

Approval of the FY 2021 Insurance Resolution Worksheet

Date: March 18, 2020

Suggested Motion:

"I move to approve a Master Insurance Policy proposal as submitted by _____ at a cost of \$_____ with funds to come from GL 6720.000 and GL 6722.000 appropriately divided."

2nd:

Vote:

	In Favor	Opposed	Abstained	Absent
Scott Buchanan				
Dan Courtney				
Susan Cox				
Maria Wildes				
James Konkel				
Nathan Davis				
Kathy Schramek				
Nicholas Soto				
Robin Woods				

Parkfairfax Condominium
INSURANCE COMPARISON 4/1/20 to 4/1/21

Policy Comparison

	Preferred GNY, Erie, CNA, Hiscox BOR: Accident Fund W/C BOR: Umbrella	USI Insurance Services LLC	RaleyWatts & O'Neill using Brethren Mutual, Great American, Travelers and Hartford
	Jim Pates Jim Pates <jim@preferins.com>	Jessica Knutsen jessica.knutsen@usi.ciom	Gordon O'Neil goneill@rwoinsurance.com
General Liability	\$2,000,000.00	\$2,000,000.00	\$2,000,000.00
Property	\$248,178,000 building limit \$500,000 personal property \$10,000 deductible	\$257,645,115 building limit \$500,000 personal property \$50,000 deductible	\$257,645,115 building limit \$500,000 personal property \$50,000 deductible
Earthquake	\$5,000,000 limit	\$10,000,000 limit	\$5,000,000 limit
Flood	\$25,000 deductible	\$50,000 deductible	deductible
Trees and Vegetation	\$5,000,000 limit	\$10,000,000 limit	\$5,000,000 limit
Business Income	\$25,000 deductible	\$50,000 deductible	deductible
Directors & Officers	\$25,000 deductible		included
Crime (Fidelity)	\$500,000.00	Actual Loss Sustained	Actual Loss Sustained
Umbrella	\$1,000,000 limit	\$10,000 deductible	\$1,000,000 limit
Cyber Liability	\$15,000 deductible	\$10,000 deductible	deductible (entity only)
WC	\$5,000,000 limit	\$5,000,000 limit	\$5,000,000 limit
Auto	\$25,000,000 limit	\$25,000,000 limit	deductible
	\$15,000 deductible	\$5,000 deductible	\$25,000,000 limit
	\$82,585.00	\$0.00	deductible
	\$1,000,000 liability limit	\$1,000,000 liability limit	\$82,585.00
			\$1,000,000 liability limit
Cost Comparison			
General Liability	\$ 272,888.00	\$ 451,709.00	\$ 305,750.00
Property	included in package	included in package	included in package
Earthquake	included in package	included in package	included in package
D&O	10,209.00	11,804.00	11,804.00
Crime/Fidelity	3,147.00	4,675.00	4,675.00
Umbrella	30,000.00	30,000.00	30,000.00
Cyber Liability	included in package	2,292.00	2,292.00
WC	82,585.00	82,585.00	82,585.00
Auto	14,646.00	22,705.00	included in the GL package
ERISA			
TOTAL	\$ 413,475.00	\$605,770.00	\$ 263.00
			437,106.00

BOR w/Great American for Diving Board and W/C

BOR: Umbrella, D&O, Crime and W/C



Property and Casualty Insurance Proposal for:

ParkFairfax Condominium Unit Owners Association

Policy Period: 4/1/20-4/1/21



Jim Pates, Agent

703.667.5955 • jim@preferins.com

Andrea Cornell, Account Manager

703.278.4702 • andrea@preferins.com

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Coverages are subject to the terms and conditions as defined in the insurance policy. The proposal in no way changes or interprets insurance policy terms and conditions.



Insurance Expertise for the Community Association Industry

Preferred Insurance Services, Inc. offers a complete habitational insurance program, offering benefits to property management companies, condominium associations, unit owners and homeowners.

- **20 years of experience** insuring associations
- Jim Pates is an active member of the Washington Metropolitan Chapter of Community Associations Institute and has been the co-chair of their golf tournament since 2007. Jim also received **WMCCAI's Rising Star Award**.
- Preferred is one of the Top 5 Erie Insurance agencies in the country and **the largest in Virginia**. Having one of the largest insurance client bases in the metro DC area allows Preferred to have access to multiple A+ rated carriers, resulting in clients insured by the carrier that best fits their coverage needs and at the most competitive price.
- Preferred has a designated **Certificate Department** that processes over 750 Certificates a week and a 24-hour certificate deliverance guarantee with e-mail confirmation.
- Preferred employs a dedicated **Claims Manager** who monitors and emails statuses every 45 days for all open claims with reserves in excess of \$15,000.
- Property managers and board members will be provided with **current industry articles and updated regulations**. Jim Pates is also available to attend board meetings to answer questions.
- Preferred offers **on-site unit owner insurance reviews** to help association members eliminate gaps between the master policy and personal unit owner policies.

Our goal is not only to get our clients the best coverage at the best price, but to provide services throughout the year that keep our clients up to date and prepared.

Service Team

We at Preferred Insurance are committed to providing a maximum level of service to our clients. The foundation of our commitment is our staff.

Account Executive	Account Manager Coverage Questions – Billing Questions – General Information
Jim Pates (703) 667-5955 jim@preferins.com	Andrea Cornell (703) 278-4702 andrea@preferins.com
Claims Status Updates	Certificates
Nancy Supples (703) 667-5949 claims@preferins.com	Certificates Team (703) 667-5940 certs@preferins.com Fax: 703-991-4838
Policy Changes	Mailing Address
Andrea Cornell (703) 278-4702 andrea@preferins.com	Preferred Insurance Services, Inc. 4035 Ridge Top Road, Suite 150 Fairfax, VA 22030
Main Office Contact Information	
Main: (703) 359-5910 Toll Free: (877) 719-5910 Fax: (703) 359-5925 www.preferins.com	

I. Commercial Package Policy:**Insurance Carrier:** Greater New York Insurance Company**Effective:** 4/1/2020-4/1/2021**Location:** 3360 Gunston Rd Alexandria VA 22302

Property Coverages	Limit
Building Limit	\$ 248,178,000
Valuation	125% of Extended Replacement Cost = \$310,222,500 in building coverage
Deductible	\$10,000
Agreed Value	Yes
Cause of Loss	Special
Ordinance or Law -Coverage A - Undamaged Portion of Building	Included
Ordinance or Law -Coverage B - Demolition	\$3,000,000
Ordinance or Law -Coverage C - Increased Cost of Construction	\$3,000,000
Business Income & Extra Expense	\$5,000,000
Business Personal Property	\$500,000
Business Personal Property Valuation	Replacement Cost
Flood	\$5,000,000
Flood Deductible	\$25,000
Earthquake	\$5,000,000
Earthquake Deductible	\$25,000
Mechanical Breakdown	Included
Back Up of Sewers and Drains	Included

Commercial Liability Coverage	Limits
Bodily Injury & Property Damage -Occurrence	\$1,000,000
General Aggregate	\$2,000,000
Personal and Advertising Injury	\$1,000,000
Medical Expense	\$5,000
Hired and Non-Owned Automobile Liability	\$1,000,000
Employee Benefits Liability	\$1,000,000

Greater New York - Package C Enhancement Summary

Accounts Receivable*	\$50,000
Actual Loss Sustained: (12 months)	Actual Loss Sus
Building Glass	Incl in Bldg Limit
Back-Up Sewers, Drains, or Sumps	\$100,000
Bus Inc -Dependent Properties	\$50,000
Computer Fraud Coverage	\$50,000
Damage to Premises Rented to You	\$900,000
Debris Removal Additional	\$240,000
Environmental Impairment Extension	\$100,000
Electronic Data*	\$25,000
Elevator Collision for Persl Prop/Others	\$100,000
Employee Dishonesty	\$25,000
Extended Bus Income	180 days
Fine Arts	\$15,000
Fire Dept Service Charge	\$25,000
Fire Protection Equip Recharge	\$25,000
Forgery or Alteration	\$50,000
Lost or Stolen Key Coverage**	\$10,000/\$20,000
Money and Securities - Inside	\$10,000 In
Money and Securities - Outside	\$5,000 Out
Newly Acquired or Constructed Prop**	\$250,000
Newly Acquired Personal Property*	\$100,000
Notice to Company, etc	Included
Non Owned and Hired Auto	\$1,000,000
Off Premises Services	\$25,000
Ord/Law 1. Undamaged Portion	Incl in Bldg Limit
2. Demolition	See proposal
3. Increased Cost of Const	See proposal
4. Incr Period of Restoration	Actual Loss Sus
Outdoor Antennas/Satellite Dishes	\$10,000
Outdoor Signs	\$25,000
Outdoor Trees, Shrubs & Plants	\$25,000
Persl Effects/Prop of Others*	\$5,000/\$15,000
Pollutant Cleanup	\$15,000
Preservation of Property	60 days
Property Distance Extension	1,000 feet
Property Off Premises	\$15,000
Removal of Fallen Trees	\$500 Tree/\$10,000 Occ
Storage/Main Bldgs/Sheds, etc**	Incl Bldg Limit
Tenants Bldg Glass*	Within Persl Prop Limit
Valuable Papers & Records	\$10,000
Water (Flood, Mudslide, Underground)	\$10,000

II. Commercial Auto Policy:

Insurance Carrier: Erie Insurance

Effective: 4/1/20-4/1/21

Commercial Auto Coverage	Erie Insurance Rated "A", Excellent by AM Best Admitted: Yes
2004 CHEV EXPRESS G1500 VIN: ...09564	Combined single limit \$1,000,000 Medical expense \$5,000 Uninsured/underinsured motorists combined single limit \$1,000,000 Comprehensive deductible \$500 / Collision deductible \$500
2000 CHEV GMT-400 VIN: ...81803	Combined single limit \$1,000,000 Medical expense \$5,000 Uninsured/underinsured motorists combined single limit \$1,000,000 Comprehensive deductible \$500 / Collision deductible \$500
2003 CHEV EXPRESS G1500 VIN: ...85088	Combined single limit \$1,000,000 Medical expense \$5,000 Uninsured/underinsured motorists combined single limit \$1,000,000 Comprehensive deductible \$500 / Collision deductible \$500
2003 CHEV SILVERADO VIN: ...40626	Combined single limit \$1,000,000 Medical expense \$5,000 Uninsured/underinsured motorists combined single limit \$1,000,000 Comprehensive deductible \$500 / Collision deductible \$500
2010 CHEV SILVERADO VIN: ...32251	Combined single limit \$1,000,000 Medical expense \$5,000 Uninsured/underinsured motorists combined single limit \$1,000,000 Comprehensive deductible \$500 / Collision deductible \$500
2009 TOYO TACOMA VIN: ...36594	Combined single limit \$1,000,000 Medical expense \$5,000 Uninsured/underinsured motorists combined single limit \$1,000,000 Comprehensive deductible \$500 / Collision deductible \$500
2000 CHEV S TRUCK VIN: ...79425	Combined single limit \$1,000,000 Medical expense \$5,000 Uninsured/underinsured motorists combined single limit \$1,000,000 Comprehensive deductible \$500 / Collision deductible \$500
2010 CHEV EXPRESS G2500 VIN: ...16792	Combined single limit \$1,000,000 Medical expense \$5,000 Uninsured/underinsured motorists combined single limit \$1,000,000 Comprehensive deductible \$500 / Collision deductible \$500
2004 CHEV EXPRESS G1500 VIN: ...09653	Combined single limit \$1,000,000 Medical expense \$5,000 Uninsured/underinsured motorists combined single limit \$1,000,000 Comprehensive deductible \$500 / Collision deductible \$500
2010 TOYO TACOMA VIN: ...07297	Combined single limit \$1,000,000 Medical expense \$5,000 Uninsured/underinsured motorists combined single limit \$1,000,000 Comprehensive deductible \$500 / Collision deductible \$500

Continued....

2010 TOYO TACOMA VIN: ...04927	Combined single limit \$1,000,000 Medical expense \$5,000 Uninsured/underinsured motorists combined single limit \$1,000,000 Comprehensive deductible \$500 / Collision deductible \$500
2010 CHEV SILVERADO VIN: ...58043	Combined single limit \$1,000,000 Medical expense \$5,000 Uninsured/underinsured motorists combined single limit \$1,000,000 Comprehensive deductible \$500 / Collision deductible \$500
2017 FORD F250 VIN: ...7X2BT	Combined single limit \$1,000,000 Medical expense \$5,000 Uninsured/underinsured motorists combined single limit \$1,000,000 Comprehensive deductible \$500 / Collision deductible \$500
2005 CHEV ASTRO VIN: ...EL19X	Combined single limit \$1,000,000 Medical expense \$5,000 Uninsured/underinsured motorists combined single limit \$1,000,000 Comprehensive deductible \$500 / Collision deductible \$500
2002 CHEV S TRUCK VIN: ...CT19W	Combined single limit \$1,000,000 Medical expense \$5,000 Uninsured/underinsured motorists combined single limit \$1,000,000 Comprehensive deductible \$500 / Collision deductible \$500
1998 CHEV S TRUCK VIN: ...CT14W	Combined single limit \$1,000,000 Medical expense \$5,000 Uninsured/underinsured motorists combined single limit \$1,000,000 Comprehensive deductible \$500 / Collision deductible \$500

III. Director's & Officers Liability Policy:**Insurance Carrier:** CNA**Effective:** 4/1/20-4/1/21

Director's & Officers Liability Coverage	Limit
Directors & Officers Liability	\$1,000,000
Separate Defense	\$1,000,000
Defense for Breach of Contract	Included
Third Party Discrimination	Included
Definition of Claim includes Monetary and Nonmonetary Relief	Included
Defense for Failure to Maintain Insurance	Included
Employment Practices Wrongful Acts	Included
Insured Person includes Past, Present, Future Board Members	Included
Insured Person Includes Property Manager & Spouses	Included
Libel, Slander and Other Defamation	Included
Retention	\$10,000

IV. Employee Dishonest Policy (Crime and Fidelity):**Insurance Carrier:** CNA**Effective:** 4/1/20-4/1/21

Employee Dishonesty (Fidelity Bond) Coverage	Limit	Deductible Amount Per Occurrence
Employee Theft	\$5,000,000	\$15,000
Forgery or Alteration, Deductible	\$50,000	\$250
Theft, Disappearance or Destruction	\$50,000	\$0
Computer Fraud and Wire Transfer Fraud	\$5,000,000	\$15,000

V. Employee Dishonest Policy – Excess Policy:**Insurance Carrier:** Hiscox**Effective:** 4/1/20-4/1/21

Employee Dishonesty (Fidelity Bond) Coverage	Limit	Deductible Amount Per Occurrence
Employee Dishonesty	\$1,000,000 (in excess of the \$5MIL CNA policy)	n/a

VI. Worker's Compensation Policy:

Insurance Carrier: *Broker of Record for current policy*

Effective: 4/1/20-4/1/21

Preferred Comp Program

"100 Preferred Comp participants benefit from an average Experience Rating of a **.87 or Less.**"

"This could result in the following:

\$100,000 in premium;
\$13,000 in savings or
\$39,000 over a 3-year period."

- Manage All Open Claims with Reserves.
- E-mail Claim Progress Reports every 45-60 days.
- Establish an E-Mod Goal and an Action Plan to Obtain It.
- Quarterly Claim Review meetings with Adjustor Conference Calls if needed.
- Annual E-Mod Analysis to Confirm Accuracy and Project the Following Year's Mod.

Preferred Insurance Services, Inc. insures over 500 contractor's Workers Compensation policies primarily because our Preferred Comp Program has helped them reduce their Workers Compensation MOD which in turn provides our clients with a large financial savings.

VI. Commercial Umbrella Policy:

Insurance Carrier: *Broker of Record for current policy*

Effective: 4/1/20-4/1/21

Premium Summary

Coverage	Carrier	Best Rating	Admitted	Proposed Premium
Property & General Liability Package Policy	Greater New York Insurance Company	A+	Yes	\$272,888
Business Auto	Erie Insurance	A+	Yes	\$14,646
D&O	CNA	A	Yes	\$10,209
Crime	CNA	A	Yes	\$3,147
Crime (Excess)	Hiscox Inc	A	No	\$1,500
Worker's Compensation	BOR - Current Carrier	-	-	BOR
Umbrella	BOR - Current Carrier	-	-	BOR
TOTAL ESTIMATED ANNUAL PREMIUM				\$302,390 + BOR's

Property & Casualty Insurance Proposal

Parkfairfax Condominium Unit Owners



Jessica Knutsen, CIC

Vice President

Theresa Melson, PCAM, CIRMS

Senior Vice President

Date Prepared: February 14, 2020





Value Difference



Meet Our Team

- Our local practice was established in 1985
- Dedicated staff serving over 3,000 common-interest communities
- Our team has expertise in underwriting, claims, and property management to achieve desired client outcomes
- Industry leading loss control & risk management process to properly identify exposures, reduce claims and premium cost
- Access to all major carriers for community associations



No-Charge Client Services



Our role as your insurance broker and risk management consultant is to help your community manage not only its total cost of claims, but also its total cost of risk. The **total cost of risk (TCOR)** is defined as the sum of your community's expenses as it relates to risk, including deductible expenses or uninsured losses, transfer costs (insurance premiums), risk control expenses, and other administrative costs. In an effort to stabilize and reduce our clients TCOR, we have invested significant capital to provide the following services to our clients (*please contact us for a full list of value-added services*):

- | | |
|-----------------------------------------------------------------|------------------------------------------------------|
| ■ Certificate of Insurance (COI) Tracking & Management Software | ■ Coverage & Bylaw Reviews |
| ■ 24/7 Online COI processing | ■ Stewardship Meetings |
| ■ Vendor Contract Reviews | ■ Customized Loss Control & Risk Management Programs |
| ■ Claims Advocacy | ■ Budget Planning & Forecasting Services |
| ■ Online Risk Management Center | ■ Monthly Newsletters |
| ■ Attend BOD Meetings & Town Hall Meetings | ■ Market Analysis & Renewal Planning |

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1. EXECUTIVE SUMMARY

We look to provide Parkfairfax Condominium a talented, and tenured, team to collaborate with you and provide risk management, claims advocacy, and insurance consultative services that will assist in achieving your goals.



USI will collaborate with Parkfairfax Condominium to develop an insurance program that aligns with achieving your goals, including:

Strategic consulting

Develop a plan that is in line with your property and casualty, risk management, and financial goals. Our unique Continuous Improvement Process helps to ensure we continually align our strategy with Parkfairfax's goals – delivering innovative.

Communication and education

We offer open communication with Parkfairfax Condominium. We will continually advise management and staff of coverage changes, risk management, and regulatory changes that affect Parkfairfax Condominium.

Claims advocacy services

Our in-house claims advocates will assist Parkfairfax Condominium in understanding their claims, negotiating on your behalf and how to mitigate future claims.

As one of the largest residential communities with unique exposures in the Common-Interest Community, Parkfairfax Condominium is known for the 1,684 units carefully nestled into 132 landscaped and wooded acres. USI Insurance Services (USI) understands the unique demands and risks associated with Parkfairfax Condominium.

Our goal to become your trusted insurance broker will help ease the burden of mitigating the cost of your risks, those being transferred or retained, by developing a program that fits your unique situation and needs, one that allows you to continue to focus on what is important to you.

We understand you are looking for an experienced broker offering superior service. USI brings more than 100 years of brokerage experience through our acquired national, regional, and local firms, with some dating back in their communities as far as the late 1800s. We currently serve over 3,000 community associations. We have strong relationships with leading carriers and have experience in finding our clients cost savings and program reductions that have resulted in fewer claims and greater financial security.

With every response in our proposal we asked ourselves — does it benefit Parkfairfax Condominium?

Does it reduce your cost of risk? And, does it support your objectives? We can unequivocally answer “yes” to these questions. Our ultimate goal is to surround Parkfairfax Condominium with the resources and service needed to enable you to continue to concentrate on the issues most important to you without worrying about whether or not programs are being properly minded and maintained.

2. SCOPE OF SERVICES

USI is capable of delivering the services Parkfairfax Condominium needs. We will customize a mutually agreeable service plan.

A

Specialize in community associations.

USI is one of the largest insurance brokerage and consulting firms in the world. Headquartered in Valhalla, New York, USI connects together over 6,000 industry leading professionals across more than 150 offices to serve clients' local, national, and international needs. Our insurance professionals specialize in different verticals such as the Real Estate vertical and within this vertical we have our **USI Community Associations Insurance Practice**.

The team that will be designated for Parkfairfax Condominium is exclusively dedicated to service Community Associations. We have been exclusively designing insurance programs for Community Associations since 1985. Our Account Managers and Account Directors are experts in reading, reviewing and understanding Governing Documents, Reserve Studies, Audited Financials. We build the insurance program based on the requirements stated on the Governing Documents and Secondary Lender Requirements. We also understand the dynamic and roles of the Community Manager, Board Members, Committee Members, Residents and Resident's Tenants.

Two of our Account Directors actually hold their **PCAM** professional designation because they both managed Community Associations before they joined our team.

We have also been active members of **Community Associations Institute (CAI)** since 1985. Our team is involved with CAI national and the DC Metro chapter. We do several Education Seminars for CAI, we participate in the Legislation, Education, Events and Membership Committees and currently hold a position as one of the six Business Partner Council at CAI national.



B Sample of Community Association Clients

We currently manage the insurance program for over 3,000 community associations in the U.S. and 300 community associations in the DC Metro area. With such a large portfolio USI demonstrates the capacity to address the current and emerging needs of Parkfairfax Condominium. Some community associations handled by USI include:

Sample of operational clients

Community Associations:

Leisure World of Maryland
Lansdowne Woods of Virginia
Watergate at Landmark
The Towers Condominium
McLean Gardens Condominium UOA
Skyline Plaza
Skyline House
Harbor Square
The Westchester Corporation
Van Ness East
Watergate South
Harbor Square

C Insurance Broker services and Consulting Services that are included at no additional cost

Services we provide for common-interest communities

The following outlines our traditional general areas of service we anticipate providing to Parkfairfax Condominium.

- Summary of coverage: carriers, premiums, deductibles, limits, etc.
- Review of all in-force coverage by line of insurance
- Review and delivery of electronic policies
- Review and delivery of hardcopy policies
- Issuance of certificates of insurance/memorandums of insurance
- Issuance of automobile ID cards
- Risk analysis
- Answers to coverage questions
- Topical research/education/forums
- Client meetings – no anticipated limitation
- Open items meetings/calls
- Insurer meetings (as needed)

All of the services outlined above are included as part of our account relationship.

We have no restrictions on the number of board meetings or education for residents we will conduct, but at a minimum, we anticipate several of the following:

- Kick off meeting at the beginning of our engagement within the first 30 days
- Pre-Renewal meeting for all renewals 120 days in advance of the effective date
- Insurer meetings during the renewal process and during the policy period to identify opportunities to improve existing or new relationships
- Meeting with our firm's senior management at least once per year
- Annual stewardship meeting
- Monthly open items meetings or conference calls (at your discretion)

The following will provide you with a brief overview of our service related deliverables.

Work plan: We will develop, in conjunction with you, a comprehensive work plan that will include key placement timetables plus service milestones throughout the year.

Placement planning sessions: These sessions will provide USI and Parkfairfax Condominium the opportunity to develop a strategic plan including form considerations, vendor selection, program design, structure innovations, retention analysis, etc.

Program management services: We will provide all customary brokerage services which will accomplish: timely and accurate issuance of binders, policy review and delivery, endorsement review and delivery, certificate issuance, pertinent industry and market information, accurate invoice delivery.

Claims management: We mention our capabilities in this area in this particular response because it's our belief that to proactively anticipate underwriter's response in our renewal discussions; a thorough and accurate understanding of current status of all claims, including estimates as to likelihood of prevailing settlement values and estimated timing of claim payment is helpful data in negotiating any renewal with current underwriters or new participants.

Risk control services

- Determine Parkfairfax Condominium's risk control needs and long-term strategy
- Determine carrier risk control objectives
- Coordinate, implement, and oversee carrier-based risk control services
- Provide feedback on carrier risk control site visit reports and recommendations/guidance on responses to carrier risk control recommendations
- Accompany carrier risk control specialists on project assignments (as needed)
- Develop and implement specified risk control programs/projects as needs arise (may be subject to additional compensation)

Administrative services

- The cornerstone to any successful and sustainable insurance risk management program is flawless service delivery. We are prepared to customize our services, so that Parkfairfax Condominium's needs are met.
- The following is a listing of our core day-to-day service deliverables included within the scope of our brokerage appointment.

Brokerage services

- Respond to detailed coverage questions within 24 hours, or next business day
- Assist in preparing all program applications
- Contractually-review insurance and indemnification provisions for vendors
- Assist with coverage terms and conditions negotiations
- Arrange meetings and negotiate with underwriters
- Review and deliver insurance binders, policies, endorsements, premium audits, retroactive adjustments, etc. within the timeframe outlined in the service plan and client service agreement
- Provide premium allocation and invoicing in accordance with your needs (USI protocol — invoice all premiums accurately within 48 hours of terms being finalized and provide a detailed cover letter along with all invoices to facilitate better understanding and payment instructions)
- Oversee coverage dispute issues
- Provide Certificates of Insurance in accordance with your needs and customize where appropriate (USI protocol: 100% accuracy, 24 hours or less turnaround)
- Provide automobile identification cards in accordance with your needs and customize where appropriate (USI protocol — 100% accuracy, issued five (5) days prior to binding, immediate turnaround on requests post binding)
- Prepare Schedules of Insurance at inception, anniversary and updated as required
- Create and maintain an open-items list, schedule monthly meetings (or as needed) to ensure quality continuing service throughout the plan year
- Prepare and deliver Stewardship report in a mutually agreed upon format
- Provide **USI Risk Management Center (“RMC”)**, a complimentary global Risk Management and Human Resources information system, is available to our clients providing e-services (such as 24 hour a day, seven day a week access to your insurance program), resources (safety training and risk management materials), and solutions (seminars and online training)
- Conduct risk review of facilities for liability exposures
- Review policies and forward to Parkfairfax Condominium within 60 days of receipt, correspond with carrier for correcting endorsements
- Obtain a list of all certificates of insurances provided to Parkfairfax Condominium by contractors, subcontractors, vendors, and suppliers, if requested; and review upon receipt
- Conduct independent file review of selected policies (performed by a non-team member)
- Review carrier loss control recommendations, prioritize and develop alternative solutions
- Conduct research on special projects (claims issues, adequacy of limits)
- Provide casualty manuscript wording (as necessary)
- Provide in-house coverage education sessions (as necessary)

Analytical services

- Develop benchmarking data on costs, retentions and limits
- Perform loss forecasts and accrual analysis
- Perform risk retention analysis
- Provide program comparison and cash flow modeling
- Provide cost of risk allocation strategies (as necessary)
- Perform collateral reduction analysis (as necessary)
- Administer merger and acquisition analysis (as necessary)
- Catastrophic claims investigation

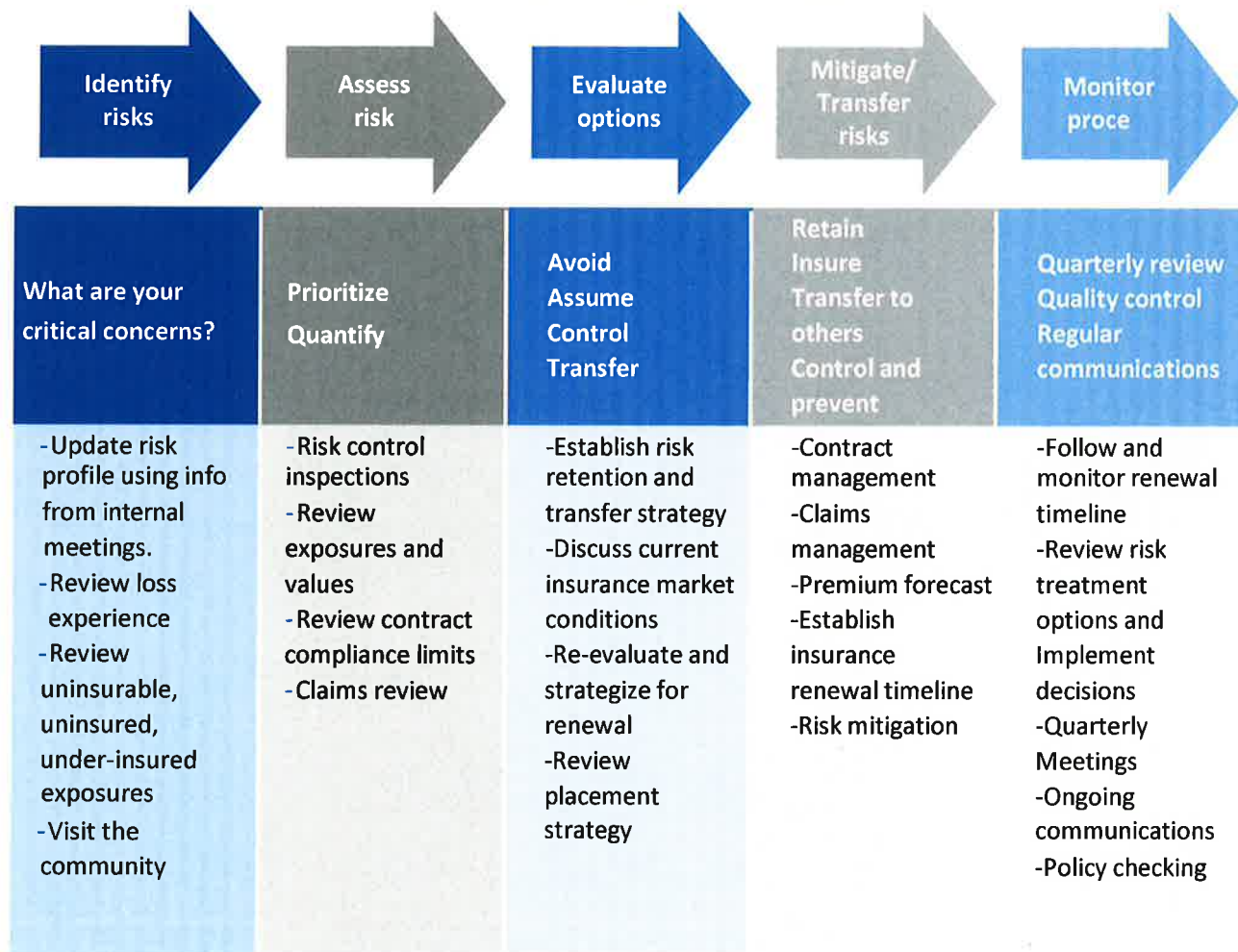
D

Provide advice to Parkfairfax Condominium on ways to strengthen loss prevention and safety programs.

We will work with the Community Manager and the different Committees to assess risks across your community — what could go wrong, what would the impact be, and how likely are they to occur.

Our Risk Consulting is committed to promotion of best practices and risk management improvement that is tangible and measurable. We do this by focusing on risk management quality (leading indicators) and correlating these to losses and loss potentials (trailing indicators). Our experience has shown the strong correlation between the management of such upstream areas as pre-/post- loss planning and execution, and the impact of the downstream areas such as claims frequency and severity. By building our strategy around these elements, we are able to effect organizational-wide change that results in the reduction in the overall cost of risk.

Framework for assessing, treating, and monitoring risk



We believe that while the broker's market partnerships, marketing, and negotiation skills are important, the most powerful thing a broker can bring to the underwriting group is a Community Association with a great story to tell.

We will focus our efforts 365 days a year on helping Parkfairfax Condominium improve their risks and risk management practices to create a continuously improving set of facts that will support a great story every time we approach the market.

As soon as the Board of Directors votes for one of the options, the Board President will be required to sign an "Authorization to Bind Coverage" with specifications about which coverage enhancements are being accepted or declined. Our team will send bind orders to each carrier the same day the "Authorization to Bind Coverage" is received. We will then follow up with each carrier to obtain binders with new policy numbers and issue new Certificates of Insurance.

After three (3) days of binding coverage, the Community Manager will receive a "**Renewal Packet**" every year which will include the following information as a confirmation that coverage has been bound:

1. CERTIFICATES OF INSURANCE

- ✓ **Certificate for Management** - This certificate is only for the Community Manager and Board of Directors. It is NOT intended to be distributed to residents or lenders.
- ✓ **Certificate for Residents and Lenders**- This version can be used for the resale package and can be sent to all residents and lenders. An electronic version will also be available 24/7 at www.eoidirect.com

2. CLAIM KIT – This document will provide the name of the carrier per line of coverage, phone number, fax number and email address to report claims directly to the carriers. It also includes the contact information of the designated USI Claim Advocate selected exclusively for Parkfairfax Condominium.

3. LETTER FOR RESIDENTS AND TENANTS REGARDING HO6 & HO4 – This is a letter we will draft for Residents and Tenants to understand what the Master Policy covers so they know how to modify their HO6/HO4 policies. This letter will include specifications about limits, deductibles and coverage afforded under the Master Policy.

4. RELEASING POLICIES TO LENDERS IN A CASE BY CASE BASIS – Insurance policies are considered to be private information and as such we need written authorization in order to fulfill those requests. The Community Manager will be asked to sign an authorization form for us to release a complete copy of the insurance policies to a lender and/or resident.

5. USI RISK MANAGEMENT CENTER – This information will include a designated user ID and password to have access to our proprietary Risk Management Center. We normally provide access to the Community Manager but there are no restrictions about how many users we can add.

F**Respond to all insurance-related questions and requests for advice from Parkfairfax Condominium's General Manager in a timely manner.**

Our client service model allows us to commit to: Acknowledge — and, if possible, resolve — 100% of Parkfairfax Condominium's service requests within a 24-hour window. Address emergency or time-sensitive requests as soon as possible within that window. For service requests or outstanding concerns that will require more than one business day, escalate procedures through appropriate channels and provide Parkfairfax Condominium status reports until timely resolution.

Our brokerage team for Parkfairfax Condominium coordinates overall service delivery and the day-to-day program administration, with the involvement of appropriate technicians to analyze your exposures to risk, negotiate with carriers, make recommendations, and implement as instructed. Each core team member has specific roles and responsibilities; we manage our Parkfairfax Condominium duties internally to consistently provide the appropriate level of service. No individual's business travel, vacation, or unexpected absence will affect our results on your behalf.

As needed, your local core team will access an extended team of national practice leadership — local, regional, and national experts collaborating to provide technical advice, analytic tools, best practices, market relations, and product knowledge. National practice leaders are ready to provide strategic expertise in developing and implementing a program that meets the requirements for Parkfairfax Condominium's complex risk management program.

G**Assist the General Manager in coordinating inspections, audits or other carrier requests.**

USI will work directly with Parkfairfax Condominium in coordinating carrier inspections, audits and other issues. Specifically, USI service team will assist with:

- ✓ Coordinate pre-audit with the carrier to eliminate time, confusion, disputes and frustration at the time of the final audit.
- ✓ Work with the Community Manager to determine appropriate workers compensation classifications are correct.
- ✓ Help resolve any final audit disputes should they occur
- ✓ Facilitate carrier site visits based on predetermined service plan including trainings, site visits, or other services needed to utilize their services as appropriate for Parkfairfax Condominium
- ✓ Review and negotiate any carrier recommendations as needed. We will get our in-house Risk Management Team involved if the carrier's recommendations don't seem to be reasonable. We can also negotiate a deadline extension for compliance with the required recommendations
- ✓ Assist Parkfairfax Condominium in implementing any recommendations needed

USI also offers an online issuance platform called the Certificate of Insurance Tracker (COI Track[®]) that allows Community Associations to manage incoming subcontractor and vendor certificates of insurance to prevent unexpected liabilities. COI Track is part of USI's Risk Management Center platform which is provided to all clients at no additional charge.

Certificate of Insurance Tracker - COI Track[®]

COI Track turns certificate management into a desktop function allowing you to efficiently and effectively minimize risk by maintaining up-to-date vendor records. This helps your company minimize and avoid liability assumed from uninsured or under-insured vendors, contractors, suppliers, or tenants. Workflows may be established to allow certificate requests, expiring certificates, and non-compliant certificates to be easily batched together and managed simultaneously rather than one at a time saving significant time and resources.

H

Provide legal updates and guidance on recommended coverages in order to maintain compliance with Federal and State laws and funding regulations as requested by Parkfairfax Condominium.

Clients are updated on developments and trends, and specifically what issues may impact your Community Association. Our team will help the Community Manager and their staff interpret Federal and State regulations and provide assistance with **OSHA logs**. USI also has subject matter experts in DOT and OSHA compliance that routinely produce topical updates reading new and updated compliance issues.

The primary means of keeping Parkfairfax Condominium informed is through regularly scheduled meetings included on our mutually agreed upon USI service calendar and also through our monthly USI newsletters which will be disseminated to the Community Manager, Board Members and Committee Members using an array of media based on your preference.

These communications will address topics relevant to Community Associations such as risk management techniques, the state of the insurance market, carrier solvency, new risks experiences by other communities, legislative and regulatory changes, emerging torts and best practices.

Keeping abreast of regulatory issues and trends affecting your Community Association

USI team members stay abreast of changes and developments in the marketplace through: regular and on-going conversation with carriers, underwriters and other marketplace professionals; subscriptions to industry-specific periodicals and publications; continuing education courses, webinars and seminars; and membership and participation in the local and national **Community Associations Institute (CAI) Legislation Committee**.

We receive changes in pricing and underwriting guidelines directly from the carriers themselves.

We augment this information with insights on claim or loss trends impacting appetite or discretionary pricing factors gleaned through the conversations we have with — and feedback we receive from — Community Associations we insure and renew annually.

Keeping you informed: Training and education

Cutting edge research to stay on top of industry trends

Your dedicated service team will keep Parkfairfax Condominium apprised of new and emerging developments we believe will create opportunities or challenges for you with respect to your risk programs, including concerns related to the relative financial condition of the insurers with whom we and our clients do business.



Risk Management Center (RMC)

We also offer access **Risk Management Center**, which provides online access to over 300 topics ranging from environmental, health and safety issues to sexual harassment awareness. Classes are offered in Spanish and English and can be accessed from any computer – at work or at home.



Welcome to your periodic email with included training short(s).

These training shorts can improve safe work habits, productivity, and morale. Topics cover a wide variety of work-related subjects to assist your organization in preventing injuries.

February HR News

- **13 Federal, 8 State and Local Updates to HR Regulations.** We've got the latest information and updates from OSHA, the Department of Labor, and the National Labor Relations Board. [Check out what you need to know.](#)
- **Ask the HR Expert:** This month we answer a question about what quid pro quo is when it relates to harassment. [Do you know what it is?](#)
- **How to Report and Investigate Harassment Claims.** We have some guidance about how to develop prompt, fair, and lawful harassment reporting, investigation, and corrective action procedures. [Get the details about harassment claims and investigations.](#)

OSHA Increases Fines for 2020

New year, new OSHA penalties. Civil penalties and maximum penalties have increased; [find out by how much.](#)

Fall Protection: How to Avoid the Most Common OSHA Violation

Falls are the #1 reason employees get hurt or killed at work. [Learn how to keep your workers safe and comply](#) with OSHA's fall protection and training standards. Learn how to keep your work area safe...

Respect in the Workplace: Anti-Sexual Harassment in 2020



In 2018, more than half of all EEOC claims were based on sexual harassment. Join us for the identifying harassment, how to handle investigations, and how to meet state compliance.

You'll learn:

- What you should include in a harassment policy
- How to handle investigations and claims
- The differences between state requirements

Upcoming available date(s):

Thursday, February 27 at 10:00 AM PDT

[Click to Register](#)

*To access recorded, educational HR and EHS webinars, [log into the Risk Management Center](#), then go to Help > Training Center > Educational Webinars.

USI'S Proprietary Product: Risk Management Center (RMC)



Risk Management Platform

Use a complete solution to reduce risk and maintain compliance. [View a video](#)



Risk Management Library®

Access a bilingual database of risk management resources. [View a video](#)



Incident Track®

Help prevent near-misses, injuries, and accidents while staying compliant. [View a video](#)



Audit Track®

Create audits, surveys, questionnaires, and self-assessments. [View a video](#)



Training Track™

Maintain training documentation and automate the employee training process. [View a video](#)



SDS Track®

Compile your safety data sheets and achieve GHS compliance. [View a video](#)



BBS Track®

Build job hazard analyses and conduct safety observations. [View a video](#)



Job Description Track®

Create job descriptions and return-to-work programs. [View a video](#)



COI Track®

Manage certificates of insurance and avoid liability. [View a video](#)

eRisk Hub

Lastly as it relates to cyber liability, we offer the **eRisk Hub®** portal to our clients. The eRisk Hub is our own proprietary database offering valuable information and tools on all things information security and privacy related. It includes technical resources that assist with pre-breach preparation, up-to-date articles and current events, changes in privacy legislation, and risk management tools.



Breach Coach™ – Our Breach Coach service, staffed by attorneys who are certified privacy professionals, provides immediate triage assistance in the event of a breach

News center – The news center keeps you up to date with cyber risk stories, security and compliance blogs, security news, risk management events, statistics, and helpful industry links

Learning center – The learning center contains best-practices articles and white papers written by leading technical and legal professionals on compliance, network security, privacy, and breach recovery

eRisk resources directory – From security consultants, to specialists, to forensic investigators, to eDiscovery specialists, the eRisk resources directory helps you quickly find external

resources with deep experience in pre- and post-breach disciplines.

We can facilitate training for your Community Association in a number of areas, including:

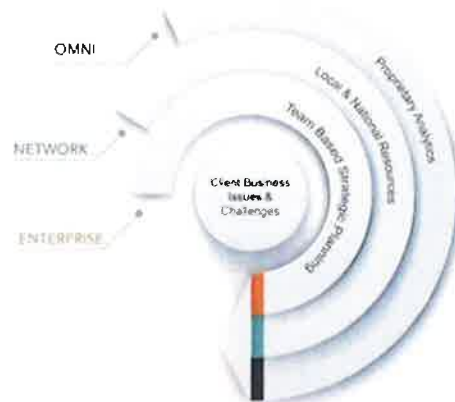
- ✓ **Supervisor education:** The front-line supervisor is often the first point of contact following an injury. In conjunction with the carrier, we can offer training to your supervisors on what to do when an injury/illness occurs.
- ✓ **Claim filing:** It is sometimes difficult to know when, or even if a claim should be filed. We offer training to give guidance on the appropriate way to complete forms to best represent your interests while complying with the law. We also offer telephonic claim reporting assistance when a situation falls outside the usual guidelines.
- ✓ **Workers' compensation administration:** The administrative workings of the workers' compensation system can be a mystery to anyone unfamiliar with the process. We offer education in this area to increase your comfort level, understanding and can assist you in strategizing employment decisions as they relate to workers' compensation.
- ✓ **Return-to-work programs:** The most effective way of reducing workers' compensation costs is through participation in a Return-to-Work Program, which returns injured workers to modified duty employment as soon as they are medically able and assists them in transitioning back to their regular jobs, thus lowering indemnity and medical costs.

Team member and title	Role and qualifications
Team Lead	
David Galbraith <i>Property & Casualty Practice Leader, Senior Vice President</i>	David Galbraith is a Property & Casualty Practice Leader in USI's Mid-Atlantic region. He started with USI in October 2018. In his current role his primary responsibility is to drive profitability and revenue growth for the DC Metro region, drawing on his expertise and experience working with middle market and large organizations on all aspects of their insurance and risk management needs.
Jessica M. Knutsen, CIC <i>Vice President Community Association Practice</i>	Jessica Knutsen is the Vice President of USI's DC Metro regional offices Condominium Association Practice. She joined our team in April 2011 and is a licensed property and casualty insurance agent and consultant in Virginia, Maryland and the District of Columbia. Her focus is in the Common Interest Community Association field. In addition, she brings over 14 years of insurance and risk management experience and is currently serving as 2020-2022 CAI's Business Partner Council.
Theresa Melson, PCAM <i>Senior Vice President Community Association Practice</i>	Theresa is a Senior Vice President with USI's Community Association Practice located in the Washington Metropolitan area providing insurance and risk management services to over 1,000 clients since 1985. Theresa is licensed as a P&C Insurance Broker, Consultant, and Life and Health agent in the Commonwealth of Virginia, State of Maryland, and District of Columbia. Her focus is in the Real Estate industry, where she specializes in the Common Interest Community Association field. She joined USI in 2003.
Core Service Team	
Nabila Sarwar <i>Senior Account Executive</i>	Nabila is an Account Executive and Team Leader in the Commercial Property & Casualty group located in Falls Church, Virginia, and has more than 20 years of experience in the insurance industry. In her current role, she supervises the condo team and manages large, complex accounts by providing technical support to sales executives. Nabila's responsibilities include marketing submissions, reviewing quotes, preparing proposal; negotiating coverage, pricing, terms, and conditions with underwriters; and taking care of day-to-day client and underwriters needs.
Claire May <i>Senior Claims Consultant</i>	Claire is a Senior Claims Consultant with the USI Mid-Atlantic Region's Property & Casualty team and has over 30 years of experience as a claims professional. She began her career in the field of insurance with an insurance defense firm. During the last 15 years, she has been a broker claims advocate working on behalf of clients in a variety of industries including manufacturing, healthcare, real estate, hospitality, transportation, and government contractors.
Andrew M. Levitsky <i>Vice President Mid-Atlantic Regional Risk Control Lead</i>	Andrew has over 18 years of risk control experience that includes roles as technical consultant for an insurance carrier, and a safety manager, supervisor, and engineer for a contractor. Currently, he is the Vice President of Risk Control in the USI Mid-Atlantic Region.
Julie Edward-Sanchez <i>Senior Vice President, Technical Resource Director</i>	Julie Edwards-Sanchez has been with USI for seven years and is responsible for the Technical Resource Team in the Mid-Atlantic region. Julie has over 25 years of experience in the commercial casualty industry and has worked with both large and middle market firms creating customized insurance programs to meet their specific needs. Focusing on analytics to help our clients understand the aspects of their business driving their costs, she provides our clients the insight to make informed decisions for risk management and insurance program designs.

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

O: Omni Knowledge Engine™ – USI's proprietary analytics

Omni, which means “all,” is USI’s one-of-a-kind solutions platform — real time, interactive, dynamic and evolving, and customized for each client. Built in-house by USI subject matter experts, Omni captures the experience of more than 150,000 clients, thousands of professionals and over 100 years of business activity through our acquired agencies into targeted, actionable solutions. The Insurance Marketing Communications Association (IMCA) recognized USI with their 2018 Innovation Torchbearer Award for the USI Omni Knowledge Engine™ and the impact this platform “has on a large segment of the insurance industry”¹.



N: Network – USI's local and national resources

At USI, we have made a very large investment in local resources and technical expertise with more than 6,000 professionals networked nationally to build strong vertical capabilities and integrated account teams. Smaller brokerage firms are typically unable to offer the same level of local and national resources, and larger brokerage companies often keep their resource remotely in national practice groups. Our local and regional experts ensure account team availability, hands-on service, and ongoing diligent follow-through so we can deliver on the solutions we customize for our clients.

E: Enterprise – USI's team-based strategic planning process

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

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

EXPERIENCE THE USI ONE ADVANTAGE®

Our Approach to Delivering Client Solutions ► [Learn More](#) (Click to watch video)

3. CLIENT REFERENCES

Out of respect for our clients' privacy, we do not release lists of client names or projects as part of the proposal process, and we will extend this same courtesy to Parkfairfax Condominium, should you elect to engage our services. However, we have included the following specific client references—which Parkfairfax Condominium is invited to contact:

1	Company name	Leisure World of Maryland
	Contact name, title	Kevin Flannery, General Manager
	Telephone number	301.598.1328
	Email address	kflannery@lwmc.com
2	Company name	Lake Ridge Parks & Recreation Association
	Contact name, title	Ike Mutlu, General Manager
	Telephone number	703.491.2154
	Email address	IMutlu@lakeridgeva.com
3	Company name	Brambleton Community Association
	Contact name, title	Rick Stone, General Manager
	Telephone number	703.542.6263
	Email address	rick.stone@brambleton.org
4	Company name	Lansdowne Woods of Virginia
	Contact name, title	J. William 'Bill' Reynolds, General Manager
	Telephone number	703.723.1501
	Email address	management@lwva.org
5	Company name	The Sanctuary at False Cape Condominium Association
	Contact name, title	Rebecca Beamon, CMCA, General Manager
	Telephone number	757-689-8984
	Email address	rebecca@sanctuaryatfalsecape.net

4. FEE PROPOSAL

We are committed to acting in our clients' best interests by providing quality products and services that meet, as well as anticipate, our clients' risk management needs. Regardless of the broker compensation model, the amount of compensation will be fully disclosed to Parkfairfax Condominium. We are flexible on how we are compensated, and our compensation typically comes from the carrier:

Commissions from the insurance carriers - All commissions are disclosed by line of coverage written, as well as whether we have a contingent income relationship with that carrier. A typical carrier commission schedule has been included below for review and consideration. It is important to note that each carrier partner offers varying levels of commissions which in no way increase costs to our clients. The commission is included in the final premium, it is not in addition to it.

Line of Coverage	Commissions (as a % of premium)
Property & Casualty	12% - 15%
Automobile Liability	10% - 15%
Directors & Officers Liability / Fiduciary Liability	10% - 15%
Crime/Fidelity	10% - 15%
Environmental Liability	10% -15%
Umbrella Liability	10% -15%
Cyber Liability	10% -15%
Workers Compensation	5% -8%

5. PREMIUM SUMMARY

POLICY TERM: April 1, 2020 to April 1, 2021

Coverage	USI
Property	Philadelphia \$451,709
Boiler & Machinery	Hartford Steam Boiler \$13,980
General Liability	Philadelphia \$25,885
Employee Benefits Liability	Philadelphia \$300
Auto Liability	Philadelphia \$22,705
Workers' Compensation	BOR
Umbrella	BOR
D&O	BOR
Crime	BOR
TOTAL PREMIUM	\$514,579

Premium Breakdown for potential savings if removed:

Flood \$5,000,000 limit includes \$20,544 annual premium
 Earthquake \$5,000,000 limit includes \$25,680 annual premium
 Terrorism coverage includes \$12,311 annual premium

Bill Plan Options:

~~25% Down and 11 Consecutive Monthly Installments - Combined minimum premium must be \$7,350~~
~~25% Down and 9 Consecutive Monthly Installments - Combined minimum premium must be \$8,000~~
~~25% Down and 5 Consecutive Monthly Installments - Combined minimum premium must be \$3,333~~
~~25% Down and 3 Consecutive Monthly Installments - Combined minimum premium must be \$2,000~~
~~50% Down and 2 Consecutive Monthly Installments - Combined minimum premium must be \$2,000~~
~~30% Down and 3 Quarterly Installments - Combined minimum premium must be \$2,150~~
~~Premiums under \$2,000 are Fixed Annual billing~~

6. COVERAGE COMPARISON

POLICY TERM:
April 1, 2020 to April 1, 2021



PROPERTY

Coverage Descriptions:	RWA Insurance, Inc. 2018-2019 Expiring Term	USI 2020-2021 Expiring Term
Insurance Company Name A.M. Best Rating	Brethren Mutual Insurance Company A- (Excellent) VIII	Philadelphia A++ (Superior) XV
Financial Size Building Limit	(\$100 Million to \$250 Million) \$247,668,648	(\$2 Billion or greater) \$251,102,400
Replacement Cost Valuation	100% Replacement Cost	125% Replacement Cost (Additional 25% of building limit, +\$62,775,600)
Co-Insurance Deductible	100% for Building Only \$50,000	None \$50,000
Business Personal Property Business Income	Included in Blanket Actual Loss Sustained	\$150,000 \$5,546,000
Ordinance or Law Coverage (A)Undamaged Portion: Included (B)Demolition Cost: (C) Increased Cost of Construction:	Included \$250,000 Included in Demolition Limit	Included \$300,000 \$300,000
Water Sewer Backup	Excluded via Water Damage Exclusion?	\$25,000
Wind Driven Rain:	Excluded via Interiors Exclusion?	\$100,000 Deductible: \$50,000
Fine Arts	\$25,000	\$35,000
Outdoor signs	\$2,500 Per Sign	Included
Outdoor trees, shrubs and plants	\$25,000 Except \$500 for any plant, tree, or shrub	\$25,000
Pollutant Cleanup	\$25,000	\$35,000
Debris Removal	\$25,000	\$250,000
Mold	\$15,000	\$15,000
Earthquake	Schedule per Building	\$5,000,000 with \$50,000 Deductible
Flood \$5,000,000 with \$50,000 ded	Flood \$5,000,000 with \$50,000 ded	\$5,000,000 with \$50,000 Deductible
Accounts Receivable	\$100,000	\$250,000
Valuable Papers & Records	\$100,000	\$250,000
Business PP, Temporarily in portable storage units	\$10,000	\$10,000
Civil Authority	4 Weeks	3 Weeks
Dependent Property	\$25,000	Not Covered
Errors & Omissions	Not Covered	Not Covered
Extended Period of Indemnity	60 Days	None
Fire Department Service Charge	\$25,000	\$25,000
Loss of Attraction - BI or EE coverage as a result of bomb scare, murder, suicide, armed robbery, infectious or communicable disease	Not Covered	Not covered
Newly Acquired or Constructed locations - Building	\$1,000,000	\$1,000,000
Non-owned Detached Trailers	\$5,000	\$5,000
Ordinance or Law Coverage- Downsizing	Not Covered	Not Covered
Preservation of Property	60 Days	Up to 30 Days after property first moved
Professional Fees	Not Covered	Not Covered
Property Off Premises	\$25,000	\$25,000
Transit	\$25,000	\$50,000
Utility Services- Direct Damage	\$25,000 Per Building excluding overhead Transmission lines	\$10,000
Coverage Limitations:		
Water Damage Exclusion	The water damage exclusion applies to backup of sewers and drains and flood. We would at least try to add back coverage for back up of sewers and drains.	

EQUIPMENT BREAKDOWN

	RWA Insurance, Inc. 2018-2019 Expiring Term	USI 2020-2021 Renewal Term
Insurance Company Name	Brethren Mutual Insurance Company	Hartford Steam Boiler
A.M. Best Rating	A- (Excellent)	A++ (Superior)
Financial Size	VIII	XV
Limit	(\$100 Million to \$250 Million)	(\$2 Billion or greater)
Deductible	Included in Building Limit \$50,000	\$100,000,000 \$10,000

GENERAL LIABILITY

	RWA Insurance, Inc. 2018-2019 Expiring Term	USI 2020-2021 Renewal Term
Insurance Company Name	Brethren Mutual Insurance Company	Philadelphia
A.M. Best Rating	A- (Excellent)	A++ (Superior)
Financial Size	VIII	XV
General Liability	(\$100 Million to \$250 Million)	(\$2 Billion or greater)
Per Occurrence	\$1,000,000	\$1,000,000
Aggregate	\$2,000,000	\$2,000,000
Employee Benefits Liability	Yes	Yes
Limit/ Deductible		\$1,000,000 with \$0 deductible
Retroactive Date		4/1/2020

AUTO LIABILITY

	RWA Insurance, Inc. 2018-2019 Expiring Term	USI 2020-2021 Renewal Term
Insurance Company Name	Brethren Mutual Insurance Company	Philadelphia
A.M. Best Rating	A- (Excellent)	A++ (Superior)
Financial Size	VIII	XV
Limit of Liability (Incl Symbols)	(\$100 Million to \$250 Million)	(\$2 Billion or greater)
Comprehensive Deductible	(Symbol 1): \$1,000,000	(Symbol 7,8,9): \$1,000,000
Collision Deductible	\$500	\$500
Hired Car Liability Limit	\$1,000	\$1,000
Hired Car Physical Damage	\$1,000,000	\$1,000,000
OTC Deductible	?	Yes
Collision Deductible	?	\$100
Non Owned Automobile Liability	?	\$1,000
Uninsured/ Underinsured Limit	\$1,000,000	\$1,000,000
Medical Expense Limit	(Symbol 2): \$1,000,000	(Symbol 7): \$1,000,000
Garage Keepers Liability Limit	(Symbol 2): \$5,000	(Symbol 7): \$5,000
Comprehensive Deductible	Not Covered	\$120,000
Collision Deductible	Not Covered	\$1,000/ \$5,000
Vehicle List:	Not Covered	\$1,000
2004 Chevrolet Express G1500	Yes	Yes
2009 Isuzu NPR	Yes	Yes
2017 Ford F250	Yes	Yes
2003 Chevrolet Express G1500	Yes	Yes
2003 Chevrolet Silverado	Yes	Yes
2010 Chevrolet Silverado	Yes	Yes
2014 Ford Transit Connect	Yes	Yes
2009 Toyota Tacoma	Yes	Yes
2000 Chevrolet S Truck	Yes	Yes
2010 Chevrolet Express G2500	Yes	Yes
1998 Chevrolet S Truck	Yes	Yes
2004 Chevrolet Express G1500	Yes	Yes
2010 Toyota Tacoma	Yes	Yes
2010 Toyota Tacoma	Yes	Yes
2010 Chevrolet Silverado	Yes	Yes
2015 Ford Transit	Yes	Yes

UMBRELLA

	RWA Insurance, Inc. 2018-2019 Expiring Term	USI 2020-2021 Renewal Term
Insurance Company Name	Great American Insurance Company	
A.M. Best Rating	A+ (Superior)	
Financial Size	XIV	
Limit	(\$1.5 Billion to \$2 Billion)	
Retention	\$25,000,000	BOR
	\$0	

WORKERS' COMPENSATION

Coverage		RWA Insurance, Inc. 2018-2019 Expiring Term	USI 2020-2021 Renewal Term
Workers' Compensation	Insurance Company Name	Accident Fund	
	A.M. Best Rating		BOR
	Financial Size		
	Limit	\$500K/\$500K/\$500K	
	Payroll		

D&O LIABILITY AND CRIME

	RWA Insurance, Inc. 2018-2019 Expiring Term	USI 2020-2021 Renewal Term
Insurance Company Name	Travelers Insurance	
A.M. Best Rating	A++ (Superior)	BOR
Financial Size	XV	
Limit	(\$2 Billion or greater)	
Retention	\$1,000,000	
Insurance Company Name	Hartford Fire Insurance	
A.M. Best Rating	A+ (Superior)	BOR
Financial Size	XV	
Limit	(\$2 Billion or greater)	
Retention	\$6,000,000	
	N/A	

PACKAGE QUOTE SUBJECTIVITIES:

1. Fully completed and signed Philadelphia's application
2. Signed Statement of Values
3. Confirm clubhouse sq. ft.
4. MVRs will be run on all drivers at binding
5. Subject to a favorable risk management inspection

APPENDIX I – BIOGRAPHIES



Jessica M. Knutsen, CIC, EBP

Vice President, Account Director

Property & Casualty

Community Association Insurance Practice



Jessica has been practicing insurance for 15 years. She holds a Property & Casualty insurance license and Surplus Lines insurance license for Virginia, Maryland and DC. She has developed expertise designing insurance programs and developing Risk Management Plans for condominiums, cooperatives and large homeowner associations.

Jessica joined USI in 2011, she is a Vice President from the Community Associations Insurance Practice. In 2014, USI recognized Jessica as one of the five Outstanding Employees of the DC Metro office and also as one of the five Summit Award winners in 2015.

Jessica holds a Bachelor of Science in Business from George Mason University and the Certified Insurance Counselor (CIC) professional designation.

Jessica is an active member of the Community Associations Institute (CAI) and participates in three different local committees: Education, Membership and Virginia Legislation. She has presented educational programs on behalf of the DC Metro Chapter for the annual Conference and Expo and for different Property Management Companies.

She is certified by National CAI as an Educated Business Partner and was recently elected to the 2020 – 2022 CAI's Business Partner Council in an At-Large position (Insurance Broker).

USI Insurance Services LLC
3190 Fairview Park Drive, Suite 400
Falls Church, VA 22042
Tel: 703.205.8722
Mobile:
703.340.0716
Jessica.Knutsen@usi.com



Theresa N. Melson, PCAM, CIRMS

*Senior Vice President
Property & Casualty
Community Association Practice*



Theresa is a Senior Vice President with USI's Real Estate/Community Association Practice located in the Washington Metropolitan area providing insurance and risk management services to over 1,000 clients since 1985.

Theresa is licensed as a P&C Insurance Broker, Consultant, and Life and Health agent in the Commonwealth of Virginia, State of Maryland, and District of Columbia. Her focus is in the Real Estate industry, where she specializes in the Common Interest Community Association field. She joined USI in 2003.

Prior to joining USI, Theresa worked with another national insurance agency, also specializing in the Community Association industry, from 2001 to 2003. Before being licensed as a P&C Agent in 2001, Theresa worked in the common interest community industry for over 20 years, from 1981 to 2001, managing a variety of community associations, from luxury high-rises to mid-rise and very large garden/midrise communities.

Theresa earned the Professional Community Associations Manager (PCAM®) and Certified Insurance and Risk Management Specialist (CIRMS) designations from the Community Associations Institute (CAI). She is past President of the Washington Metropolitan Chapter of the Community Associations Institute (WMCCAI), the largest Chapter in the country; and is also a member of the Chesapeake Chapter of CAI; the CIRMS Law Conference Planning Committee; and the Washington Metro Chapter's Virginia Legislative Committee, Education Committee, and Quorum Publications Committee. She has been honored to be inducted into the WMCCAI Hall of Fame and is a recipient of the Volunteer of the Year, Educator of the Year, and Committee Chair of the Year awards. Theresa has presented many educational programs on behalf of WMCCAI and CAI throughout her careers in both property management and insurance.

Theresa has lived most of her life in the Washington area, and currently resides in Chesapeake Beach, Maryland, with her husband, Chris. Theresa currently serves on her own Homeowners Association Board of Directors.

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Nabila Sarwar, CRIS, CISR

Account Executive

Property & Casualty

Operations Team Leader



Nabila is an Account Executive and Team Leader in the Commercial Property & Casualty group located in Falls Church, Virginia, and has more than 20 years of experience in the insurance industry. In her current role, she supervises the condo team and manages large, complex accounts by providing technical support to sales executives. Nabila's responsibilities include marketing submissions, reviewing quotes, preparing proposal; negotiating coverage, pricing, terms, and conditions with underwriters; and taking care of day-to-day client and underwriters needs. She has been with USI since May 2018.

Previously, Nabila was a Senior Account Manager in a similar role at Marsh & McLennan Agency from 2005 to 2018. Before that, she was an Account Manager at Marsh MMC from 2002 to 2005 supporting Senior Account managers, issuing certificates, requesting and issuing endorsements, billing, processing audits, creating insurance schedules, and filing documents.

Nabila graduated from Malali High School in Kabul, Afghanistan and received a B.A in Public Relations from the University of Afghanistan. She has earned designations as a Construction Risk Insurance Specialist (CRIS) and Certified Insurance Service Representative (CISR). She holds a Virginia P&C insurance license and attended The Hartford School of Insurance.

From 2000 to 2008, Nabila served her community as a member of the Board of Directors for Bethany House of Northern Virginia, an organization that helps abused women and children; and is a current member of AAWA, a group that helps women and families suffering from poverty and negative socioeconomic conditions.

Moving to the U.S. from Dortmund, Germany in 1991, Nabila now lives in Springfield, Virginia with her husband and two children.

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Claire May

*Senior Claims Consultant
Property & Casualty*



Claire is a Senior Claims Consultant with the USI Mid-Atlantic Region's Property & Casualty team and has over 30 years of experience as a claims professional. She began her career in the field of insurance with an insurance defense firm. During the last 15 years, she has been a broker claims advocate working on behalf of clients in a variety of industries including manufacturing, healthcare, real estate, hospitality, transportation, and government contractors.

Claire has experience in both domestic and international claims, as well as expertise in Product Liability, General Liability, Workers' Compensation, Automobile Liability, and Property lines of coverage. With her legal background, Claire is more prepared than most claims advocates for managing complex coverage and/or legal issues enabling her to advocate more effectively for clients. Her strengths include providing direction to claim adjusters regarding reserving, investigation, resolution strategy, and settlement to ensure that claims best practices are being followed.

Claire has a deep understanding of the relationship between clients, carriers and third-party claim administrators with the focus on claims management to reduce the overall cost of risks her clients.

Claire graduated with a B.S. in Political Science from the University of Maryland and earned her J.D. from the University of Baltimore School of Law. She joined the Maryland Bar in 1987.

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Lori Zobler, WCP

*Senior Claims Consultant, Workers Compensation Specialist
Property & Casualty*



Lori Zobler is a Senior Claims Consultant specializing in workers compensation and is part of the USI Mid-Atlantic Region's Property & Casualty team. Her job responsibilities include claim advocacy and consultative services to our clients working to make a positive financial impact for our clients. Lori began her career at USI in July of 2018 and has been specializing in workers compensation insurance since 1997.

Prior to starting with USI, Lori held a variety of positions. She worked as a claims adjuster for Master Care in Clark, New Jersey from 1997-2001 with clients that included both municipalities and private industry. Following Master Care, she became a multijurisdictional claims supervisor for Princeton Insurance Company in Princeton, New Jersey from 2001-2004 overseeing a staff of 15 adjusters and nurse case managers. Their risk appetite included healthcare and light industry. From 2004-2007, Lori worked at PMA in Mt. Laurel, New Jersey as a Regional Claims Supervisor with a staff of 12 adjusters and nurse case managers. PMA had several focus areas including general industrial and healthcare industry and offered different insurance programs (i.e. high deductible, retro, etc.). In 2007, Lori was part of a startup team to write workers compensation to compliment the package lines of coverage for Proformance Insurance in Freehold, New Jersey. Proformance was acquired by Palisades Insurance in 2008 and divested the Workers Compensation book. From 2008-2013, she worked as Director of Claims for Berkley Net (WR Berkley company) in the claims department in both New Jersey and then in Virginia. In November of 2013, Lori worked for Corvel as the Branch Manager for the DC Government, a fully self-insured program with 30,000 employees. Corvel lost the contract due to DC self-administering their WC program. She then worked at MEMIC adjusting claims from June 2014 to July 2018, prior to starting with USI.

Lori attended Brooklyn College in Brooklyn, New York specializing in Health Science and Computer Technology. She earned her Workers Compensation Professional (WCP) designation in September 2017 and is an active CLM Fellow since 2008. In her spare time, Lori manages two blood drives per year in Fairfax County, Virginia. In addition, she volunteers at a conservative synagogue in Northern Virginia as a member of the board of directors as well as sisterhood liaison.

Lori is from Brooklyn, New York where she met her husband. They have two adult children and two young grandsons and presently live in Fairfax.

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Andrew M. Levitsky, MS, CSP, ARM, CHST

*Vice President, Mid-Atlantic Regional Risk Control Lead
Risk Control*



Andrew has over 18 years of risk control experience that includes roles as technical consultant for an insurance carrier, and a safety manager, supervisor, and engineer for a contractor. Currently, Andrew is the Vice President of Risk Control in the USI Mid-Atlantic Region.

He obtained his B.S. in Civil Engineering from Fairmont State University and M.S. in Safety Management from West Virginia University. Both degrees are recognized by the American Board of Engineering & Technology (ABET). Since, Andrew had earned three professional designations: Certified Safety Professional (CSP), Associate in Risk Management (ARM), and Construction Health & Safety Technician (CHST).

In his current role, he assists clients in controlling their risk and improving their risk management program. The primary functions that are performed to improve client's risk control effort are:

- Loss Control Assessments – completing a thorough Loss Control Assessment Report, Risk Improvement Plan, and tailored Loss Control Service Plan addressing the wants and needs of individual clients.

- Analyzing prior losses to determine trends and problem regarding both frequency and severity.

- Conducting the necessary site inspections, surveys, audits, training, and consultation to accomplish individual clients' Loss Control Service Plan.
- Producing and processing client correspondence including: response to recommendations, site and operational observations, recommendations, status reports, etc.

- Interacting with carriers' Claims and Loss Control professionals and coordinating complementary service plans.

- Assisting in an accident investigation process focused on future prevention and reoccurrence; and, from the findings, developing and implementing recommendations for the correction of unsafe actions, unsafe conditions, and systemic issues.

- Developing and presenting training sessions for internal and external clients and various industry groups.

- Maintaining awareness of federal, state, and local safety regulations and appropriate industry standards.

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Andrew M. Levitsky

Vice President, Mid-Atlantic Regional Risk Control Lead



Prior to joining USI, Andrew was a technical consultant for an insurance carrier, providing consulting services to contractors and large construction insurance wrap projects in Maryland, Virginia, and Washington, D.C. The primary job functions were to evaluate safety programs, participate in job safety/hazard analysis, and provide training on multiple subjects. He has worked with owner controlled insurance programs at multiple airports, pharmaceutical plants and hospitals, as well as contractor controlled insurance programs at hospitals, security sensitive self-supported government campuses and high-rise buildings. Regularly facilitates the development and implementation of company safety and health programs and provide training for multiple hazards and processes that assist in reduction of risks and losses.

Prior to that, he spent six years working as a safety manager for a heavy civil and industrial contractor. Duties included project engineering, supervision, surveying, and safety. During his tenure he has a service record that has been effective in identifying risk and implements plans and processed to reduce the risk. He has implemented multiple service plans for organization that resulted in reduction of losses and employee modification rate. He has produced favorable results on numerous construction projects by facilitating safety committees and implementing behavior safety programs and job site audits with involvement from owners, contractors, and sub-contractors. In addition, he successfully implemented programs and procedures for safety and health, return to work, fleet, and other customized programs.



Julie Edwards-Sanchez, CPCU

*Senior Vice President, Technical Resource Director
Property and Casualty*



Julie Edwards-Sanchez has been with USI for seven years and is responsible for the Technical Resource Team in the Mid-Atlantic region.

Julie has over 26 years of experience in the commercial casualty industry and has worked with both large and middle market firms creating customized insurance programs to meet their specific needs. Focusing on analytics to help our clients understand the aspects of their business driving their costs, she provides our clients the insight to make informed decisions for risk management and insurance program designs. Different program designs include large deductibles, retros, and SIR's (Self Insured Retentions) both on bundled and unbundled bases.

Julie's experience also includes working with wrap up, master builders risk and professional liability programs. Her experience in reinsurance also provides additional insights in creating new solutions or alternatives to business owners' needs.

Prior to USI, Julie has worked with several national insurance companies in various underwriting and production roles.

Julie received her Bachelor of Arts degree from the University of California Los Angeles and has her Chartered Property Casualty Underwriting designation (CPCU).

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David A. Galbraith, CIC

*Practice Leader, Senior Vice President
Property & Casualty*



David Galbraith is a Property & Casualty Practice Leader in USI's Mid-Atlantic region. He started with USI in October 2018. In his current role, his primary responsibility is to drive profitability and revenue growth for the D.C. Metro region, drawing on his expertise and experience working with middle market and large organizations on all aspects of their insurance and risk management needs.

With a finance degree from Franklin & Marshall College, David launched his insurance career more than 14 years ago working for Travelers in Hartford, Connecticut. An interest in client advisory sparked his relocation to the Mid- Atlantic region in 2005 where he most recently worked as the Real Estate

Practice leader for the largest insurance brokerage firm in the world. Prior to that he spent over 10 years as an account executive and Real Estate Practice Leader for the largest independent brokerage firm in the Mid-Atlantic where during his tenure he was the primary real estate resource for the organization and focused on expanding the firm's regional presence as well as tailoring the risk consulting platform and other related professional services to the real estate industry.

A graduate of Beazley Broker Academy at Lloyd's with a property insurance specialization, David has unique market knowledge, including expertise with niche real estate products and complex property placements. He also received his David continues to remain engaged in the real estate community, maintaining affiliations with ULI, NAIOP MD/DC, NH&RA, and PMA.



APPENDIX II – USI DISCLOSURES

Agency Bill Payment Options

We sincerely appreciate the opportunity to service your insurance needs. We believe good credit relationships are established by making our clients aware in advance of the terms of our payment procedures.

OUR BASIC PAYMENT PLAN IS THAT ALL PAYMENTS ARE DUE ON OR BEFORE THE EFFECTIVE DATE OF COVERAGE. THERE ARE THREE METHODS OF PAYMENT AVAILABLE:

-CASH ON EFFECTIVE DATE
-PREMIUM FINANCING BY A PREMIUM FINANCE COMPANY
-INSURANCE COMPANY PAYMENT PLAN, IF AVAILABLE

Please note that USI Insurance Services LLC and its subsidiaries and affiliates do not provide customer financing.

In some instances, you will receive invoices covering additions or changes to your coverage, endorsements. These invoices are payable upon receipt. You will receive a monthly statement of your account as a reminder as we realize that it is occasionally possible to miss a payment through oversight. Accounts with payments past due are subject to cancellation for non-payment. This is a serious situation as your insurer may refuse to reinstate coverage even if payment is made later. Accounts are subject, but not limited to, reasonable attorney fees, interest, collection fees and/or court costs incurred in connection with collection of past due balances.

PAYMENTS: Please remember to return the remittance copy of the invoice with your payment.. Otherwise, all payments will be applied to your oldest balance or left as unapplied if we cannot identify the applicable invoice being paid.

CREDITS: Credit invoices may be applied against other invoices due us. Please indicate in your remittance or contact us as to where to apply credit invoices on your account.

These payment procedures will apply for any and all policy renewals or future business written.

If you have any questions concerning our payment procedures or any other matters pertaining to account payments, please contact your insurance representative.

CONFIDENTIAL AND PROPRIETARY: This document and the information contained herein is confidential and proprietary information of USI Insurance Services LLC. ("USI"). Recipient agrees not to copy, reproduce, or distribute this document, in whole or in part, without the prior written consent of USI. Estimates are illustrative given data limitation, may not be cumulative, and are subject to change based on carrier underwriting.

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Compensation disclosure

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. You have agreed to pay compensation to USI, for the placement of insurance, pursuant to a written agreement. 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.

Direct Bill DISCLOSURE: The Insurance Company operates independently for the financing of your insurance premium. Your agreement to finance this premium is directly with the insurance company and not USI Insurance Services.

If payment is not received by the due date, the insurance company could cancel your insurance policy(s) for non-payment of premium. The insurance company has the right to honor the cancellation date and **NOT** offer reinstatement or rewrite the insurance coverage.

We are not in a position to make monthly reminders or verify that your payment was received. Please take the necessary action to avoid possible cancellation of your insurance policy(s) which you are paying directly to the insurance company.

Reviewing Client Contracts DISCLOSURE: 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

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 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.



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

A++ & A+	Superior	D	Poor
A & A-	Excellent	E	Under Regulatory Supervision
B++ & B+	Good	F	In Liquidation
B & B-	Fair	S	Rating Suspended
C++ & C+	Marginal	NR	Not Rated

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	to	or greater

RATING "NOT ASSIGNED" CLASSIFICATIONS

NR-1 Insufficient Data

NR-3 Rating Procedure Inapplicable

NR-5 Not Formally Followed

NR-2 Insufficient Size and/or Operating Experience

NR-4 Company Request



DESCRIPTION OF COVERAGE	2019/2020 PREMIUM	2019/2020 PREMIUM
Commercial Package (Property/ General Liability/ Automobile)	\$ 318,537	\$305,750
Workers Compensation	\$ 76,827	\$ 82,585
Excess Liability	\$ 24,655	\$ 30,000
Directors & Officers Liability	\$ 6,435	\$ 11,804
Crime/Fidelity	\$ 4,675	\$ 4,675
Cyber Liability	\$ 2,299	\$ 2,299
ERISA	\$ 263	\$ 263
Total Estimated Premium	\$ 433,691	\$437,376

Payment Plan:

Commercial Package - Direct Bill by Brethren Mutual
20% Down-payment Payment and 8 Equal Installments

Workers' Compensation - Direct Bill by Accident Fund

Excess Liability, Directors' & Officers', Crime/Fidelity, Cyber Liability
Agency Bill by Raley, Watts & O'Neill - Annual Payment