



UNDERSTAND. SERVICE. INNOVATE.

## PROPERTY INSURANCE PROPOSAL

Prepared for:

### Pinellas County School Board

**Policy Period:** 4/15/2013 to 4/15/2014

**Presented by:** Lawrence J. Babbitt, ARM Senior VP–USI  
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Alison Oliphant, Executive VP– AmWINS

**Date Prepared:** March 8, 2013

*This is a coverage summary, not a legal contract. This summary is provided to assist in your understanding of your insurance program. Please refer to the actual policies for specific terms, conditions, limitations and exclusions that will govern in the event of a loss. Specimen copies of all policies are available for review prior to the binding of coverage.*

*Higher limits and additional coverage may be available. Please contact us if you are interested in additional quotes.*

USI Insurance Services, LLC · 1715 N. Westshore Blvd., Suite 700 · Tampa, FL 33607 · 813.321.7500  
· [www.usi.biz](http://www.usi.biz)



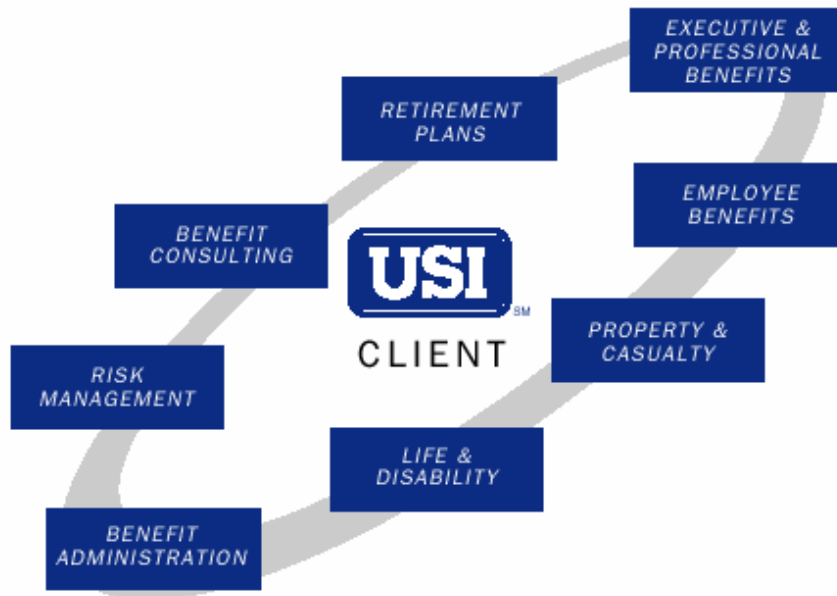
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## About USI

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### THE POWER OF ONE

*What makes USI different from other traditional brokers and consultants?*



A single source.

One point of contact. One service administrator.  
One source for all of your insurance and financial services.

USI's unique delivery design gives you unparalleled single-source access to a complete array of linked solutions from our nationwide network of strategic partnerships – and a corresponding, cohesive service program that is not just convenient, but responsive to your risk management profile.



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## **Narrative**

*We are pleased to provide the 4/15/2013 -2014 Property Renewal Proposal for Pinellas County Schools review.*

*Pinellas County Schools has in excess of \$2.5 billion in insurable values. The 2012/13 property insurance was \$7.3 million for \$100,000,000 in coverage. Because the number of catastrophic losses in the last year was reduced from the previous year, the property insurance market has somewhat stabilized the insurance and reinsurance rates. This is in spite of Hurricane Sandy.*

*The District's property insurance costs have also been impacted by risk management modeling. The improvements in the modeling has come from recoding some of our structures. This has been an extensive project which should be finished by the end of the 2013 year and should help develop data which should benefit future premium costs.*

*Please note that the Terms and Conditions are as expiring. Lexington will continue to be the lead on the primary layer. You will notice that the structure document is a little different from expiring (see page 16). This structure change allowed us to obtain some reduced pricing since we were able to add some new players on this years renewal at lower pricing.*

*The current proposed renewal premium for Property and Boiler & Machinery is \$7,328,983 including taxes/fees This is a 2.3% reduction from the expiring premium of \$7,502,690 translating to premium savings of \$173,707.*

*We have obtain two estimated increased limit options on the property for your consideration.*

- \$10,000,000 excess of \$100,000,000 limit at estimated premium of \$250,000 plus taxes/fees*
- \$15,000,000 excess of \$100,000,000 limit at estimated premium of \$375,000 plus taxes/fees*

*If you are interested in purchasing one of these additional limit options, please let us know and we will firm up the pricing with carrier(s).*

*As respects possible payment options for the 4/15/2013 renewal, we are still working with the carrier to formalize. Some of the carriers are agreeable to a down payment in order to bind with remainng amount due on 7/1/2013. However, some carriers may not agree to payment plan. We hope to have the payment plan information finalized by 3/11/2013 and will provide specifics regarding the premium payment at that time.*



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## QUOTE

**THE TERMS AND CONDITIONS OF THIS AUTHORIZATION MAY NOT COMPLY WITH THE SPECIFICATIONS SUBMITTED FOR CONSIDERATION. PLEASE READ THIS AUTHORIZATION CAREFULLY AND REVIEW THE POLICY FORMS FOR THE ACTUAL COVERAGES PROVIDED**

**Insured:** Pinellas County School Board  
301 4<sup>th</sup> Street SW  
Largo, FL 33770

**Company:** Various (see Summary)

**Effective Date:** 4/15/2013 to 4/15/2014

**Perils:** Risks of Direct Physical Loss or Damage, Including Flood & Earthquake and Excluding Equipment Breakdown/Boiler & Machinery

**Coverage:** All Real & Personal Property, Business Interruption, Builder's Risk, Auto Physical Damage, and as more fully described and limited in the policy form

**Limit of Liability:** \$100,000,000 per Occurrence, Blanket

**100% Program Sublimits:**

\$100,000,000	Per Occurrence and Annual Aggregate as respects Earthquake
\$100,000,000	Per Occurrence and Annual Aggregate as respects Flood, except
\$ 50,000,000	Per Occurrence and Annual Aggregate as respects Flood at locations wholly or partially situated within Special Flood Hazard Areas (100 Year Flood Zones), as defined by FEMA
\$ 25,000,000	Property in the Course of Construction
\$ 5,000,000	Electronic Data Processing Equipment, unless scheduled otherwise
\$ 5,000,000	Electronic Data Processing Media
\$ 5,000,000	Electronic Data Processing Extra Expense
\$ 25,000,000	Newly Acquired Property, subject to 180 Days Reporting
\$ 10,000,000	Un-intentional Errors & Omissions
\$ 25,000,000	Extra Expense
\$ 5,000,000	Mold/Fungus as a result of a covered cause of loss
\$ 50,000	Professional Fees
INCLUDED	Building Ordinance or Law, value of the undamaged portion of the building
\$ 50,000,000	Demolition & Increased Cost of Construction
\$ 2,500,000	Valuable Papers
\$ 2,500,000	Accounts Receivable
\$ 15,000,000	Service Interruption (Excluding T&D Lines), 24 hours waiting period
\$ 10,000,000	Miscellaneous Un-named Locations
\$ 2,500,000	Outdoor Property, unless scheduled otherwise
\$ 2,500,000	Business Interruption, unless scheduled otherwise
\$20,000,000	Debris Removal
\$ 500,000	Rental, unless scheduled otherwise



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\$ 500,000	Per Vehicle, subject to a \$500,000 maximum per Occurrence as respects Transit
\$ 1,000,000	Fine Arts, unless scheduled otherwise
\$ 1,000,000	Off Site Storage Locations
\$ 500,000	Contractor's Equipment, unless scheduled otherwise
\$ 1,000,000	Pollutant Clean Up & Removal, Annual Aggregate
\$ 100,000	Fire Brigade & Extinguishing Charges
\$ 50,000	Personal Property of the Insured's Officers and Employees while on the premises of the Insured, subject to a maximum of \$5,000 for any one Officer or Employee
\$ 50,000	Trees, Shrubs & Plants, subject to a maximum of \$2,500 any one item
60 Days	Civil Authority, 24 hour waiting period
60 Days	Ingress/Egress, 24 hour waiting period
180 Days	Extended Period of Indemnity

*There is no recovery under the excess coverage as respects those coverages which are sub-limited within the primary policy(ies). However, the Insurers to the excess coverage recognize that the primary policy(ies') limits can be eroded or exhausted, wholly or partially, by application of said sub-limits.*

**Locations:** Per Schedule submitted, totaling \$2,520,702,428

**Territory:** USA and its Territories and Possessions

**TIV:** \$2,520,702,428

**Coinsurance:** NIL – Agreed Amount

**Valuation:** Replacement Costs – Real Property & Personal Property  
Actual Loss Sustained – Time Element  
Actual Cash Value - Vehicles

**Deductibles:**

\$ 100,000	Per Occurrence for All Perils, except
5%	Of the Total Values declared at inception, per unit of insurance, subject to a minimum of \$500,000 per Occurrence, as respects Named Windstorm/Hail
\$ 100,000	Per Occurrence for All Other Wind/Hail loss
5%	Of the Total Values declared at inception, per unit of insurance,, subject to a minimum of \$1,000,000 per Occurrence, as respects Flood in Special Flood Hazard Areas
5%	Of the Total Values declared at inception, per unit of insurance,, subject to a minimum of \$100,000 per Occurrence, as respects Flood as a result of a Named Storm
\$ 100,000	Per Occurrence for All Other Flood Loss
\$ 100,000	Per Occurrence as respects Earthquake



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For the purpose of application of Deductibles, the following shall be considered a separate unit of insurance: (1) each separate building; (2) each separate structure; (3) the contents of each separate building or structure; (4) property in each yard.

**Policy Forms:** Lexington Manuscript Form  
AmWINS Excess Follow Form, following Lexington Primary Form

**Cancellation:** 90 Days Notice of Cancellation, except 10 Days for Non-Payment of Premium

**Terms &  
Conditions:**

**Lexington Insurance Company:**

- Occurrence Limit of Liability, with removal of 2b
- Pollution, Contamination, Debris Removal Exclusion
- Lexington Standard Property Conditions
- Coverage Territory Endorsement (OFAC)
- Cancellation Provisions Extension Endorsement (Wind Minimum Earned)
- Mold/Fungus Exclusion
- Data Corruptions Property Endorsement (PR9514) as expiring
- Accounts Receivable Coverage Endorsement
- Property Millennium Endorsement
- War Risk and Terrorist Exclusion
- Standard Fire Policy Provisions
- Terrorism Exclusion Certified & Non-Certified
- Subject to no deterioration of loss experience prior to policy inception
- Addition of Broad Named Insured wording – automatic inclusion of Loss Payees, Mortgagees and Additional Insureds
- Addition of Option to rebuild elsewhere
- Addition of foundations included as covered property
- Increase of Newly Acquired time limit to 180 days
- Amendment of Earthquake event to 168 hours

**Lloyds of London (Primary):**

- Co-insuring Form NMA2074 Amended following all terms, details and conditions of Leading Co-insuring Company (Lexington)
- New Short Rate Cancellation Table Endorsement
- Electronic Date Recognition Exclusion
- Terrorism Exclusion Endorsement
- Biological or Chemical Materials Exclusion
- Mold, Mildew & Fungus Clause – (Ensuing Loss Coverage)
- Electronic Data Endorsement B
- Land, Water and Air Exclusion
- U.S. Terrorism Risk Insurance Act of 2002 as amended Not Purchased Clause
- Lines Clause



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- (Re)Insurers Liability Clause
- Minimum Earned Premium Clause (35%)
- Preservation of Property Clause
- Fraudulent Claims Clause, as attached
- Assigned Adjuster: CJW & Associates
- Loss Payee(s) and/or Mortgagees Interest Clause
- Service of Suit Clause NMA 1998 naming Mendes & Mount LLP
- Asbestos Exclusion
- Application of Sub-limits Endorsement

**Allied World Assurance Company:**

- Manuscript Form (Lexington Expiring Form)
- 35% Minimum Earned Premium, subject to the Special CAT Earned Premium provision
- Standard Conditions
- Property Schedule of Fire Locations
- Property Millennium Endorsement
- Terrorism Exclusion
- Pollution, Contamination Exclusion
- Mold Exclusion
- Data Corruption Endorsement
- CAT Earned Premium Endorsement
- Newly Acquired Locations Limitation

**Lloyds of London (Excess):**

- THB1a Excess Physical Damage Form, following the same terms, conditions and exclusions as Lexington primary policy, as far as applicable, except as otherwise provide herein
- Business Interruption Extension 664THB00062
- New Short Rate Cancellation Table Endorsement
- Electronic Date Recognition Exclusion
- Terrorism Exclusion Endorsement
- Biological or Chemical Materials Exclusion
- Electronic Data Endorsement B
- Land, Water and Air Exclusion
- Seepage and/or Pollution and/or Contamination Exclusion USA and Canada
- U.S. Terrorism Risk Insurance Act of 2002 as amended Not Purchased Clause
- Mold, Mildew & Fungus Clause and Microorganism Exclusion
- Lines Clause
- (Re)Insurers Liability Clause
- Permission for Excess Insurance
- Minimum Earned Premium Clause (35%)
- Preservation of Property Clause
- Fraudulent Claims Clause, as attached



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- 90 Days Cancellation Clause Law
- Loss Payee(s) and/or Mortgagees Interest Clause
- The Sub-limits are as stated in this quote, not as stated in the Primary policy
- It is noted and agreed that item 11 Occurrence Limit of Liability is deleted and the occurrence definition is as per Primary policy
- It is hereby noted and agreed that the Attestation clause contained in the LMA3044A is replaced by the Attestation clause contained in the LMA 3333
- Service of Suit Clause NMA 1998 naming Mendes & Mount LLP
- Application of Sub-limits Endorsement

**Houston Specialty Insurance Company:**

- Excess Follow Form, following the same terms, conditions and exclusions as Lexington primary policy, as far as applicable, except as otherwise provide herein
- Business Interruption Extension 664THB00062
- New Short Rate Cancellation Table Endorsement
- Electronic Date Recognition Exclusion
- Terrorism Exclusion Endorsement
- Biological or Chemical Materials Exclusion
- Electronic Data Endorsement B
- Land, Water and Air Exclusion
- Seepage and/or Pollution and/or Contamination Exclusion USA and Canada
- U.S. Terrorism Risk Insurance Act of 2002 as amended Not Purchased Clause
- Mold, Mildew & Fungus Clause and Microorganism Exclusion
- Lines Clause
- (Re)Insurers Liability Clause
- Permission for Excess Insurance
- Minimum Earned Premium Clause (35%)
- Preservation of Property Clause
- Fraudulent Claims Clause, as attached
- 90 Days Cancellation Clause Law
- Loss Payee(s) and/or Mortgagees Interest Clause
- The Sub-limits are as stated in this quote, not as stated in the Primary policy
- It is noted and agreed that item 11 Occurrence Limit of Liability is deleted and the occurrence definition is as per Primary policy
- It is hereby noted and agreed that the Attestation clause contained in the LMA3044A is replaced by the Attestation clause contained in the LMA 3333
- Service of Suit Clause NMA 1998 naming Mendes & Mount LLP
- Application of Sub-limits Endorsement



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**Ironshore Insurance Co Ltd:**

- THB1a Excess Physical Damage Form, following the same terms, conditions and exclusions as Lexington primary policy, as far as applicable, except as otherwise provide herein
- Business Interruption Extension 664THB00062
- New Short Rate Cancellation Table Endorsement
- Electronic Date Recognition Exclusion
- Terrorism Exclusion Endorsement
- Biological or Chemical Materials Exclusion
- Electronic Data Endorsement B
- Land, Water and Air Exclusion
- Seepage and/or Pollution and/or Contamination Exclusion USA and Canada
- U.S. Terrorism Risk Insurance Act of 2002 as amended Not Purchased Clause
- Mold, Spores or Fungus Exclusion
- Lines Clause
- (Re)Insurers Liability Clause
- Permission for Excess Insurance
- Minimum Earned Premium Clause (35%)
- Preservation of Property Clause
- Fraudulent Claims Clause, as attached
- 90 Days Cancellation Clause Law
- Loss Payee(s) and/or Mortgagees Interest Clause
- The Sub-limits are as stated in this quote, not as stated in the Primary policy
- It is noted and agreed that item 11 Occurrence Limit of Liability is deleted and the occurrence definition is as per Primary policy
- It is hereby noted and agreed that the Attestation clause contained in the LMA3044A is replaced by the Attestation clause contained in the LMA 3333
- Service of Suit Clause NMA 1998 naming Mendes & Mount LLP
- EIFS Exclusion
- Arbitration and Choice of Law Clause
- Application of Sub-limits Endorsement

**Westchester Surplus Lines Insurance Company:**

- AmWins Excess Follow Form
- Surplus Lines Declarations
- Common Policy Declarations
- Ace Producer Compensation Practices & Policies
- Additional Exclusions – Fungus, Wet Rot, Dry Rot and Bacteria
- Asbestos Material Endorsement
- California Earthquake Exclusion
- Cancellation Clause
- Claims Adjuster Endorsement – CJW & Associates – the Company reserves the right to substitute and/or engage its own adjusters, investigators and experts at its sole discretion and expense.



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- Claims Directory – Property & Inland Marine
- Disclosure Pursuant to Terrorism Risk Insurance Act
- Electronic Data Amendment Endorsement
- Fungus, Wet Rot, Dry Rot and Bacteria Exclusion
- Excess Schedule and Manuscript Form
- General Endorsement – Additional Exclusions and Amendments
- General Endorsement – Underlying Deductibles
- Nuclear, Biological, Chemical, Radiological Exclusion Endorsement
- Pollution and Pollutants Clean-Up and Removal Exclusion Endorsement
- Service of Suit Endorsement
- Signature Endorsement
- Trade or Economic Sanctions Endorsement
- OFAC Disclosure Notice
- Terrorism Exclusion, if rejected
- Minimum Earned Premium – 25%
- Primary Lexington policy form changes: Need to amend Demolition and Increased Cost of Construction to include the wording “in force at the time of loss”.
- Subject to Inspection and compliance with any recommendations deemed essential by the Company

**Starr Special Risk (Chubb & GSINDA):**

- AmWINS Excess Follow Form
- Asbestos Exclusion
- Biological or Nuclear Exclusion
- Data Distortion/Corruption Exclusion
- Millennium Endorsement
- Mold Exclusion
- Terrorism Exclusion
- OFAC Notice
- Service of Suit Clause
- Occurrence Limit of Liability, with removal of 2b

**Aspen Insurance UK Ltd:**

- AmWINS Excess Follow Form
- Service of Suit Endorsement
- Cancellation Clause
- Aspen Definition of Occurrence (will see if they will remove and follow primary definition)
- Occurrence Limit of Liability with removal of 2b
- Common Policy Conditions
- Commercial Property Conditions
- Policyholders Guide to Reporting a Claim
- Exclusion and Limited Additional Coverage for Fungus



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- Exclusion of Certain Computer-Related Losses
- Exclusion of War, Military Action & Terrorism
- Electronic Data Endorsement
- Biological or Chemical Materials Exclusion
- Seepage and/or Pollution and/or Contamination Exclusion
- Designated Adjuster Amendment
- Loss Adjustment Endorsement
- Florida Changes
- A satisfactory loss control report conducted by Aspen Specialty Insurance Company and compliance with any recommendations
- Minimum Earned Premium Clause 35%, subject to,
- Wind Minimum Earned Premium Endorsement
- Any new additions will be subject to re-rate/underwriting based on occupancy and location

**Liberty E & S Ins Corp:**

- Manuscript Form
- Commercial Property Conditions
- Asbestos Exclusion
- Occurrence Limit of Liability Endorsement, 2.b. to be removed
- Permission for Excess Insurance
- Exclusion of Pathogenic or Poisonous Biological or Chemical Materials
- Nuclear Reaction or Nuclear Radiation or Radioactive Contamination Exclusion
- Electronic Data – Limited Coverage Endorsement
- Fungus, Wet Rot, Dry Rot and Bacteria Limited Coverage Endorsement
- Pollutant Exclusions
- Excludes Equipment Breakdown (Boiler & Machinery)
- Minimum Earned Premium – 35%, subject to Hurricane Minimum Earned/Insureds with Coastal Property Endorsement
- Terrorism Exclusion
- Service of Suit
- Claims Notification

**Torus Specialty Insurance Co:**

- Manuscript Form
- Commercial Property Declarations
- Electronic Data Endorsement
- Electronic Date Recognition Exclusion
- Microorganism Exclusion
- Standard Fire Policy Endorsement
- Terrorism Exclusion
- Biological or Chemical Materials Exclusion



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- Subject to removal of X. Waiver of Insurer Conditions on page 29 of the manuscript policy form
- 35% Minimum Earned Premium, except 80% will apply between June 1, 2013 and November 30, 2013
- Occurrence Limit of Liability Endorsement – removal of 2.b subject to receipt of signed SOV

**Arch Specialty Insurance Co:**

- AmWINS Excess Follow Form
- Claims Handling Procedures
- Common Policy Conditions
- Minimum Earned Premium Clause – Dollar equivalent to 35%, subject to Wind Minimum Earned
- Electronic Vandalism Exclusion
- Fungus Limitation/Exclusion
- Seepage/Contamination/Pollution Exclusion
- Terrorism Exclusion
- Occurrence Limit of Liability, with removal of 2b
- Subject to No Other Arch Group Participation

**Landmark American Ins Co:**

- AmWINS Excess Follow Form
- Exclusion and Limited Additional Coverage – Electronic Data
- Exclusion and Limited Additional Coverage for Fungus
- Exclusion of Pathogenic or Poisonous Biological or Chemical Material
- Certificates of Insurance Clause
- Service of Suit
- Cancellation Clause
- Exclusion of Terrorism
- Flood Exclusion – Specified Locations – A & V Zones
- Common Policy Conditions
- Florida Changes – Cancellation & Non-renewal
- Wind Minimum Earned Premium

**Essex Insurance Company:**

- AmWINS Excess Follow Form
- Policy Jacket
- Common Policy Declarations
- Supplemental Property Declarations
- Service of Suit
- 25% Minimum Earned, subject to,
- Hurricane Minimum Earned Premium Endorsement
- Florida Notices
- Essex Collapse Definition



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- Essex Additional Property Exclusions and Policy Conditions
- Excludes: Boiler & Machinery, All Foreign Locations & Exposures, Pollution/Contamination, Asbestos, Nuclear, Biological, Radiological, Chemical, Terrorism, Mold, Electronic Data/Cyber Risk Losses and related Computer Losses.

**Alterra E&S Insurance Co (formerly Max Specialty):**

- AmWINS Excess Follow Form
- Policy Declarations
- Permission for Excess Insurance
- Occurrence Limit of Liability, with removal of 2b, subject to signed SOVAbsolute Pollutant and Asbestos Exclusions
- Mold Limitation Endorsement
- Terrorism Exclusion
- Electronic Data – Limited Coverage Endorsement
- Commercial Property Conditions
- Minimum Earned Premium – 50%
- Excludes all foreign locations & exposures
- Excludes Pollution/Contamination, Asbestos, Boiler & Machinery, Terrorism, Mold, Electronic Data/Cyber Risk Losses and related Computer Losses, War, Nuclear, Chemical, and Biological Materials
- No new business or increased coverage on in force business shall be bound on properties within 100 miles of tidal waters when a tropical storm or hurricane is within the boundaries West of 70 degrees West Longitude and North of 15 degrees North Latitude

**Colony Insurance Co:**

- AmWINS Excess Follow Form
- Commercial Property Coverage Part Declarations
- Common Policy Declarations
- Privacy Notice
- Policyholder Disclosure Notice of Terrorism
- Terrorism Exclusion, if rejected
- Schedule of Forms and Endorsements
- Service of Suit
- Policy Jacket
- Minimum Policy Premium – 25%
- Common Policy Conditions
- FL Changes Cancellation & Nonrenewal
- Electronic Data & Computer Systems Limited Coverage Endorsement
- Mold, Mildew, Spores or Fungi Exclusion
- Hazardous Materials Exclusion
- Excess Limit of Liability and Participation Clause
- Sublimited Coverages Exclusion



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- Territory Coverage Limitation
- Claims Reporting Notice
- Signature Page
- Coverage does not apply to any building with exterior construction of EIFS, Dryvits and other related materials

**First Specialty Insurance Corp (SwissRe):**

- Swiss Re Excess Follow Form
- Excluding CA, AK, HI, PR Earthquake
- 25% Minimum Earned Premium, subject to,
- Hurricane Minimum Earned Premium
- Joint Loss Agreement
- Nuclear, Chemical and Biological Exclusion
- Mold Exclusion
- Absolute Pollution Exclusion
- Below Grade Property Exclusion (excludes property that is below the surface of the ground, for Flood)
- Certificates of Insurance Wording
- War Risk Exclusion
- Cyber Risk Exclusion/Electronic Data Exclusion/Electronic Data Processing Media Valuation
- Property Insurance Quote Conditions

**Minimum Earned Premium:** 35% (unless noted otherwise in the specific terms above), subject to Wind Minimum Earned Premium Endorsements, as noted

**Assigned Claims Adjuster:** CJW & Associates  
1420 Edgewater Dr, Suite 200  
Orlando, FL 32804

**Subject To:**

- Signed Statement of Values within 30 days of effective date
- Completed Diligent Effort Statement at binding
- Signed Terrorism Disclosure Notices at binding

**BOILER & MACHINERY LIMIT \$200,000,000 (SEE SEPARATE PROPOSAL FOP TERMS/DEDUCTIBLES)**



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## SURPLUS LINES DISCLOSURE

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### Florida

This insurance is issued pursuant to the Florida Surplus Lines Law. Persons insured by surplus lines carriers do not have the protection of the Florida Insurance Guaranty Act to the extent of any right of recovery for the obligation of an insolvent unlicensed insurer.

**NOTE: THE COVERAGE OUTLINED ABOVE MAY NOT CONFORM TO THE TERMS AND CONDITIONS YOU REQUESTED. PLEASE CHECK CAREFULLY. THIS DOCUMENT IS INTENDED FOR USE AS EVIDENCE OF THE CARRIERS INTENTIONS, AS DESCRIBED HEREIN, BUT SHALL BE SUBJECT TO ALL TERMS AND CONDITIONS OF POLICY(IES) WHICH WILL BE ISSUED AND THAT, IN THE EVENT OF ANY INCONSISTENCY HERewith, THE TERMS AND PROVISIONS OF SUCH POLICY(IES) SHALL PREVAIL.**



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**Premium : (Property \$7,124,409 + Boiler & Machinery \$34,897 + fees 169,677) = \$7,328,983**

Layer	Carrier	Carrier Rating	% of Participation	Limit	Premium
\$10,000,000 Primary	Lexington Insurance Co	A XV	50%	\$5,000,000	\$1,112,500
	Underwriters @ Lloyds of London	A XV	25%	\$2,500,000	\$521,250
	Allied World Assurance Co	A XV	25%	\$2,500,000	\$518,750
	TOTAL LAYER:		100%	\$10,000,000	\$2,152,500
\$15,000,000 xs \$10,000,000	Lexington Insurance Co	A XV	50%	\$7,500,000	\$637,500
	Underwriters @ Lloyds of London	A XV	25%	\$3,750,000	\$318,750
	Houston Specialty Insurance Co	A- VIII	25%	\$3,750,000	\$318,750
	TOTAL LAYER:		100%	\$15,000,000	\$1,275,000
\$25,000,000 xs \$25,000,000	Westchester S/L Ins Co	A+ XV	22%	\$5,500,000	\$350,900
	Underwriters @ Lloyds of London	A XV	33%	\$8,250,000	\$528,000
	Ironshore Insurance Co Ltd	A- XIII	10%	\$2,500,000	\$163,462
	Aspen Insurance	A XV	10%	\$2,500,000	\$160,000
	Torus Specialty Ins Co	A- XI	10%	\$2,500,000	\$155,000
	Liberty Surplus Ins Co	A XV	5%	\$1,250,000	\$77,500
	CV Starr (Chubb Custom Ins Co.)	A++ XV	6.6667%	\$1,666,667	\$109,267
	CV Starr -General Security Ind Co AZ	A XV	3.3333%	\$ 833,333	\$54,633
	TOTAL LAYER:		100%	\$25,000,000	\$1,598,762
\$25,000,000 xs \$50,000,000	Arch Specialty Ins Co	A+ IX	34%	\$8,500,000	\$391,000
	CV Starr -Chubb Custom Ins Co	A++ XV	6.6667%	\$1,666,667	\$77,000
	CV Starr -General Security Ind Co AZ	A XV	3.3333%	\$ 833,333	\$38,700
	Underwriters @ Lloyds of London	A XV	10.5%	\$2,625,000	\$120,750
	Landmark American Ins Co	A XIII	22.75%	\$5,687,500	\$260,701
	Essex Insurance Company	A XIV	10%	\$2,500,000	\$115,000
	Alterra E&S Insurance Co	A XV	10%	\$2,500,000	\$115,000
	Liberty Surplus Ins Corp	A XV	2.75%	\$687,500	\$30,250
	TOTAL LAYER:		100%	\$25,000,000	\$1,148,801
\$25,000,000 xs \$75,000,000	Colony Insurance Company	A XII	13%	\$3,250,000	\$110,500
	First Specialty Ins (SwissRe)	A+ XV	30%	\$7,500,000	\$270,000
	Underwriters @ Lloyds of London	A XV	44%	\$11,000,000	\$420,200
	Liberty Surplus Ins Corp	A XV	13%	\$3,250,000	\$113,750
	TOTAL LAYER:		100%	\$25,000,000	\$914,450

**TRIA Premium (Not including applicable taxes and fees): \$350,000 --/L Taxes/Fees/FET: 169,677**

Citizen's Assessment	\$70,895
FL Hurricane CAT Fund	\$92,164
EMPA	\$ 80
FET on Ironshore premium	\$ 6,538



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## Premium Summary

Coverage	Carrier	Best Rating	Admitted	Minimum Earned	Expiring Premium	Proposed Premium
<b>Property</b>						
\$100,000,000 Limit (same as expiring) excluding terrorism	Various See AmWINS quote summary	Various See AmWINS quote summary	No	Yes Varies by Carrier	\$7,299,600.00	\$7,124,409.00
<b>Boiler &amp; Machinery</b>	Travelers		Yes	No	\$35,111.00	\$34,897.00
Taxes & Fees					\$167,979.00	\$169,677.00
<b>Total Estimated Annual Property Premium</b>					<b>\$7,502,690.00</b>	<b>\$7,328,983.00</b>

### Terrorism Option:

Due to the Terrorism Risk Insurance Act of 2002, you now have the right to purchase coverage for losses arising out of the Acts of Terrorism, as defined in Section 102 (1) of the act. Under Federal Law you may purchase this terrorism coverage for an additional premium as follows. Please note the additional premium is not included in the above quote. We will require written confirmation at the time of binding if you elect or reject this coverage.

Coverage	Additional Premium
Terrorism in excluded can be purchased for additional premium of \$350,000	

### Payment Terms:

- Annual

### Binding Requirements:

- "Client Authorization To Bind" signed by the insured
- Signed updated Statement of Values within 30 days of effective date
- Signed Terrorism Disclosure Notices at binding

AmWINS to file required S/L Taxes & Fees



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**Note:** This is a coverage summary, not a legal contract. This summary is provided to assist in your understanding of your insurance program. Please refer to the actual policies for specific terms, conditions, limitations and exclusions that will govern in the event of a loss. Specimen copies of all policies are available for review prior to the binding of coverage.

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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## USI Disclosures

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**SURPLUS LINES DISCLAIMER:** Insurance is issued pursuant to the Surplus Lines Laws. Persons insured by Surplus Lines Carriers do not have the protection of the Insurance Guaranty Act to the extent of any right of recovery for the obligation of an insolvent unlicensed insurer. Surplus Lines policies that are subject to audit provide for additional premium charges, but may not allow for return premium.

**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.

**REVIEWING CLIENT CONTRACTS DISCLAIMER:** As a service to our clients, upon their request, USI will review those portions of your contract regarding the insurance and indemnity requirements as they relate to your insurance program and provide comments and/or recommendations based upon such review. This service should not be taken as legal advice and it does not replace the need for review by the insured's own legal counsel.

# USI Privacy Notice

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## ***Our Privacy Promise to You***

USI provides this notice to you, our customer, so that you will know what we will do with the personal information, personal financial and health information (collectively referred to as the “protected information”) that we may receive from you directly or receive from your health care provider or receive from another source that you have authorized to send us your protected information. We at USI are concerned about your privacy and assure you that we will do what is required of us to safeguard your protected information.

## ***What types of information will we be collecting?***

USI collects information from you required both for our business and pursuant to regulatory requirements. Without it, we cannot provide our products and services for you. We will be collected protected information about you from:

- Applications or other forms, such as name, address, Social Security number, assets and income, employment status and dependent information;
- Your transactions with us or your transactions with others, such as account activity, payment history, and products and services purchased;
- Consumer reporting agencies, such as credit relationships and credit history. These agencies may retain their reports and share them with others who use their services;
- Other individuals, businesses and agencies, such as medical and demographic information; and
- Visitors to our websites, such as information from on-line forms, site visitorship data and on-line information collection devices, commonly called “cookies.”

## ***What will we do with your protected information?***

The information USI gathers is shared within our company to help us maximize the services we can provide to our customers. We will only disclose your protected information as is necessary for us to provide the insurance products and services you expect from us. USI does not sell your protected information to third parties, nor does it sell or share customer lists.

We may also disclose all of the information described above to third parties with which we contract for services. In addition, we may disclose your protected information to medical care institutions or medical professionals, insurance regulatory authorities, law enforcement or other government authorities, or to affiliated or nonaffiliated third parties as is reasonably necessary to conduct our business or as otherwise permitted by law.

## ***Our Security Procedures***

At USI, we have put in place the highest measures to ensure the security and confidentiality of customer information. We will handle the protected information we receive by restricting access to the protected information about you to those employees and agents of ours who need to know that information to provide you with our products or services or to otherwise conduct our business, including actuarial or research studies. Our computer database has multiple levels of



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security to protect against threats or hazards to the integrity of customer records, and to protect against unauthorized access to records that may harm or inconvenience our customers. We maintain physical, electronic, and procedural safeguards that comply with federal and state regulations to safeguard all of your protected information.

### ***Our Legal Use of Information***

We retain the right to use ideas, concepts, know-how, or techniques contained in any nonpublic personal information you provide to us for our own purposes, including developing and marketing products and services.

### ***Your Right to Review Your Records***

You have the right to review the protected information about you relating to any insurance or annuity product issued by us that we could reasonably locate and retrieve. You may also request that we correct, amend or delete any inaccurate information by writing to us at the above address.

## A.M. Best Non-Admitted Carrier Notification

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Events of the past several years have brought many changes and challenges to the international insurance market. These changes in the market have affected the ability of all brokers to locate insurance coverage at a scope and cost of insurance placed in prior years. In addition, insurance carriers have suffered significant losses that may jeopardize their financial stability.

As a matter of policy, USI endeavors to obtain quotations and indications from insurance companies who meet or exceed the USI minimum guidelines for A. M. Best Ratings of companies. Due to the current insurance market conditions, USI has increased its minimum standard for insurers to A-.

Certain of your insurance coverages are being issued by an insurer that is not licensed by the State of Florida. We placed these coverages for you with these insurers because the coverages could not be obtained through an insurer licensed to do business here. The Insurance Code permits placement of coverage with such non-admitted or surplus lines carriers, as long as it is in accordance with the conditions set forth in the insurance code for that state.

Surplus Lines insurers are not covered by the State's Guaranty Fund, which covers certain losses due to insolvency of insurance companies licensed to do business in our state. We are providing you with the above information so that you can make an informed decision as to whether you wish to continue your coverage with with these insurers.

In the event you choose to stay with insurers, please sign below and return this letter it to our office. If we do not hear from you within 10 days, we will assume that you do not request any changes in your coverages. Please contact our office if you would

Pinellas County School Board, has reviewed and acknowledged the above.

By: \_\_\_\_\_ Date: \_\_\_\_\_



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## Coverage Options

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We have included coverage options listed below as highlights resulting from our interviews and conversations. These coverage options **have not** been included as part of your proposed coverage and premium. This listing should not be construed as all encompassing for every exposure your business could have.

*Program Options are included in proposal.*



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## Insurance Carrier Ratings

As a service to our clients, USI is furnishing an assessment by a financial rating service of the insurance companies included in our proposal. We are including the legends used by this service.

All ratings are subject to periodic review, therefore, it is important to obtain updated ratings from each service. Should you desire further information concerning the financial statements of any of the insurance companies being proposed, so that you can make your own assessment of the financial strength of the companies being offered, it is available from USI at your request.

USI has made no attempt to determine independently the financial capacity of the insurance companies that we are including in our proposal as we believe the nationally recognized services are better equipped to comment.

### A. M. BEST RATINGS

<b>A++ and A+</b>	Superior	<b>B and B-</b>	Fair
<b>A and A-</b>	Excellent	<b>C++, C+</b>	Marginal
<b>B++, B+</b>	Very Good	<b>C and C-</b>	Weak
<b>D</b>	Poor	<b>F</b>	In Liquidation
<b>E</b>	Under Regulatory Supervision	<b>S</b>	Rating Suspended

### FINANCIAL SIZE CATEGORY

(In \$ Thousands)

Class I	Less than	1,000
Class II	1,000	to 2,000
Class III	2,000	to 5,000
Class IV	5,000	to 10,000
Class V	10,000	to 25,000
Class VI	25,000	to 50,000
Class VII	50,000	to 100,000
Class VIII	100,000	to 250,000
Class IX	250,000	to 500,000
Class X	500,000	to 750,000
Class XI	750,000	to 1,000,000
Class XII	1,000,000	to 1,250,000
Class XIII	1,250,000	to 1,500,000
Class XIV	1,500,000	to 2,000,000
Class XV	2,000,000	or greater

### RATING "NOT ASSIGNED" CLASSIFICATIONS

<b>NR-1</b> Insufficient Data	<b>NR-2</b> Insufficient Size and/or Operating Experience
<b>NR-3</b> Rating Procedure Inapplicable	<b>NR-4</b> Company Request
<b>NR-5</b> Not Formally Followed	



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## Client Authorization to Bind

**Important Information: Please keep in mind coverage cannot be bound when severe weather is threatening regardless of the expiration date.**

After careful consideration of your proposal dated March 8, 2013, we accept your insurance program as presented with the following exceptions, changes, and/or recommendations:

[illegible]

\_\_\_\_\_  
Client Signature

Date Signed \_\_\_\_\_

PINELCOU2