



August 29, 2013

The renewal proposal for Fort Bend Toll Road Authority includes the policies for Directors & Officers Liability, Public Employee Crime Bond, and Director's Bond. The renewal coverage and yearly premiums remain the same as expiring.

Also included in the proposal, as requested, is a 1 million Crime Bond quote that includes the additional coverage for Forgery, Theft, and Computer Fraud.

We thank the board for their continued business.

Sincerely,

Katrina Thornhill

SIG McDonald & Wessendorff Insurance Services

SIG/ McDonald & Wessendorff Insurance • 611 Morton • Richmond, Texas 77469
PH (281) 342-6837 (MUDS) • Fax: (281) 341-6837 (MUDS)

**Insurance Proposal
Prepared for**

Ft. Bend Co. Toll Rd Authority





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

Katrina Thornhill, Account Executive
Accounts D-F, K-Z
Direct # 281-633-3200
Email: katrina.thornhill@sig4you.com

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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

About 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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Ft. Bend Co. Toll Rd Authority

TYPE OF POLICY: DIRECTORS AND OFFICERS LIABILITY

PROPOSED EFFECTIVE DATE: 10/01/13

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: \$5,000,000 Per Claim
No Aggregate Limit

DEDUCTIBLE: None

POLICY TERM: One Year

PREMIUM: \$5,500

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

OPTIONAL LIMITS

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

ACCEPTED BY:  DATE: 9/18/2013

REJECTED BY: _____ DATE: _____

SUBJECT TO POLICY TERMS, CONDITIONS, LIMITATIONS AND EXCLUSIONS

Ft. Bend Co. Toll Rd Authority

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

ANNIVERSARY OF CURRENT POLICY: 10/01/13

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: \$100,000

DEDUCTIBLE: \$0

TERM: One Year

PREMIUM: \$341

COMPANY: Hartford Fire Insurance Company
Best Rating: XV

OPTIONAL LIMITS

	Limit	Premium
<u> </u>	\$ 10,000	\$120
<u> </u>	\$ 25,000	\$177
<u> </u>	\$ 50,000	\$221
<u> X </u>	\$ 100,000	\$341
<u> </u>	\$ 250,000	\$472
<u> </u>	\$ 500,000	\$565
<u> </u>	\$1,000,000	Quote available with application

ACCEPTED BY:  **DATE:** 9/18/2013

REJECTED BY: _____ **DATE:** _____

SUBJECT TO POLICY TERMS, CONDITIONS, LIMITATIONS AND EXCLUSIONS

Ft. Bend Co. Toll Rd Authority

**** OPTIONAL COVERAGE ****

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

ANNIVERSARY OF CURRENT POLICY: 10/01/13

COVERAGE: ** Please see attached quote **

LIMIT: \$1,000,000

DEDUCTIBLE: \$5,000

TERM: One Year

PREMIUM: \$1,387

COMPANY: Travelers Casualty and Surety Company
Best Rating: A+ XV

**** OPTIONAL COVERAGE ****

ACCEPTED BY:  **DATE:** 9/18/2013

REJECTED BY: _____ **DATE:** _____

SUBJECT TO POLICY TERMS, CONDITIONS, LIMITATIONS AND EXCLUSIONS



Gena K Daley

July 31, 2013

Katrina Thornhill
SIG MCDONALD-WESSENDORFF
611B MORTON STREET
RICHMOND, TX 77469

RE: Insured Name: FORT BEND COUNTY TOLL ROAD AUTHORITY
3200 SW FREEWAY SUITE 2600
HOUSTON, TX 77027
Expiring Policy Number: N/A
Policy Period: October 1, 2013 to October 1, 2014

Dear Katrina Thornhill:

On behalf of **Travelers Casualty and Surety Company of America** we are pleased to provide the attached proposal of insurance for your review.

The quotes contained in this document are valid for 30 days, and are subject to the provision of, and Travelers' review and acceptance of, the required underwriting information noted in the Contingencies section. Travelers reserves the right to change the quotes in this document, or to refuse to bind coverage entirely, based on review of the required underwriting information or based on adverse change in the risk(s) to be insured prior to the quote expiration date noted in this document.

Travelers is pleased to offer Risk Management PLUS+ Online[®], the industry's most comprehensive program for mitigating your management liability exposures, which is available to you at no additional cost. Please visit www.rmplusonline.com to view the services that are available. If you have additional questions about the site please contact your Underwriter.

You can trust Travelers to be there when you need us, and we have financial strength you can depend on. We're a Fortune 100 company with more than 150 years of insurance experience. Over the years we've consistently earned high ratings for financial strength and claims-paying ability from independent rating services including A.M. Best, Moody's, and Standard and Poor's.

Thank you for considering Travelers for your client's insurance coverages. We look forward to discussing this opportunity with you.

Sincerely,

Gena K Daley
Travelers Bond & Financial Products

Travelers Casualty and Surety Company of America



QUOTE OPTION #1

CRIME COVERAGES:

Crime Insuring Agreements	Single Loss Limit of Insurance	Single Loss Retention	Crime Insuring Agreements	Single Loss Limit of Insurance	Single Loss Retention
A - Fidelity 1. Employee Theft 2. ERISA Fidelity 3. Employee Theft of Client Property	See Endorsement Not Covered Not Covered		F - Computer Crime 1. Computer Fraud 2. Computer Program and Electronic Data Restoration Expense	\$1,000,000 \$100,000	\$5,000 \$5,000
B - Forgery or Alteration	\$1,000,000	\$5,000	G - Funds Transfer Fraud	\$1,000,000	\$5,000
C - On Premises	\$1,000,000	\$5,000	H - Personal Accounts Protection 1. Personal Accounts Forgery or Alteration 2. Identity Fraud Expense Reimbursement	Not Covered Not Covered	
D - In Transit	\$1,000,000	\$5,000	I - Claim Expense	\$5,000	\$0
E - Money Orders and Counterfeit Money	\$1,000,000	\$5,000			

Insured's Premises Covered: Worldwide, except

TOTAL ANNUAL PREMIUM - \$1,387.00

(Other term options listed below, if available)

LIMIT DETAIL:

Crime Policy Aggregate Limit of Insurance: N/A
 Wrap+® for Government Entities Policy Aggregate Limit of Liability: N/A

PREMIUM DETAIL:

Term	Payment Type	Premium	Taxes	Surcharges	Total Premium	Total Term Premium
1 Year	Prepaid	\$1,387.00	\$0.00	\$0.00	\$1,387.00	\$1,387.00

POLICY FORMS APPLICABLE TO QUOTE OPTION # 1:

CRI-2001-0109 Crime Declarations Page
 CRI-3001-0109 Crime Policy Form

ENDORSEMENTS APPLICABLE TO QUOTE OPTION # 1:

ACF-7006-0511 Removal of Short-Rate Cancellation Endorsement
 CRI-4019-0109 Texas Changes Endorsement
 CRI-5044-0613 Texas Cancellation or Termination Endorsement
 CRI-7005-0109 Include Designated Agents as Employees Covered for Employee Theft Only Endorsement
 CRI-7125-0109 Government Entity Crime Endorsement

CONTINGENCIES APPLICABLE TO QUOTE OPTION # 1:

This quote is contingent on the acceptable underwriting review of the following information prior to the quote expiration date.

None

QUOTE NOTES:**NOTICES:**

It is the agent's or broker's responsibility to comply with any applicable laws regarding disclosure to the policyholder of commission or other compensation we pay, if any, in connection with this policy or program.

Important Notice Regarding Compensation Disclosure

For information about how Travelers compensates independent agents, brokers, or other insurance producers, please visit this website: http://www.travelers.com/w3c/legal/Producer_Compensation_Disclosure.html

If you prefer, you can call the following toll-free number: 1-866-904-8348. Or you can write to us at Travelers, Enterprise Development, One Tower Square, Hartford, CT 06183.

Coverage Disclaimer:

THIS QUOTE DOES NOT AMEND, OR OTHERWISE AFFECT, THE PROVISIONS OR COVERAGE OF ANY RESULTING INSURANCE POLICY ISSUED BY TRAVELERS. IT IS NOT A REPRESENTATION THAT COVERAGE DOES OR DOES NOT EXIST FOR ANY PARTICULAR CLAIM OR LOSS UNDER ANY SUCH POLICY. COVERAGE DEPENDS ON THE APPLICABLE PROVISIONS OF THE ACTUAL POLICY ISSUED, THE FACTS AND CIRCUMSTANCES INVOLVED IN THE CLAIM OR LOSS AND ANY APPLICABLE LAW.

THE PRECEDING OUTLINES THE COVERAGE FORMS, LIMITS OF INSURANCE, POLICY ENDORSEMENTS AND OTHER TERMS AND CONDITIONS PROVIDED IN THIS QUOTE. ANY POLICY COVERAGES, LIMITS OF INSURANCE, POLICY ENDORSEMENTS, COVERAGE SPECIFICATIONS, OR OTHER TERMS AND CONDITIONS THAT YOU HAVE REQUESTED THAT ARE NOT INCLUDED IN THIS QUOTE HAVE NOT BEEN AGREED TO BY TRAVELERS. PLEASE REVIEW THIS QUOTE CAREFULLY AND IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT YOUR TRAVELERS REPRESENTATIVE.

Ft. Bend Co. Toll Rd Authority

TYPE OF BOND: DIRECTORS POSITION SCHEDULE BOND

ANNIVERSARY OF CURRENT BOND: 10/01/13

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.

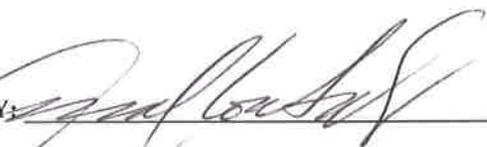
•Terrorism Not Excluded

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:** 9/18/2013

REJECTED BY: _____ **DATE:** _____

SUBJECT TO POLICY TERMS, CONDITIONS, LIMITATIONS AND EXCLUSIONS

FT. BEND CO. TOLL RD AUTHORITY

PROPOSED EFFECTIVE DATE: 10/01/13

PREMIUM SUMMARY

COVERAGE	RENEWAL PREMIUM	LAST YEAR'S PREMIUM
DIRECTORS AND OFFICERS	5,500.00	5,500.00
PUBLIC EMPLOYEE BLANKET CRIME	341.00	341.00
DIRECTOR'S BOND	174.00	174.00
TOTAL PREMIUM	\$6,015.00	\$6,015.00

SIG/ McDonald & Wessendorff has been your insurance consultant since 05/05/03. We thank you for your business. ** Please note that this proposal does not include any property/boiler & machinery or general liability coverage. If the authority would like a quote on other coverage, please contact our office.

PAID CLAIMS: 01/01/07 Directors & Officers \$1,220

***** OPTIONAL NEW COVERAGE(S) *****

OPTIONAL NEW COVERAGE	PREMIUM	ACCEPTED YES/NO
CRIME BOND – TRAVELERS – 1 MILLION	1,387.00	yes
TOTAL PREMIUM – with 1 Million crime bond option selected =	\$7,061.00	

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: _____

PRINTED NAME & TITLE: _____

DATE: _____

FEDERAL TAX ID #: _____

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.