guaranty Association requires insurers to collect an additional 1% assessment on all excess insurance premiums for self-insured employers

Workers Compensation Loss History:

There are several claims in your 10 year loss history that are affecting the rates and self-insured retentions being offered to you. A summary of those claims are as follows:

WC Claims Excess of \$300,000					
Policy Year	Number of Claims over \$300,000 As of 2019 Renewal	Total Incurred for Claims over \$300,000 As of 2019 Renewal	Number of Claims over \$300,000 As of 2020 Renewal	Total Incurred for Claims over \$300,000 As of 2020 Renewal	Change in Value
03/01/16-17	0	\$0	1	\$305,260	+\$65,260
03/01/14-15	0	\$0	1	\$470,000	+\$235,400
03/01/12-13	2	\$832,758	2	\$1,031,222	+\$198,464
03/01/09-10	4	\$1,667,218	4	\$1,667,218	\$-0-
Total	6	\$2,974,576	8	\$3,473,700	\$499,124



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CASUALTY PACKAGE

Lloyd's of London/Brit renewal premiums and options as shown below. This year there have been changes to the SIR structure for Section IV School Board Legal, Employment Practices and Sexual Harassment Liability. Brit will no longer supporting lower retentions for these lines of coverage – they are requiring the SIRs be increased to \$150,000 (from \$50,000) to match the Third Party Liability (General Liability/Auto Liability) SIRs. Like Safety, Brit was also requiring an increase in the WC SIR. The quotes below have moved the Workers Compensation buffer to \$25,000 excess of \$425,000 (previously \$25,000 excess of \$325,000) in order to dovetail with the Excess Workers Compensation coverage.

Option 1 - Renewal Coverages in your casualty package include, but are not limited to:

- Workers Compensation: \$25,000 excess of \$425,000 SIR
- General Liability - \$850,000 excess of \$150,000 SIR
- Auto Liability - \$850,000 excess of \$150,000 SIR
- School Board Legal Liability – Aggregate Limit - \$850,000 excess \$150,000 SIR
- Employment Practices Liability Aggregate Limit - \$850,000 excess \$150,000 SIR
- Sexual Harassment Liability – Aggregate limit - \$850,000 excess \$150,000 SIR
- Sexual Abuse Liability -Aggregate limit \$850,000 excess of \$150,000 SIR
- Law Enforcement Liability - \$850,000 excess of \$150,000 SIR
- Crime (Employee Dishonesty) - \$400,000 limit excess of \$100,000 SIR
- Clash Coverage: In the event of a covered loss involving more than one Coverage Section, the Assured will only be liable for one Self Insured Retention. This will be the Self Insured Retention for the Coverage Section that results in the largest Ultimate Net Loss.

Expiring Premium: \$135,000

Renewal Premiums: \$157,000

Option 2 – Increase SIR to \$200,000

- All terms and conditions are the same as the Renewal Program above EXCEPT:
- Limits shown as \$850,000 excess of \$150,000 SIR change to \$800,000 excess of \$200,000 SIR

Option 2 Premium: \$144,000

Exclusions include but are not limited to:

- Medical Payment to & for students and visitors
- Pollution Liability
- Claims resulting from mold or fungus
- TRIA/TRIPRA premiums are not included
- Guardian Program – New Exclusion

Increases in premium and SIRs are due to the following:

- Brit's overall increase in minimum account premiums to \$150,000
- Overall increase in District exposures
- District Losses
- The insurance marketplace as a whole



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BOILER AND MACHINERY

The current carrier is, Travelers Property Casualty Company of America provided the most competitive terms and conditions. Coverage is same as expiring. .

- Travelers Property & Casualty Company of America
- Limit \$250,000,000
- Values are based on the property schedule on file – building/walkways & contents values
- Expiring Premium \$11,147
- Renewal Premium \$11,819
- Increase is due to the 5.9% increase in Building and Contents values – rate is same as expiring.

EXCESS CRIME

Your casualty package carrier (Lloyd's of London/Brit) provides the primary layer of crime coverage. They provide \$400,000 excess of \$100,000 Self Insured Retention. Coverage includes Employee Dishonesty, Money & Securities and Forgery coverage. Westchester Fire Insurance Co. provides excess crime coverage over the Employee Dishonesty follows:

- Westchester Fire Insurance Company
- Limits \$500,000 excess of \$500,000 (\$400,000 excess of \$100,000 SIR in Lloyd's of London/Brit package).
- Deductible - \$100,000 in the Lloyds of London/Brit package
- Terms, conditions and exclusions are same as expiring
- Expiring Premium \$9,303
- Renewal Premium \$9,978
- Increase in premium due to 5.2% increase in revenues and 2.2% increase in employees.



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CYBER LIABILITY

Since 2016:

- 771 US K-12 schools and districts have experienced one or more publicly disclosed cyber incidents
- 65 US public school districts have experienced more than one cybersecurity incident
- 27 of these cyber incidents were in the State of Florida

Florida Public Sector Cyber Incidents in the News This Past Year

- City of Pensacola
- Wakulla County School District
- Jackson County School District
- City of Naples
- City of Key Biscayne
- Lake City
- City of Riviera Beach
- City of Stuart
- City of Tallahassee
- Collier County

Core Cyber Threats

Hacking — Use of a computer to gain unauthorized access to data in a system

Malware — Short for malicious software, malware is any software used to disrupt computer operations, gather sensitive information or gain access to private computer systems

Social Engineering — The psychological manipulation of people into performing harmful actions or divulging confidential information would result in extortion demands for money or cryptocurrency

Human Element (Errors, Mistakes, Malicious) — While these threats may lack malicious intent, the human element is uncontrollable and results in business email compromise

Coverage Highlights

Network security liability - Provides liability coverage for damages and claim expenses arising out of an actual or alleged act, error or omission. The coverage includes assessment, remediation, managed security services and business continuity consulting and planning services.

Privacy liability - Provides liability coverage if an insured fails to protect electronic or non-electronic private or confidential information in their care custody and control.

Privacy regulatory proceeding - Provides coverage for defense expenses, and in some cases penalties/fines, incurred from a regulatory proceeding resulting from a violation of a privacy law caused by a covered security breach.

Breach response expenses - Covers crisis management, including credit monitoring services and public relations expenses incurred resulting from a security or privacy breach. Also pays costs of notifying consumers as required by various state, federal or international laws or regulations.

Carrier	Limit	Self-Insured Retention	*Estimated Premium Indication
Lloyds of London/Brit	\$1,000,000	\$25,000	\$10,500
Chubb	\$1,000,000	\$25,000	\$9,000 - \$15,000
Hudson Excess Insurance Co.	\$1,000,000	\$25,000	\$11,194

***Indication Disclaimer:** 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. Policy fees and TRIA not included in premiums above



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ACTIVE SHOOTER / WORKPLACE VIOLENCE

Active Shooter/Workplace Violence Insurance covers liability and extra expenses tied to violent attacks and/or threats, providing victim death benefits as well as needed medical / rehabilitation / psychiatric / funeral expense coverages. The program covers a wide range of attack-types, such as knife, vehicular attacks, explosives, acid attacks rather than solely committed with a firearm.

Legal liability with indemnity to address lawsuits that may result from a covered event.

Victim coverages related to:

- Psychiatric care
- Medical or dental care
- Rehabilitation expenses
- Death Benefit / Disability Coverages
- Funeral / Burial Expenses

Business Expenses related to:

- Business income/interruption and extra expenses
- Public relations counsel
- Crisis Consultant expenses
- Employee counseling
- Additional / Temporary security measures

Carrier	Limit	Self-Insured Retention	*Estimated Premium Indication
Indian Harbor Ins. Co	\$1,000,000	\$0	\$7,885

CRISIS PROTECT

Recent events highlight the dynamic and wide ranging security crises that businesses face, such as active assailant, workplace violence / assault and large scale emergency evacuations. These crises can cause serious disruption, financial loss, adverse publicity and potential legal liability that can impact your District.

Gallagher Crisis Protect is a comprehensive crisis management solution; combining indemnities for 1st party, 3rd party and response with pre and post incident risk management services for a wide range of security events.

- | | | |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> • Assault • Deprivation • Employee Dishonesty • Kidnap • Stalking • Blackmail • Detention | <ul style="list-style-type: none"> • Extortion • Product Tamper • Terrorism • Civil Commotion • Disappearance • Hijack • Radicalization | <ul style="list-style-type: none"> • Threat • Cyber Extortion • Emergency Repatriation • Hostage Crisis • Sabotage • Vicious Attack |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

Carrier	Limit	Self-Insured Retention	*Estimated Premium Indication
Lloyds of London and AIG	1 st Party \$5,000,000 3 rd Party Liability \$750,000 Crisis Consultant Costs – \$1,000,000, but unlimited for detention, disappearance, extortion, hijack, hostage crisis and kidnap	\$10,000	\$38,390

We look forward to the opportunity to review these coverage with you in greater depth.



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Insurance | Risk Management | Consulting

2019 PREMIUM SUMMARY

Coverages	Expiring Program Named Windstorm \$4MM Sublimit	Renewal Program Named Windstorm \$4MM Sublimit	Renewal Program Named Windstorm \$5MM Sublimit	Renewal Program Named Windstorm \$3MM Sublimit
Property	\$400,000	\$465,000	\$500,000	\$445,000
Excess Workers' Compensation	\$263,556	\$273,457	\$273,457	\$273,457
Casualty Package including WC buffer	\$135,000	\$157,000	\$157,000	\$157,000
Boiler & Machinery	\$11,147	\$11,819	\$11,819	\$11,819
Excess Crime	\$9,303	\$9,978	\$9,978	\$9,978
TOTAL without FL fees	\$819,006	\$917,254	\$952,254	\$897,254
XSWC 1% Assessment	N/A	\$2,735	\$2,735	\$2,735
Estimated FL fees and Inspection fee	\$839	\$839	\$839	\$839
TOTAL including FL fees	\$819,845	\$920,828	\$955,828	\$900,828
New Coverages for Consideration				
Cyber Liability Indications	N/A	\$9,000-\$15,000	\$9,000-\$15,000	\$9,000-\$15,000
Active Shooter/Workplace Violence Indication	N/A	\$7,885	\$7,885	\$7,885
Crisis Management Coverage Indication	N/A	\$38,390	\$38,390	\$38,390

Notes and Highlights:

1. TRIA not included in premiums above.
2. Premiums for the above policies are due and payable as billed, in full or as insurance company installments. Premiums may be financed, subject to acceptance by an approved finance company. Note: Following acceptance, completion (and signature) of a premium finance agreement with the specified down payment is required.
3. **Quotes are valid until 2/29/20**

CONCLUSION:

Overall, the School Board has received a competitive renewal given the increase in exposures, District losses and current market place.

We thank you for the opportunity to serve the Monroe County School District. We pledge our personal and corporate commitment to servicing your needs.

OUR TEAM AND COMMITMENT

Jori Van der Voort and **Ilene Abella** have the primary service responsibility for your company. We operate using a team approach. Your Service Team consists of:

NAME / TITLE	PHONE / ALT. PHONE	EMAIL
Jori L. Van der Voort, ARM Area Senior Vice President	(305) 639-3116	Jori_van_der_voort@ajg.com
Ilene D. Abella, CPCU, ARM-P, AAI Area Vice President	(305) 639-3106	Ilene_Abella@ajg.com
Kathy Hill Client Service Manager Senior	(561) 998-6785	Kathy_Hill@ajg.com
Bridgette Geist Client Service Associate	(561) 998-6771	Bridgette_Geist@ajg.com

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