

**To:** Justine Cherne; 'Ann Werlein'; 'D'Neal Brown'; 'Evans-Smith Felicia (E-mail)'; 'Hegemier Jesse (E-mail)'; 'Judge Hebert'; 'McCarver Jean (E-mail)'; 'Meyers Andy (E-mail)'; 'Ospina Donna (E-mail)'; 'Patterson James (E-mail)'; 'Prestage Grady (E-mail)'; 'Robin Vrana'; 'richard.morrison@co.fort-bend.tx.us'; 'gubbepam@co.fort-bend.tx.us'; 'rodgeher@co.fort-bend.tx.us'; 'Cordes Jr., Roy L. (corderoy@co.fort-bend.tx.us)'; 'harrisli@co.fort-bend.tx.us'; 'gutierm@co.fort-bend.tx.us'; 'chingjen@co.fort-bend.tx.us'; 'Revels, Mary (revelmar@co.fort-bend.tx.us)'; 'Nicole.Mehrens@co.fort-bend.tx.us'

**Cc:** 'Mike Stone (mikestone@cpmguru.com)'; 'Jim Condrey (E-mail)'; mister\_ajc@yahoo.com; pmlogsdon@sbcglobal.net; Janecek, Jeffrey; Council, Jeff (councjef@co.fort-bend.tx.us); 'jimenmel@co.fort-bend.tx.us'; Bonnie Schmidt; Pagan, Greer (gpagan@abhr.com); Vogler, Mark; 'Curtis Craig'

**Subject:** Fort Bend Flood Control Water Supply Corporation Agenda Item Request

January 31, 2012

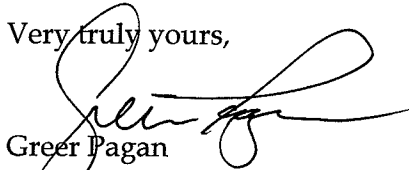
Dear Judge and Commissioners:

The Board of Directors of the Fort Bend Flood Control Water Supply Corporation reviewed the following item at their regular meeting held on January 25, 2012, and makes the following recommendation to Commissioners Court:

1. Approval of proposal for renewal of the Fort Bend Flood Control Water Supply Corporation's insurance policies with SIG/McDonald & Wessendorff Insurance in the amount of \$6,198.00.

A copy of the proposal is attached for your review. Please place this item for consideration by Commissioners Court on the agenda for the meeting scheduled on February 7, 2012. As always, if you should have any questions regarding this matter, please don't hesitate to contact any member of the Board of Directors or the Corporation's consultants.

Very truly yours,

  
Greer Pagan  
Allen Boone Humphries Robinson LLP  
713-860-6417

**Insurance Proposal  
Prepared for**

**Fort Bend Flood Control WSC**



# **MCDONALD & SIG WESSENDORFF INSURANCE**

**Welcome!**

Thank you for choosing us for your insurance needs. Finding the right people for the right job can be difficult, especially when dealing with insurance.

We at SIG/ McDonald & Wessendorff Insurance are dedicated to "Growing Relationships" with our clients. The following material about this insurance program is designed specifically for you.

Please contact us at 281-342-6837 with any questions, comments or concerns:

**SIG/ McDonald & Wessendorff Insurance:**

**Dan McDonald, Vice President**  
Direct # 281-633-3208  
Email: dan.mcdonald@sig4you.com

**Peggy Bohn, Agency Manager**  
Direct # 281-762-5213  
Email: peggy.bohn@sig4you.com

**Bonnie Schmidt, Account Executive**  
Accounts A-F  
Direct # 281-633-3210  
Email: bonnie.schmidt@sig4you.com

**Jana Curlee, Account Executive**  
Accounts: G-J  
Direct # 281-633-3204  
Email: jana.curlee@sig4you.com

**Julio Falcon, Account Executive**  
Accounts: K-Z  
Direct # 281-633-3207  
Email: julio.falcon@sig4you.com

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PH (281) 342-6837 (MUDS) • Fax: (281) 341-6837 (MUDS)

# Plan Coverages

## Property

- Coverage based on replacement cost evaluation
- Coverage written on "blanket" rather than "specific" basis

## Boiler & Machinery

- Coverage based on repair or replacement valuation

## Comprehensive General Liability

- Duty to defend
- Defense is in addition to the policy limit
- Sewer Back-Up coverage provided by specific endorsement

## Umbrella

- Increased limits are available as an alternative to the District which desires higher limits for General Liability and Business Auto Liability

## Pollution Liability

- Legal liability protection for environmental damage and bodily injury
- Clean-Up costs for third party owned premises
- Both gradual and sudden occurrences are covered
- Occurrence coverage form
- Defense is in addition to the policy limit
- No exclusion for punitive damages

## Directors & Officers Liability

- Duty to defend
- Pay on behalf in lieu of reimbursement coverage form
- Defense is in addition to the policy limit (Includes Breach of Contract)
- No Aggregate limit
- No deductible or retention
- Full prior acts coverage back to the creation of the District
- Definition of claim includes coverage for declaratory and injunctive relief suits
- No failure to supply exclusion
- Employment Related Practices included
- Coverage included for libel, slander, defamation of character

## **SIG/ McDonald & Wessendorff Insurance**

Dan McDonald is a native Texan with deep roots in the Houston, Richmond, and Rosenberg communities. After graduating from Texas A&M University in 1986, Dan returned to Richmond to join the Wessendorff Insurance Agency as an Agent. In 2001, he recognized the need for specialized services and coverages for Municipal Utility Districts and made that arena his focus. Dan and his staff continue to dedicate themselves to serving all varieties of Texas special purpose public entities including Municipal Utility Districts and related companies. In 2011, SIG/ McDonald & Wessendorff Insurance was formed under the SIG Insurance Services, LLC (SIG) umbrella.

The SIG relationship provides the agency with the flexibility to be customer focused, while also enabling it to connect with the largest, most stable and innovative insurance markets doing business in Texas.

SIG Insurance Services, LLC is a multi-location independent insurance agency with over 30 locations throughout Texas. SIG started in 1987 from a single location in Bryan/College Station, and they adopted their current strategic plan in 2000. The heart of SIG is located in each and every agent and associate that works with the organization. The adopted slogan, "Growing Relationships" is based on the philosophy of developing strong, long-term, win-win relationships with every client, agent, and insurance market that is associated with SIG. SIG Insurance Services, LLC is committed to serving its clients, prospects, agents, and insurance markets with innovative professionalism and uncompromised expertise.



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**Fort Bend Flood Control WSC**

**TYPE OF POLICY:** **COMMERCIAL GENERAL LIABILITY AND HIRED CAR & NON OWNERSHIP AUTOMOBILE LIABILITY**

**PROPOSED EFFECTIVE DATE:** **02/12/12**

**COVERAGE:**

- Bodily Injury and Property Damage
- Full Sewer Backup Coverage
- Punitive Damages Not Excluded
- Host Liquor Liability
- Terrorism Not Excluded
- No Mold Exclusion
- No Assault & Battery Exclusion
- Duty to Defend
- Defense Cost Outside the Limit
- Coverage in U.S. Only

**LIMITS OF LIABILITY:**

- \$1,000,000 Each Occurrence
- \$3,000,000 General Aggregate
- \$1,000,000 Personal/Advertising Injury
- \$3,000,000 Product Liability
- \$ 100,000 Fire Legal Liability
- \$1,000,000 Hired Car and Non Ownership Auto Liability

**POLICY TERM:** **One Year**

**PREMIUM:** **\$1,188**

**COMPANY:** **Mid-Continent Casualty Company  
Best Rating: A VIII**

**DOES THE DISTRICT HAVE AN INTERLOCAL AGREEMENT FOR LAW ENFORCEMENT?  
YES/NO: N**

**IF YES, PLEASE SEND A COPY.**

**NUMBER OF PEACE OFFICERS: 0**

**THE DISTRICT WILL NEED LAW ENFORCEMENT LIABILITY & PEACE OFFICERS BOND  
SEE SUMMARY PAGE FOR ADDITIONAL PREMIUM.**

**DOES THE DISTRICT OWN ANY ROADS YES/NO: N**

**ACCEPTED BY: [Signature] DATE: 1/25/12**

**REJECTED BY: \_\_\_\_\_ DATE: \_\_\_\_\_**

**SUBJECT TO POLICY TERMS, CONDITIONS, LIMITATIONS AND EXCLUSIONS**

## COMMERCIAL GENERAL LIABILITY

This policy is an agreement to pay damages for which the insured is legally obligated because of bodily injury or property damage and to defend any suit brought against the insured on account of bodily injury or property damage.

The policy will insure the District, any executive officers or directors thereof, and employees while acting within the scope of their duties as it applies to the following coverage's.

### COVERAGES

**PREMISES-OPERATIONS:** District's liability exposure is primarily from the existence of its' facilities or any other District property.

**PRODUCTS:** Products and/or completed operations coverage for waterworks and sewage disposal plant operations are included in the premises-operations coverage.

**CONTRACTORS LIABILITY:** Protects the District against claims arising out of operations performed on behalf of the District by independent contractors. Every independent contractor employed by the District should furnish a certificate of their liability insurance to the District.

**BLANKET CONTRACTUAL:** Protects against claims arising out of the named insured assuming liability of others under a written contract.

**PERSONAL INJURY:** Protects against claims arising out of one or more of the following offenses committed in the conduct of the named insured's business: False arrest, libel and slander, wrongful entry or eviction and other similar offenses including invasion of the right of private occupancy and defamation or violation of right of privacy.

**HIRED AND NON-OWNED AUTOMOBILES:** Covers liability for claims arising out of non-owned automobiles and hired automobiles being used on behalf of the District.

**Fort Bend Flood Control WSC**

**TYPE OF POLICY:** **POLLUTION LIABILITY**

**PROPOSED EFFECTIVE DATE:** 02/12/12

**COVERAGE:**

- Occurrence Form
- Legal Liability to Others-Bodily Injury and Property Damage and Clean Up Costs
- Compensatory Damages
- Defense Cost Outside the Limit
- Punitive/Exemplary Damages Not Excluded
- Terrorism Not Excluded
- Mold Not Excluded

**EXCLUSIONS:**

- Statutory Fines or Penalties Unless Direct Result of Pollution Incident as Defined by the Policy
- Disposal of Sludge at Landfill Site

**LIMIT OF LIABILITY:**


\$1,000,000 each occurrence  
\$3,000,000 aggregate \*  
\*Included in General Liability Aggregate

**DEDUCTIBLE:** \$5,000 Per Claim for Clean Up Costs

**POLICY TERM:** One Year

**PREMIUM:** \$750

**COMPANY:** Mid-Continent Casualty Company  
Best Rating: A VIII

**ACCEPTED BY:**  **DATE:** 1/25/12

**REJECTED BY:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

**SUBJECT TO POLICY TERMS, CONDITIONS, LIMITATIONS AND EXCLUSIONS**


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**Fort Bend Flood Control WSC**

**TYPE OF POLICY:** DIRECTORS AND OFFICERS LIABILITY  
**PROPOSED EFFECTIVE DATE:** 02/12/12  
**COVERAGE:**  
•Claims-Made Coverage Form  
•Duty to Defend  
•Pay on Behalf in lieu of Reimbursement Coverage Form  
•Full Prior Acts  
•Defense Cost Outside the Limit  
•Defense for Alleged Breach of Contract  
•Claim includes any Judicial or Administrative Proceedings  
•Employment Related Practices coverage for the District Included  
•Coverage extended to include Director's Spouse  
•Terrorism Not Excluded  
•Punitive Damages Not Excluded  
**LIMIT OF LIABILITY:** \$2,000,000 Per Claim  
No Aggregate Limit  
**DEDUCTIBLE:** None  
**POLICY TERM:** One Year  
**PREMIUM:** \$2,500  
**COMPANY:** Mid-Continent Casualty Company  
Best Rating: A VIII

**OPTIONAL LIMITS**

	<b>Limit</b>	<b>Premium</b>
_____	\$1,000,000	\$1,500
<u>  X  </u>	\$2,000,000	\$2,500
_____	\$3,000,000	\$3,500
_____	\$4,000,000	\$4,500
_____	\$5,000,000	\$5,500

**ACCEPTED BY:**  **DATE:** 1/25/12

**REJECTED BY:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

**SUBJECT TO POLICY TERMS, CONDITIONS, LIMITATIONS AND EXCLUSIONS**

**Fort Bend Flood Control WSC**

**TYPE OF POLICY:** UMBRELLA

**PROPOSED EFFECTIVE DATE:** 02/12/12

**COVERAGE:** Limit of Coverage over General Liability, Automobile Liability, Pollution and Employers Liability (If Applicable)  
 •Terrorism Not Excluded  
 •Punitive Damages Not Excluded  
 •Defense Cost Outside the Limit

**UNDERLYING REQUIREMENTS:** \$1,000,000 General Liability  
 \$1,000,000 Pollution Liability  
 \$1,000,000 Automobile Liability  
 \$1,000,000 Employers Liability

**EXCLUSIONS:** •Employee Benefits Liability  
 •Directors and Officers Liability

**LIMIT OF LIABILITY:** \$1,000,000

**RETENTION:** \$10,000

**POLICY TERM:** One Year

**PREMIUM:** \$900

**COMPANY:** Mid-Continent Casualty Company  
 Best Rating: A VIII

**OPTIONAL LIMITS**

	<b>Limit</b>	<b>Premium</b>
<u>  X  </u>	\$ 1,000,000	\$ 900
<u>      </u>	\$ 2,000,000	\$1,800
<u>      </u>	\$ 3,000,000	\$2,700
<u>      </u>	\$ 4,000,000	\$3,600
<u>      </u>	\$ 5,000,000	\$4,500

**ACCEPTED BY:** *De Russell* **DATE:** 1/25/12

**REJECTED BY:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

**SUBJECT TO POLICY TERMS, CONDITIONS, LIMITATIONS AND EXCLUSIONS**

**Fort Bend Flood Control WSC**

**TYPE OF POLICY:** PUBLIC EMPLOYEE BLANKET CRIME  
(Includes Attorney, Operator, Bookkeeper, Engineer and Delinquent Tax Attorney)

**ANNIVERSARY OF CURRENT POLICY:** 02/12/12

**COVERAGE:** Loss caused to the District through failure of any employee/consultant to perform faithfully their duties or to account properly for all monies and property received by virtue of their position or employment. Limit applies per employee/consultant up to \$100,000. If the bond amount is over \$100,000, each employee/consultant is covered up to \$100,000 and the excess amount is provided on a per loss basis rather than each basis.

•Terrorism Not Excluded

**LIMIT:** \$25,000

**DEDUCTIBLE:** \$0


**TERM:** One Year

**PREMIUM:** \$176

**COMPANY:** Hartford Fire Insurance Company  
Best Rating: XV

**OPTIONAL LIMITS**

	Limit	Premium
_____	\$ 10,000	\$120
<u>  X  </u>	\$ 25,000	\$176
_____	\$ 50,000	\$221
_____	\$ 100,000	\$342
_____	\$ 250,000	\$472
_____	\$ 500,000	\$565
_____	\$1,000,000	Quote available with application

**ACCEPTED BY:**  **DATE:** 1/25/12

**REJECTED BY:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

**SUBJECT TO POLICY TERMS, CONDITIONS, LIMITATIONS AND EXCLUSIONS**

**Fort Bend Flood Control WSC**

**TYPE OF BOND:** DIRECTORS POSITION SCHEDULE BOND

**ANNIVERSARY OF CURRENT BOND:** 02/12/12

**COVERAGE:** Provides coverage for loss caused to the District through the failure of Directors to perform faithfully their duties or to account properly for all monies and property received by virtue of their position as Director.


•Terrorism Not Excluded

**BOND TERM:** One Year

**BOND LIMIT:** \$10,000 Per Director ( 5 )  
\$50,000 Aggregate

**PREMIUM:** \$174

**COMPANY:** Hartford Casualty Company  
Best Rating A+ XV

**ACCEPTED BY:**  **DATE:** 1/25/12

**REJECTED BY:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

**SUBJECT TO POLICY TERMS, CONDITIONS, LIMITATIONS AND EXCLUSIONS**

**Fort Bend Flood Control WSC**

**\*\*OPTIONAL COVERAGE\*\***

**TYPE OF BOND:** TAX ASSESSOR/COLLECTOR BOND

**ANNIVERSARY OF CURRENT BOND:** 02/12/12

**COVERAGE:** Covers the faithful performance and discharge of all the duties required by law as the Tax Assessor/Collector and to pay over to the depository of the District all funds or other things of value coming into his hands as Tax Assessor/Collector.

**LIMIT:** \$10,000

**BOND TERM:** One Year

**PREMIUM:** \$100

**NAME OF TAX ASSESSOR:**

**COMPANY:** Hartford Casualty Insurance Company  
Best Rating: A+ XV  
Merchants Bonding Company  
Best Rating: VI

**OPTIONAL LIMITS**

	Limit	Premium
<input checked="" type="checkbox"/>	\$ 10,000	\$ 100
<input type="checkbox"/>	\$ 25,000	\$ 125
<input type="checkbox"/>	\$ 50,000	\$ 250
<input type="checkbox"/>	\$ 75,000	\$ 375
<input type="checkbox"/>	\$ 100,000	\$ 500
<input type="checkbox"/>	\$ 250,000	\$ 1,250
<input type="checkbox"/>	\$ 500,000	\$ 2,500
<input type="checkbox"/>	\$ 1,000,000	Available with application

**\*\*SIG McDonald & Wessendorff will bill Tax Assessor directly\*\***

**\*\*OPTIONAL COVERAGE\*\***

**ACCEPTED BY:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

**REJECTED BY:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

**SUBJECT TO POLICY TERMS, CONDITIONS, LIMITATIONS AND EXCLUSIONS**

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**Fort Bend Flood Control WSC**

**\*\*OPTIONAL COVERAGE\*\***

**TYPE OF POLICY:** BUSINESS TRAVEL COVERAGE

**PROPOSED EFFECTIVE DATE:** 02/12/12

**COVERAGE:** 24 Hour Coverage while traveling on district business  
Accidental Death & Dismemberment  
Paralysis Benefits  
Coma Benefits  
Bereavement and Trauma Counseling Benefit  
Emergency Evacuation/Family Travel Benefits  
Rehabilitation Benefit  
Repatriation Benefit  
Seat Belt and Air Bag Benefit  
Age reduction for over 80

**LIMITS:** \$ 250,000 Each Director  
\$ 50,000 Each Spouse  
\$ 25,000 Each Child  
\$35,000,000 Aggregate Limit

**PREMIUM:** \$350

**COMPANY:** AIG Life Insurance Company  
Best Rating: A+ XV

**\*\*OPTIONAL COVERAGE\*\***

Date 1/25/12

Accepted By \_\_\_\_\_  
(Signature of District's Authorized Representative) (Title)

Rejected By [Signature] President, Board of Directors  
(Signature of District's Authorized Representative) (Title)

**SUBJECT TO POLICY TERMS, CONDITIONS, LIMITATIONS AND EXCLUSIONS**

**Fort Bend Flood Control WSC**

**TYPE OF POLICY:** WORKERS COMPENSATION

**PROPOSED EFFECTIVE DATE:** 02/12/12

**COVERAGES:**

- Coverage A in the policy provides statutory coverage in which the insurance company agrees to assume the liability imposed upon an insured by the applicable Workers Compensation law or laws.
- Coverage B for Employers Liability in this policy protects an insured against liability imposed by law for injury to employees in the course of employment.
- Terrorism Not Excluded
- Subject to policy terms, conditions and exclusions.

**LIMIT OF LIABILITY:**

- Employers Liability
- \$1,000,000 Each Accident  
Bodily Injury by Accident
- \$1,000,000 Each Employee  
Bodily Injury by Disease
- \$1,000,000 Policy Limit  
Bodily Injury by Disease

**POLICY TERM:** One Year

**PREMIUM:** \$510 (5 Directors) Estimated Annual Premium  
Not Subject to Audit

**COMPANY:** Service Lloyds Insurance Company  
Best Rating: A- VII

**ACCEPTED BY:** *L. Russell* **DATE:** 1/25/12

**REJECTED BY:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

**SUBJECT TO POLICY TERMS, CONDITIONS, LIMITATIONS AND EXCLUSIONS**

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## FORT BEND FLOOD CONTROL WSC

PROPOSED EFFECTIVE DATE: 02/12/12

### PREMIUM SUMMARY

COVERAGE	RENEWAL PREMIUM	LAST YEAR'S PREMIUM
GENERAL LIABILITY/HIRED & NON-OWNED AUTO	1,188.00	1,185.00
POLLUTION LIABILITY	750.00	750.00
DIRECTORS AND OFFICERS	2,500.00	2,500.00
UMBRELLA LIABILITY	900.00	900.00
PUBLIC EMPLOYEE BLANKET CRIME	176.00	176.00
DIRECTOR'S BOND	174.00	174.00
WORKERS COMPENSATION & EMPLOYERS LIABILITY	510.00	511.00
<b>TOTAL PREMIUM</b>	<b>\$ 6,198.00</b>	<b>\$ 6,196.00</b>

SIG/ McDonald & Wessendorff has been your insurance consultant since 02/12/01. We thank you for your business. The Engineer report is attached to be completed and returned with the signed proposal. The proposal does not include premiums for property and boiler & machinery coverage as the district does not currently own any facilities.

#### \*\*\* OPTIONAL NEW COVERAGE(S) \*\*\*

OPTIONAL NEW COVERAGE	PREMIUM	ACCEPTED YES/NO
BUSINESS TRAVEL ACCIDENT	350.00	
LAW ENFORCEMENT LIABILITY - \$1,000,000 LIMIT	1,000.00	NO
PEACE OFFICERS BOND # OF PEACE OFFICERS	50.00 Each	NONE
<b>TOTAL PREMIUM FOR ACCEPTED OPTIONAL COVERAGE</b>		

PLEASE REPORT ALL NEW FACILITIES OR PROPERTIES IMMEDIATELY  
TO SIG/ MCDONALD & WESSENDORFF

PAYMENT IS DUE WITHIN 30 DAYS OF THE EFFECTIVE DATE TO AVOID CANCELLATION.

ACCEPTED BY: *Don L. Russell*  
 PRINTED NAME & TITLE: Don L. Russell, President, Board of Directors  
 DATE: 1/25/12  
 FEDERAL TAX ID #: 74-6001969  
 WEB ADDRESS IF ANY: \_\_\_\_\_

Premiums quoted are valid for 30 days from proposed effective date.

*All descriptions of proposed coverage's provided herein are intended as an outline of coverage and are necessarily brief. For specific wording concerning insuring agreements, definitions, conditions, terms and exclusions not listed, please read each policy carefully. Please contact our office if there are any questions.*

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# SIG/ McDonald & Wessendorff Insurance

611 Morton Street Voice: 281-633-3210  
 Richmond, TX 77469 Fax: 281-341-6837  
 Email: [bonnie.schmidt@sig4you.com](mailto:bonnie.schmidt@sig4you.com)  
 Bonnie Schmidt

DATE: 1-24-12  
 ENGINEER:  
 ATTN:  
 FAX:

## RE: Fort Bend Flood Control WSC; Engineer Report of Values (ERV)

We have been requested to submit an insurance proposal for the above referenced District. Please review the questions below and indicate the type and quantity of any facilities pertinent to The District.

Indicate how many of the following the district owns. If none, so indicate.

Swimming Pools	<u>NONE</u>	Detention Ponds	<u>NONE</u>
Parks	<u>NONE</u>	Lakes	<u>NONE</u>
Lessors Risk (Sq/Ft)	<u>NONE</u>	Rental Property (Locations)	<u>NONE</u>
Interconnect Meters	<u>NONE</u>	Interconnect Solar Panels	<u>NONE</u>
Does the district have water wells? If so, number of submersible pumps?			<u>NONE</u>

Please complete the following information for all insured facilities.

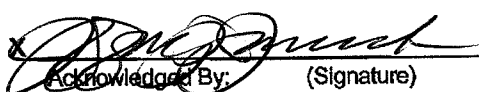
\*\*\*PLEASE NOTE: INSURANCE POLICY IS BASED ON REPLACEMENT COST VALUATION\*\*\*

Property Type/Full Address Include City and Zip Code	Replacement Value	Month/Year Built	Flood Zone (i.e. X, A,)
	\$ _____		

**TOTAL REPLACEMENT COST:** \$ \_\_\_\_\_

Thanks for providing this information to our office. Please call if you should have any questions, or comments concerning this document. Please return upon completion by fax to (281) 341-6837.

**SIGN HERE:**

	JEFFREY T. JANACEK	1/25/12
Acknowledged By: (Signature)	Print Name	Date

In the event of a claim, if the values are not updated The District could suffer a financial loss. Please note the Engineer or General Manager's signature approving these values.

# **D & O APPLICATION**

**PLEASE COMPLETE/ SIGN  
AND RETURN WITH THE  
ACCEPTED PROPOSAL**

**THANK YOU!**

Professional Liability Application  
Application for Directors & Officers Liability Insurance

\$2,000,000

Premium \$2,500

Part 1: Background Information

\*\*ML 1459 (01-97)\*\*

Name of Organization: Fort Bend Flood Control WSC

Address: C/o Allen Boone Humphries Robinson LLP,  
3200 Southwest Frwy., Ste. 2600, Houston, TX 77027

Purpose of Organization: Water Supply Corp.

In continuous existence since: 1987 Number of Board Members: \_\_\_\_\_

Are there subsidiaries? Yes or  No (circle response) If yes, provide name (s), date established, nature of operation, profit or nonprofit, purpose, bylaws and financial statement for each.

If yes, do you wish to request coverage for subsidiaries? Yes or No (circle response) N/A

Are the organization's finances audited by a Certified Public Accountant?  Yes of No (circle response)

Does the organization have any stockholders or persons who profit from the operation except as salaried employees? Yes or  No (circle response) If yes, please give detail.....

Are any directors, Trustees, Officers or employees indebted to the organization? Yes or  No. If yes, please give detail \_\_\_\_\_

Part 2: Insurance Coverage Information

Directors & Officers Liability Insurance carried during the past three years including expiring Policy.

<u>Insurer:</u>	<u>Limits of Liability:</u>	<u>Premium:</u>	<u>Deductible:</u>	<u>Policy Period</u>
Mid Continent	2,000,000	2,500	0	2001 to present

Directors & Officers Liability Coverage has been continuously in force since: 1/28/91

If yes, with which insurance company? Brown & Brown until 2/12/01  
SIC McDonald & predecessors beginning 2/12/01

Has any policy for Directors and Officers liability Insurance ever been canceled or non-renewed? Yes or No (circle response). If yes, please give detail... NO

The individual of the organization designated to receive any and all notices from the Insurer or their authorized representative(s) concerning this insurance is:

Name: Greer Pagan Title: Attorney

**Part 3: Employer Detail**

N/A

Total number of: Full Time Employees: 0 Part Time Employees: 0

Total number of Employees with annual salaries in excess of 50,000? \_\_\_\_\_  
How many of these employees have annual salaries in excess of 100,000? \_\_\_\_\_

Does the organization have a written procedure for hiring and firing employees? Yes or No

Does a lawyer or human resource person review involuntary employment terminations prior to termination of an employee? Yes or No (circle response)

Has there been a reduction of employees in the past 12 months? Yes or No (circle response)

Is a reduction of employees anticipated in the next 12 months? Yes or No (circle response)

**Part 4: Claim Information**

Within the last 5 years has the organization or any individual proposed for insurance received any inquiry, complaint or notice of hearing from any Municipal, State Administrative Agency, Federal Regulatory Authority or Congressional or Legislative Committee of similar such agency? Yes or No If yes, please explain... \_\_\_\_\_

Within the last 5 years, has any claim been made, or is any claim now pending, against the organization, or any person proposed for insurance in the capacity of either Director, Officer, Trustee, Employee or Volunteer of the organization? Yes or No (circle response) IF YES, ADVISE ON A SEPARATE SHEET DETAILS OF THE DIRECTORS & OFFICERS LIABILITY INSURANCE AND REMEDIAL MEASURES TAKEN TO PREVENT A RECURRENCE OF SUCH CLAIM(S). \_\_\_\_\_

Is any person proposed for this insurance aware of any fact, circumstance or situation which may result in a claim against the organization or any of its Directors, Officers, Trustees, Employees, or Volunteers? Yes or No (circle response) If yes, give detail. \_\_\_\_\_

• **Attach Financials**

• **Attach District Directory**

The undersigned declares that to the best of his/her knowledge and belief the statements set forth herein are true. The undersigned further declares that any occurrence or event taking place prior to the effective date of the insurance applied for which may render inaccurate, untrue, or incomplete will immediately be reported in writing to the Insurer and the Insurer may withdraw or modify any outstanding quotations and/or authorization or agreement to bind the insurance. The insurer is hereby authorized, but not required, to make any investigation and inquiry in connection with the information, statements and disclosures provided in this application. The decision of the Insurer not to make or to limit any investigation or inquiry shall not be deemed a waiver of any rights by the Insurer.

Signature: [Handwritten Signature]

Title: President, Board of Directors

Date: 1/25/12