



AN INSURANCE PROPOSAL
PREPARED FOR
FORT BEND COUNTY TOLL ROAD AUTHORITY

TERM: 10/01/2023 to 10/01/2024

Prepared by:
Brown & Brown Lone Star Insurance Services, Inc.
6707 Gessner Road
Corrie Aday / Sr. Account Executive

DISCLAIMER: The abbreviated outlines of coverage shown throughout this proposal are to be used only as an overview of each proposed or written policy and should not be used, nor is it intended to be used, as a substitute for the actual original policy terms, conditions and limitations. This overview has been prepared as a guide for quick reference only and not intended to express any legal opinion as to nature of coverage.



Account Servicing Team

Corrie Aday
Sr. Account Executive
(713) 800-2275
Corrie.Aday@bbrown.com

Will assist with the daily servicing of your account, including endorsements, claims, client services, program design, accounting, quality assurance and market relationships.

ANNUAL COST SUMMARY & COMPARISON

<u>COVERAGE</u>	<u>2023 – 2024 RENEWING</u>	<u>2022 – 2023 EXPIRING</u>
General Liability:	\$ 5,118	\$ 5,118
Limits:	\$ 10,000,000 / No Deductible	\$ 10,000,000 / No Deductible
Pollution Liability:	Included – No Additional Premium	Included – No Additional Premium
Limits:	\$ 2,000,000 / No Deductible	\$ 2,000,000 / No Deductible
1 Cyber Liability/Data Breach:	\$ 474	\$ 52
Limits:	Tier2/Core+ Coverage Form-Limits	Tier2/Core+ Coverage Form-Limits
2 Law Enforcement Liab:	\$ 2,852	\$ 2,725
Limits:	\$ 10,000,000 / \$1000 Deductible	\$ 10,000,000 / \$1000 Deductible
3 Auto Liability:	\$ 505	\$ 66
Limits:	\$ 2,000,000 Liability / No Deductible Hired/Nonowned Auto Liability Only	\$ 2,000,000 Liability / No Deductible Hired/Nonowned Auto Liability Only
4 Workers Compensation:	\$ 400	\$ 216
Limits:	Statutory Coverage Moved to Texas Mutual	Statutory Coverage Through TML
Consulting & Servicing:	\$ 900	\$ 900
ANNUAL COST:	\$ 10,249	\$ 9,077

REVIEWED & ACCEPTED:


SIGNATURE

DATE: 8-21-2023

1 CYBER: Beginning May 1, 2023, TML Members will be charged the full cost for the Cyber Security and Data Breach Coverage. The full charge is reflected above. Since TML first added the Cyber coverage in 2016 TML has been absorbing part if not all of the cost for the Cyber Coverage. Since then, the costs associated with claims handling, excess coverages and rates have all increased drastically. As a result, TML will no longer be absorbing any of the cyber cost. This coverage is optional, but highly encouraged - Frequency and size of claims have increased with public sector entities being targeted in multiple ways. Costs associated with notifications, ransom payments and forensics continue to rise and we strongly advise members to continue the Cyber Coverage even at the added cost, but if the Authority can elect to lower the limit or even completely cancel the Cyber Coverage. Brown & Brown has reached out to other carriers for Cyber options. We found that the minimum premium for a base level Cyber Liability begins at \$1,200 to as high as \$5,000. Even with this change TML's Cyber remains significantly lower than other markets. **See Coverage Details & Options on Pages 15-17**

2 LAW ENFORCEMENT LIABILITY: This year TML applied a 10% rate increase – **See Coverage Details on Pages 10**

3 AUTO LIABILITY (Hired/Nonowned Only): The reason for the increases seen above is due to TML increasing the Minimum Premiums - Note from TML "Minimum Contributions: Beginning July 1, 2023, some Members will see their contribution increase in an amount necessary to cover their administrative costs of membership. While the percentage increase may appear drastic, the actual dollar amount typically will not." **See Coverage Details on Pages 12**

4 WORKERS COMPENSATION: The Workers Compensation coverage has been moved from TML to Texas Mutual due to TML increasing the Workers Compensation minimum premium to \$1,000. **See Coverage Details on Pages 14**

Brown & Brown Lone Star Insurance Services

6707 Gessner Road

Houston, TX 77040

Tel: (713) 681-2500 Fax: (713) 684-1600

Consulting Fee Agreement

The purpose of this Disclosure Statement Agreement is to acknowledge that we may perform the following services in your behalf and you agree to pay the amount indicated as compensation for the additional services provided.

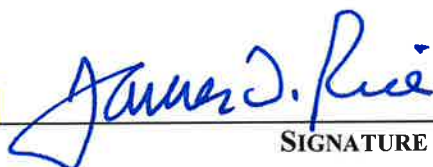
Description of Services:

- Consultants do not act as an appointed agency on behalf of TML IRP
- Consultants do not receive commissions from TML IRP.
- Consultants operate independently of TML.
- Consulting / Review - advice regarding placement of insurance program with TML IRP
- Communicate with TML IRP to obtain insurance proposal or renewal declarations.
- Consultants attend board meetings as requested by the Authority.
- Communicate with other Authority consultants as it may pertain to insurance matters
- Delivery fees
- Consultant granted authority to commit the member and approve the limits, deductibles, and indicated changes as reported by the Authority's consultants/representatives to reflect the updated exposures. The Authority understands they may not have coverage for unreported operations or exposures.
- Claims, potential claims or lawsuits may be submitted directly to our office. We will initiate the claims process with TML IRP and/or other carriers. Upon request, we will assist the Authority with claim(s).
- Consultant may be granted authority to sign claim proof of loss form on behalf of the Authority.
- Consultant may recommend specific loss prevention risk management options.

Consulting Fee: \$ 900

Authority: Fort Bend County Toll Road Authority agrees to pay the fee specified above to Brown & Brown Lone Star Insurance Services:

REVIEWED & ACCEPTED:


SIGNATURE

DATE: 2-21-2023

Coverages Not Currently Purchased

BROWN & BROWN INSURANCE SERVICES DOES NOT PROVIDE THE FOLLOWING COVERAGES

Property
Equipment Breakdown
Directors & Officers Liability
Directors Bond
Consultants Fidelity

TO OUR KNOWLEDGE THESE COVERAGES ARE PROVIDED BY ANOTHER CONSULTANT.

If the Authority has any exposures that need to be discussed and/or added to their coverages, please contact BROWN & BROWN immediately.

LIABILITY COVERAGE

Member Name: Fort Bend County Toll Road Authority

Member ID: 6623

****Important Notice – Liability Coverage****

Please include information below for any items that will be added to Member operations during the upcoming year **or** are currently in place **but not shown** on either the previous listing of exposures or the current Liability Schedule.

The operations shown below are excluded from Liability Coverage if not reported. Please enter the projected exposure information for all that apply.

Description	Projected Exposure
♦ Amusement Parks - Total Revenue <i>Note: This includes facilities with motor-driven rides or amusements, including water parks.</i>	_____
♦ Amusement Devices <u>not</u> associated with an Amusement Park - Provide Description: <i>Note: This includes mechanical amusements such as trains, roller coasters, etc.</i>	_____
♦ Dams or Water Reservoirs - Total Acre Feet Capacity	_____
♦ Day Care Operations - Average Daily Attendance <i>Other than temporary recreation programs</i>	Operated by Member _____ Leased to Operator _____
♦ Electric Utility Operations - Annual Electric Utility Payroll Excluding Clerical	_____
♦ Gas Utility Operations - Annual Gas Utility Payroll Excluding Clerical	_____
♦ Nursing Homes - Number of Facilities	_____
♦ Water or Sewage Treatment Facilities	Yes No _____
♦ Skateboard Facilities - Number of Facilities	_____
♦ Wharves, piers, docks or other boat/vessel facilities - Total Revenue	_____

Law Enforcement Liability: If you have added any of the following personnel not shown on the previous listing of exposures, please update the information below:

♦ Police Officers - Total Number	Full Time _____	Part Time _____
♦ Police Reserves - Total Number	Full Time _____	Part Time _____
♦ Police Clerical - Total Number	Full Time _____	Part Time _____
♦ Jails, Holding Facilities or Prisons Used to detain those under legal process	Square Feet (Area of all holding facilities)	_____
♦ Animals (Dogs or Horses)	Number	_____
♦ New or expanded Citizens on Patrol Program	Number of Participants	_____

GENERAL LIABILITY

INSURER:

TML IRP - "A" rated by Standard & Poors

COVERAGE:

TML IRP's Liability coverages are, in many respects, BROADER than coverage available from Standard Insurers, AND is Designed Specifically to protect against the Risks that Local Governments face; **Includes but is not limited to:**

- **Occurrence Form** – Coverage Applies to Events that Occur During the Coverage Period, Regardless of WHEN the Claim Is Reported
- **Defense Costs Outside** - Policy Limit–Defense will not erode Policy limit
- **Gradual or Sudden** - Release of Chlorine or Chloramine used for water or sewage treatment plants, and/or products contained in products sold or distributed by the Authority
- **Cyber Liability** – See Attached
- **Personal Injury; Bodily Injury; Property Damage**
- **Failure to Supply not excluded**
- **Any Wrongful Act** - Actual or alleged error, misstatement, misleading statement, act or omission, neglect or breach of duty including misfeasance, malfeasance, or nonfeasance
- **Supplemental Sewage Backup Coverage:** - \$5,000 per Structure / \$10,000 per occurrence
- **Contractual, Operations, Premises, Products**
- See Liability Coverage Documents for Additional Coverages & Sublimits

INCLUDES: Indemnification Under Contract in Favor of Mike Stone Associates Inc

Subject to All Policy Terms, Conditions and Exclusions – Please see TML's 10/01/2022 Liability Coverage Document

DEDUCTIBLE:

NONE

LIMITS & PREMIUM:

PLEASE INITIAL NEXT TO SELECTED LIMIT:

\$ 4,265	\$ 1,000,000 Limits / \$ 2,000,000 Aggregate	_____
\$ 4,438	\$ 2,000,000 Limits / \$ 4,000,000 Aggregate	_____
\$ 4,569	\$ 3,000,000 Limits / \$ 6,000,000 Aggregate	_____
\$ 4,785	\$ 5,000,000 Limits / \$10,000,000 Aggregate	_____

CURRENT: \$ 5,118

\$10,000,000 Limits / \$10,000,000 Aggregate

JOR

INDEMNIFICATION UNDER CONTRACT

General Liability

INDEMNIFICATION UNDER CONTRACT

This endorsement forms a part of the **Declarations** to which attached, effective on the inception date of the coverage unless otherwise stated herein, and clarifies such coverage as is afforded by the provisions of the coverage shown below:

- ☒ **GENERAL LIABILITY**
- ☒ **AUTOMOBILE LIABILITY**
- ☒ **LAW ENFORCEMENT LIABILITY**
- ☐ **AIRPORT (GENERAL LIABILITY
HAZARDS) PREMISES LIABILITY**

Entity Name : Fort Bend County Toll Road Authority
Entity ID : 6623
Effective Date : 10/1/23

It is agreed that coverage is provided for the liability assumed by the **Fund Member** to indemnify the person or organization named below under a contract between such person or organization and the **Fund Member**, but such coverage shall not exceed the limits of coverage set forth in the **Declarations**.

Person or Organization : Mike Stone Associates, Inc.
Address : 1950 Lockwood Bypass
City, State & Zip Code : Richmond, Texas 77469-1104

Description

Contract between Fort Bend County Toll Road Authority and Michael Stone dba Professional Project Management Services.

POLLUTION LIABILITY

INSURER:

TML IRP - “A” rated by Standard & Poors

COVERAGE:

Special Coverage Form Designed for Public Entities
Includes but is not limited to:

- Occurrence Form
- Sudden and Accidental
- Blanket Contractual Liability
- Legal Liability to Others
- Pollutants and Results in Environmental Damage
- Punitive/Exemplary Damages Not Excluded
- Subject to COVERAGE Terms, Conditions and Exclusions

EXCLUSIONS:

Includes but is not limited to:

- Statutory Fines or Penalties Unless Direct Result of Pollution Incident as Defined by the policy

LIMITS OF LIABILITY:

\$ 2,000,000 for: (Higher limits may be available through other carries)

INCLUDES BUT IS NOT LIMITED TO:

“Sudden Event” - An accident where the pollution resulting therefrom and the injury resulting from such pollution all occur within 45 days following the accident. A related series of accidents shall be deemed to be a single event.

“Accident” – Means abrupt discharge, dispersal, release, or escape of pollutants neither expected nor intended from the standpoint of the Authority.

Definition of Pollutants – Means any solid, liquid, gaseous, or thermal irritant or contaminant, including chemicals, and waste, but does not include chlorine or chloramine used for the treatment at water at sewage treatment plants, water treatment plants, or swimming pools. TML IRP does not consider Chlorine or Chloramine to be a pollutant, therefore those items would be considered under the Authority’s General Liability section.

Note: General Liability provides up to Policy Limit with NO Deductible for accidental release of:

- Chlorine or Chloramine in treatment of water at sewage treatment plants, water treatment plants, swimming pools, etc.; And/or;
- Pollutants contained in products (i.e., waste) sold or distributed

DEDUCTIBLE:

NONE

COVERAGE TERM:

One Year

PREMIUM:

INCLUDED - NO ADDITIONAL PREMIUM

LAW ENFORCEMENT LIABILITY

Important!! If the Authority contracts for security patrol within Authority boundaries, however, chooses to not carry Law Enforcement Liability, there will be no coverage for a defense in the event of a lawsuit involving law enforcement. Law enforcement activities are specifically excluded in the General Liability form.

INSURER: TML IRP - "A" rated by Standard & Poors

COVERAGE: Includes but is not limited to:

- **Occurrence Coverage Form**
- **Bodily Injury** arising from Authority's law enforcement activities
- **Property Damage** arising from Authority's law enforcement activities
- **Advertising Injury** arising from Authority's law enforcement activities
- **Personal Injury** arising from Authority's law enforcement activities
- **Defense Costs Outside** the policy limits – Defense will not erode Policy Limit
- **Bodily Injury from Rendering or Failure to Render** incidental medical services or First Aid at the Scene of an Accident (Including Transportation)
- **Alleged Use of Excessive Force**
- **High Speed Pursuit**
- **Coverage for Intentional Acts**
- **Damage to Seized or Impounded Property**
- **Jails**
- **Coverage Actual or Alleged Violations of Civil Rights**
- **Mutual Aid Agreements** included
- See TML's Liability Coverage Documents for Additional Coverages & Sublimits

INCLUDES: Indemnification Under Contract in Favor of Mike Stone Associates Inc

Subject to Policy Terms, Conditions and Exclusions

DEDUCTIBLE: \$ 1,000 Per Occurrence

LIMITS & PREMIUM: **PLEASE INITIAL NEXT TO SELECTED LIMIT:**

\$ 1,503	\$ 1,000,000 Limits / \$ 2,000,000 Aggregate	_____
\$ 1,676	\$ 2,000,000 Limits / \$ 4,000,000 Aggregate	_____
\$ 1,823	\$ 3,000,000 Limits / \$ 6,000,000 Aggregate	_____
\$ 2,117	\$ 5,000,000 Limits / \$10,000,000 Aggregate	_____

CURRENT: \$ 2,852 \$10,000,000 Limits / \$10,000,000 Aggregate

JOR

INDEMNIFICATION UNDER CONTRACT

Law Enforcement Liability

INDEMNIFICATION UNDER CONTRACT

This endorsement forms a part of the **Declarations** to which attached, effective on the inception date of the coverage unless otherwise stated herein, and clarifies such coverage as is afforded by the provisions of the coverage shown below:

- ☒ **GENERAL LIABILITY**
- ☒ **AUTOMOBILE LIABILITY**
- ☒ **LAW ENFORCEMENT LIABILITY**
- ☐ **AIRPORT (GENERAL LIABILITY
HAZARDS) PREMISES LIABILITY**

Entity Name : Fort Bend County Toll Road Authority
Entity ID : 6623
Effective Date : 10/1/23

It is agreed that coverage is provided for the liability assumed by the **Fund Member** to indemnify the person or organization named below under a contract between such person or organization and the **Fund Member**, but such coverage shall not exceed the limits of coverage set forth in the **Declarations**.

Person or Organization : Mike Stone Associates, Inc.
Address : 1950 Lockwood Bypass
City, State & Zip Code : Richmond, Texas 77469-1104

Description

Contract between Fort Bend County Toll Road Authority and Michael Stone dba Professional Project Management Services.

AUTOMOBILE LIABILITY HIRED & NON-OWNED

INSURER:

TML IRP - "A" rated by Standard & Poors

COVERAGE:

Includes but is not limited to bodily Injury and Property Damage
Hired / Non-Owned, Secondary coverage

Non-Owned - An automobile which is neither an Authority owned automobile nor a hired automobile of the Authority.

Hired - An automobile not owned by the Authority which is used by contract by or on behalf of, or lent to, the Authority. But does not include automobiles owned by/registered in the name of an Officer, Director, Elected or Appointed Official, or any member of a board or commission of the Authority; Or An Employee or Agent of the Authority who is granted an operating allowance of any sort for the use of such automobile

Hired Automobiles – Auto Physical Damage

An endorsement forms a part of the Declarations to which attached, effective on the inception date of the coverage unless otherwise stated herein, and clarifies such coverage as is afforded by the provisions of the coverage shown below:

Hired Automobiles - that are included in the Automobile Liability coverage shall also be covered under the Automobile Physical Damage coverage, subject to a deductible of \$500 per occurrence.

INCLUDES: Indemnification Under Contract in Favor of Mike Stone Associates Inc

LIMIT:

(Higher limits may be available)

Liability/Hired/Non-Owned:

\$ 2,000,000 Each Occurrence – Combined Single Limit Bodily Injury / Property Damage

Medical Payments:

\$ 25,000 per person – Included with no additional premium

DEDUCTIBLE:

NONE

ANNUAL COST:

\$ 505

INDEMNIFICATION UNDER CONTRACT

Automobile Liability – Hired/Nonowned Auto

INDEMNIFICATION UNDER CONTRACT

This endorsement forms a part of the **Declarations** to which attached, effective on the inception date of the coverage unless otherwise stated herein, and clarifies such coverage as is afforded by the provisions of the coverage shown below:

- ☒ **GENERAL LIABILITY**
- ☒ **AUTOMOBILE LIABILITY**
- ☒ **LAW ENFORCEMENT LIABILITY**
- ☐ **AIRPORT (GENERAL LIABILITY
HAZARDS) PREMISES LIABILITY**

Entity Name : Fort Bend County Toll Road Authority
Entity ID : 6623
Effective Date : 10/1/23

It is agreed that coverage is provided for the liability assumed by the **Fund Member** to indemnify the person or organization named below under a contract between such person or organization and the **Fund Member**, but such coverage shall not exceed the limits of coverage set forth in the **Declarations**.

Person or Organization : Mike Stone Associates, Inc.
Address : 1950 Lockwood Bypass
City, State & Zip Code : Richmond, Texas 77469-1104

Description

Contract between Fort Bend County Toll Road Authority and Michael Stone dba Professional Project Management Services.

WORKERS' COMPENSATION / EMPLOYERS LIABILITY

The Workers Compensation coverage has been moved from TML to Texas Mutual due to TML increasing their Workers Compensation minimum premium to \$1,000.

CARRIER: Texas Mutual Insurance Company

AM BEST RATING: XV A

WORKERS COMPENSATION: - Insurance Carrier agrees to pay promptly when due all compensation and other benefits required of the insured by the Workers Compensation Law.

COVERAGE (A) WORKERS COMPENSATION BENEFITS - STATE OF TEXAS

EMPLOYERS LIABILITY: - Insurance Carrier agrees to pay on behalf of the insured all sums which the insured shall become legally obligated to pay as damages because of bodily injury by accident or disease, including death at any time resulting therefrom subject to the coverage limits.

COVERAGE (B) EMPLOYERS LIABILITY:

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

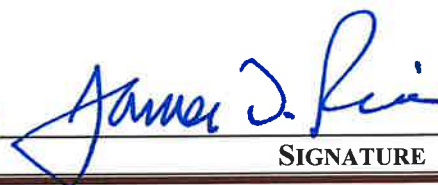
ESTIMATED PAYROLLS:

CODE	CLASSIFICATION	STATE	PAYROLLS	RATES
9019	Toll Road Operations & Drivers	Texas	If Any	3.660
8810	Clerical Office Employees NOC-Directors	Texas	\$39,000	0.15

ESTIMATED ANNUAL PREMIUM: *\$ 400 (For Directors Only)

*Premium is based on estimated payrolls at inception of policy. This policy is subject to audit at expiration to determine actual incurred payrolls during term and any premium adjustment, if necessary, will be made upon completion of the final audit.

REVIEWED & APPROVED:


SIGNATURE

DATE: 8-21-2023

TML CYBER LIABILITY – DATA BREACH



TML Risk Pool Cyber Coverage Changes: Make Sure You're #CyberSmart!

Cyber-attacks against local governments are on the rise, and claim costs are increasing due to associated notifications, ransom payments, and forensics.



The size or complexity of your systems isn't relevant. A breach of one laptop can be as expensive and damaging as a breach of a large entity's IT systems, and just one person can fall for a scam. Since 2016, Members have reported over 200 Cyber claims at a cost of over \$4 million with losses increasing every year. What do these losses look like?

- Vendor and Contractor website and email scams: Hackers have become adept at creating duplicate websites and mimicking email instructions. A hacker replicated a vendor email and tricked a Member employee into wiring over \$800,000 to a false vendor account.
- Ransomware: In addition to the demand to pay a ransom to recover encrypted data, a Member was sued when the hacker also exposed personal data – a “double extortion” scam. Costs for this claim included legal costs, negotiations for the ransom, forensics to clear the systems, data restoration, and notification to multiple citizens.

The Pool's Cyber Program responds to these losses with post-breach services and provides pre-breach services to help prevent or minimize losses.

Pre-breach services include:

- ✓ sample procedures and policies
- ✓ incident response planning and tabletop exercises
- ✓ business continuity and disaster recovery planning
- ✓ risk assessments and training
- ✓ access to eRiskHub (a specialized web portal to help prevent and recover from a cyber loss).

Post-breach services include:

- ✓ forensic services
- ✓ an incident response team, including legal counsel
- ✓ notification and call center services
- ✓ ransomware negotiators and crypto-currency facilitators
- ✓ data recovery specialists.



CYBER LIABILITY – DATA BREACH (TIER 2 / CORE +)

OPTION #1

Authority's Current Coverage



Cyber Liability and Breach Response Declarations of Coverage 2023-2024 Fund Year

Member Name: Fort Bend County Toll Road Authority
Member ID: 6623
Effective Date: 10/01/2023
Anniversary Date: 10/01/2024

Liability coverage is provided on a claims made and reported basis and applies only to claims first made against a Covered Party during the Coverage Period or the Optional Extension Period (if applicable) and reported to the Fund in accordance with the terms of this coverage. Amounts incurred as claims expenses will reduce and may exhaust the limit of liability and are subject to retentions. Certain coverages require prior consent or approval. Each Tower aggregate limit is separate from any other Tower aggregate limit.

(TIER 2 / CORE+)

	Aggregate Limit	Retention
Tower 1: Data & Network and Media Aggregate Limit of Liability	\$2,000,000	
Data & Network Liability Aggregate Limit	\$2,000,000	\$0
Media Liability Aggregate Limit	\$2,000,000	\$0
Tower 2: Aggregate Limit of Liability & Coverage	\$250,000	
Business Interruption Loss Aggregate Sublimit	\$50,000	\$5,000*
*The retention shall be the greater of the amount of "Business Interruption Loss" during the 12 hour "waiting period" or the retention specified in the Declarations		
Cyber Extortion Aggregate Sublimit	\$50,000	\$5,000
Data Recovery Costs Aggregate Sublimit	\$50,000	\$5,000
Reputational Loss Aggregate Sublimit	\$10,000	\$5,000
Regulatory Defense and Penalties Aggregate Sublimit	\$75,000	\$5,000
Payment Card Liabilities & Costs Aggregate Sublimit	\$25,000	\$5,000
Fraudulent Instruction Aggregate Sublimit	\$50,000	\$5,000
Funds Transfer Fraud Aggregate Sublimit	\$50,000	\$5,000
Telephone Fraud Aggregate Sublimit	\$50,000	\$5,000
Criminal Reward Aggregate Sublimit	\$2,500	\$0
Tower 3: Breach Response Aggregate Limit of Coverage	\$150,000	
Breach Response Aggregate Limit	\$150,000	\$0
Billable Contribution:		\$483.36

LIMIT OF LIABILITY: TIER 1 / CORE (Higher limits are available upon request)

ANNUAL COST: \$ 474

Please Sign Below Either Accepting or Declining Cyber Coverage:

(Declining coverage mean that all Cyber Coverage will be CANCELLED as of the effective date of this proposal)

ACCEPTED:

DECLINED:

CYBER LIABILITY – DATA BREACH (TIER 1 / CORE)

OPTION #2



Cyber Liability and Breach Response Declarations of Coverage 2023-2024 Fund Year

Member Name: Fort Bend County Toll Road Authority
Member ID: 6623
Effective Date: 10/01/2023
Anniversary Date: 10/01/2024

Liability coverage is provided on a claims made and reported basis and applies only to claims first made against a **Covered Party** during the **Coverage Period** or the Optional Extension Period (if applicable) and reported to the **Fund** in accordance with the terms of this coverage. Amounts incurred as claims expenses will reduce and may exhaust the limit of liability and are subject to retentions. Certain coverages require prior consent or approval. Each Tower aggregate limit is separate from any other Tower aggregate limit.

(TIER 1 / CORE)

	Aggregate Limit	Retention
Tower 1: Data & Network and Media Aggregate Limit of Liability	\$1,000,000	
Data & Network Liability Aggregate Limit	\$1,000,000	\$0
Media Liability Aggregate Limit	\$1,000,000	\$0
Tower 2: Aggregate Limit of Liability & Coverage	\$100,000	
Business Interruption Loss Aggregate Sublimit	\$20,000	\$5,000*
*The retention shall be the greater of the amount of "Business Interruption Loss" during the 12 hour "waiting period" or the retention specified in the Declarations		
Cyber Extortion Aggregate Sublimit	\$25,000	\$0
Data Recovery Costs Aggregate Sublimit	\$20,000	\$0
Reputational Loss Aggregate Sublimit	\$5,000	\$0
Regulatory Defense and Penalties Aggregate Sublimit	\$25,000	\$0
Payment Card Liabilities & Costs Aggregate Sublimit	\$10,000	\$0
Fraudulent Instruction Aggregate Sublimit	\$25,000	\$2,500
Funds Transfer Fraud Aggregate Sublimit	\$25,000	\$2,500
Telephone Fraud Aggregate Sublimit	\$25,000	\$2,500
Criminal Reward Aggregate Sublimit	\$2,500	\$0
Tower 3: Breach Response Aggregate Limit of Coverage	\$100,000	
Breach Response Aggregate Limit	\$100,000	\$0
Billable Contribution:		\$350.00

LIMIT OF LIABILITY: TIER 1 / CORE (Higher limits are available upon request)

ANNUAL COST: \$ 343

Please Sign Below Either Accepting or Declining Cyber Coverage: (Declining Both Option #1 & Option #2 means that all Cyber Coverage will be CANCELLED as of the effective date of this proposal)

ACCEPTED: _____

DECLINED: _____

OPTIONAL COVERAGES FOR REVIEW

CONSULTANTS' FIDELITY BOND

Note: Authority Does Not Currently Purchase This Coverage

If the Authority has this exposure that needs to be discussed and/or added to the policy, please contact Brown & Brown Lone Star Insurance Services immediately

BLANKET CRIME/FIDELITY BOND

Recommended, Optional
Coverage for Review

INSURER:

Liberty Mutual Surety - (Rated A XV)

COVERAGE:

Includes but is not limited to Loss caused to the Authority through failure of any employee or designated 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 for each occurrence involving one or more employees (consultants). Subject to COVERAGE Terms, conditions and exclusions.

CONSULTANTS COVERED:

Attorney, Bookkeeper, Engineer, Operator,
Delinquent Tax Attorney

COVERAGE TERM:

Continuous - Until Requested Cancelled

LIMIT, PREMIUM & TERM:

PLEASE INITIAL NEXT TO SELECTED LIMIT & TERM:

<u>Limit</u>	<u>1 Year Premium</u>	<u>3 Year Premium</u> With Premium Discount (Brown & Brown Recommends)
\$ 10,000	\$ 120_____	\$ 324_____
\$ 25,000	\$ 176_____	\$ 475_____
\$ 50,000	\$ 221_____	\$ 597_____
\$ 100,000	\$ 341_____	\$ 921_____
\$ 250,000	\$ 471_____	\$ 1,272_____
\$ 500,000	\$ 565_____	\$ 1,373_____
\$1,000,000	\$ 671_____	\$ 1,812_____

NOTE: Accepting the three-year prepaid Consultants Fidelity and/or Directors Bonds not only gives a premium discount but will guarantee there is no premium increase for three years. Cancellation can still be requested at any time and the prorated premium, if any, will be returned.

INITIAL SELECTION ABOVE & SIGN TO ACCEPT & ADD COVERAGE:

(X)_____ **DATE:**_____

Do NOT SIGN OR INITIAL UNLESS REQUESTING TO ADD COVERAGE

DIRECTORS' BOND

Note: Authority Does Not Currently Purchase This Coverage

If the Authority has this exposure that needs to be discussed and/or added to the policy, please contact Brown & Brown Lone Star Insurance Services immediately.

BLANKET BOND FOR ELECTED/APPOINTED OFFICIALS

Recommended, Optional
Coverage for Review

INSURER: Liberty Mutual Surety - (Rated A XV)

TYPE OF BOND: Directors Schedule Bond

COVERAGE: **Includes but is not limited to** the Faithful performance of Director's duties of her/his office

AMOUNT OF BOND: \$10,000 per Director /5
\$50,000 Annual Aggregate
(Higher are available upon request)

COVERAGE TERM: Continuous - Until Requested Cancelled

PREMIUM & TERM: **PLEASE INITIAL NEXT TO SELECTED LIMIT & TERM:**

_____ \$ 121 One-year bond term – No Premium Discount

_____ \$ 303 Three-year bond term—**With Premium Discount**
(Brown & Brown Recommends)

NOTE: Accepting the three-year prepaid Consultants Fidelity and/or Directors Bonds not only gives a premium discount but will guarantee there is no premium increase for three years. Cancellation can still be requested at any time and the prorated premium, if any, will be returned.

INITIAL SELECTION ABOVE & SIGN TO ACCEPT & ADD COVERAGE:

(X) _____ **DATE:** _____

DO NOT SIGN OR INITIAL UNLESS REQUESTING TO ADD COVERAGE

TAX COLLECTORS BOND

Note: Authority Does Not Currently Purchase This Coverage

If the Authority has this exposure that needs to be discussed and/or added to the policy, please contact Brown & Brown Lone Star Insurance Services immediately.

PUBLIC OFFICIALS BOND **TAX ASSESSOR / COLLECTOR**

Recommended, Optional
Coverage for Review

INSURER:

Liberty Mutual Surety - (Rated A XV)

CONSULTANT COVERED:

Person in the Position of Tax Assessor/Collector

COVERAGE:

Includes but is not limited to Loss caused to the Authority through failure of the tax collector to perform faithfully her/his duties as required by law and distribute funds collected without fraud or delay. Subject to bond terms, conditions and exclusions.

COVERAGE TERM:

Continuous – Three-year paid bond

Three Year Pre-Paid Bond

Eff: 00/00/00 to 00/00/00

LIMITS & PREMIUM:

PLEASE INITIAL NEXT TO SELECTED LIMIT:

<u>3 Year Premium</u>	<u>Limit</u>	
\$ 250	\$ 10,000	_____
\$ 250	\$ 25,000	_____
\$ 375	\$ 50,000	_____
\$ 525	\$ 75,000	_____
\$ 656	\$ 100,000	_____
\$ 1,443	\$ 250,000	_____
\$ 2,363	\$ 500,000	_____
\$ 4,612	\$1,000,000	_____

TAX COLLECTOR IS INVOICED DIRECTLY

INITIAL SELECTION ABOVE & SIGN TO ACCEPT & ADD COVERAGE:

(X) _____ **DATE:** _____

DO NOT SIGN OR INITIAL UNLESS REQUESTING TO ADD COVERAGE

TRAVEL ACCIDENT BENEFITS

Note: Authority Does Not Currently Purchase This Coverage

**If the Authority has this exposure that needs to be discussed and/or added to the policy, please contact
Brown & Brown Lone Star Insurance Services immediately.**

INSURER: Hartford Life & Accident Ins. Co. (Rated A+ XV)

COVERAGE TERM: Continuous - Until Requested Cancelled

Recommended, Optional
Coverage for Review

Please Select Optional Limit & Payment Plan

INCLUDES BUT IS NOT LIMITED TO: (Higher limits may be available)

Term:	Option 1: ☐	Option 2: ☐
3 Year Rate Guarantee Paid in Annual Installments:	\$500.00 ☐	\$600.00 ☐
3 Year Prepaid Premium:	\$1,350.00 ☐	\$1,620.00 ☐

Hazard	Benefit	Amount	Amount
C-12, C-41, C-46C, C-57	ADD	\$500,000	\$750,000
C-12B, C-55B	ADD	Spouse: \$50,000 Each Child: \$25,000	Spouse: \$50,000 Each Child: \$25,000
	Adaptive Home & Vehicle	10% to Max \$25,000	10% to Max \$25,000
	Bereavement Counseling	\$100 per visit to Max of \$500	\$100 per visit to Max of \$500
	Coma	See ADD Amount above	See ADD Amount above
	Rehabilitation	10% to Max \$25,000	10% to Max \$25,000
	Seatbelt	10% to Max \$25,000	10% to Max \$25,000
	Air Bag	5% to Max \$10,000	5% to Max \$10,000
	Therapeutic Counseling	10% to Max \$25,000	10% to Max \$25,000

Hazard Descriptions:

- C-12 Business Travel Only Coverage
- C12B Business Trip Coverage – Insured Person's Spouse & Child(ren)
- C-41 Extraordinary Commutation Coverage
- C-46C Hijacking Coverage
- C-55B Relocation Coverage – Insured Person's Spouse & Child(ren)
- C-57 Sojourn/Personal Deviation Coverage

Aggregate Limitation:

Option 1: \$3,000,000 shall be the total limit of the Company's liability for all benefits under this policy because of injury sustained due to any one accident.

Option 2: \$3,750,000 shall be the total limit of the Company's liability for all benefits under this policy because of injury sustained due to any one accident.

Cross Exclusion:

If an Insured Person is covered under more than one Hazard or Class on the date of accident, he or she will be considered to be covered under the one Hazard or Class with the largest Benefit Amount.

The Business Only (Hazard C-12) coverage is applicable if the accident occurs while on a business trip and the benefit will be paid according to the enforce policy and will not be reduced by any other lines of coverage.

NOTE: Accepting the three-year prepaid Travel Accident Policy not only gives a premium discount but will guarantee there is no premium increase for three years. Cancellation can still be requested at any time & the prorated premium, if any, will be returned.

MAKE SELECTION ABOVE & SIGN TO ACCEPT & ADD COVERAGE:

(x) _____ **DATE:** _____

ONLY SIGN TO ACCEPT & ADD COVERAGE

PEACE OFFICER BOND

Note: Authority Does Not Currently Purchase This Coverage

If the Authority has this exposure that needs to be discussed and/or added to the policy, please contact Brown & Brown Lone Star Insurance Services immediately.

Public Officials Bond

Recommended, Optional
Coverage for Review

INSURER:

Liberty Mutual Surety
(A+ IX)

PERSONS COVERED:

Peace Officers:

COVERAGE:

Includes but is not limited to Loss caused to the Authority through failure of the Peace Office to perform faithfully her/his duties as required by law.
Including Claims related to allegations of Stolen and/or Lost Property or Money. Subject to bond terms, conditions and exclusions.

COVERAGE TERM:

Continuous - Until Requested Cancelled

PREMIUM & TERM: **PLEASE INITIAL NEXT TO SELECTED # OF OFFICERS & TERM:**

<u># of Officers</u>	<u>Limit Per Officer</u>	<u>1 Year Premium</u>	<u>3 Year Premium</u> With Premium Discount (Recommends)
1	\$ 10,000	\$ 100_____	\$ 250_____
2	\$ 10,000	\$ 100_____	\$ 250_____
3	\$ 10,000	\$ 150_____	\$ 376_____
4	\$ 10,000	\$ 200_____	\$ 500_____
5	\$ 10,000	\$ 250_____	\$ 626_____
6	\$ 10,000	\$ 300_____	\$ 750_____
7	\$ 10,000	\$ 350_____	\$ 876_____

**INITIAL SELECTION ABOVE &
SIGN TO ACCEPT & ADD COVERAGE:**

(X)_____ **DATE:**_____

ONLY SIGN / INITIAL TO ACCEPT & ADD COVERAGE

MOBILE EQUIPMENT

Note: Authority Does Not Currently Purchase This Coverage

If the Authority has this exposure that needs to be discussed and/or added to the policy, please contact Brown & Brown Lone Star Insurance Services immediately.

Recommended, Optional
Coverage for Review

****Please Attach Copy of Equipment Schedule To Obtain Quote****

INSURER:

TML IRP - "A" rated by Standard & Poors

EQUIPMENT COVERED:

Per the following Equipment Schedules as reported by
Authority's Engineer and/or other Authority Consultants

COVERAGE:

Replacement Cost shall be the smaller of the following

1. The cost of Repair
2. The cost to replace with like kind & quality.
3. The amount actually expended to replace.
4. Property not actually repaired or replaced shall be valued at actual cash value.

LIMIT:

\$

DEDUCTIBLE:

\$ Per Occurrence
"Named Storm" Deductible – 1 % of Scheduled Values for all items.
With a Minimum of the Per Occurrence Deductible
(*"Named Storm" i.e., Hurricanes or other catastrophic events are recognized by the National Weather Service, etc.*)

ANNUAL COST:

\$

****Please Attach Copy of Equipment Schedule & Sign
Below To Obtain Quote****

SIGN TO REQUEST QUOTE:

(X) _____ DATE: _____

DO NOT SIGN UNLESS REQUESTING QUOTED

TML PROGRAM FEATURES

Brown & Brown Lone Star Insurance Services is recommending to your Authority a program that combines ***broad coverage, competitive pricing, and additional services.***

These TML IRP coverages and services may include any of the following:

- Property, Equipment Breakdown, Mobile or Handheld Equipment, Flood, Windstorm, Earthquake, Hail. Terrorism coverage is automatically provided for property damage exposure. Most insurance programs do not automatically provide this coverage.
- Up to \$10,000,000 General Liability limits – Occurrence basis
- Up to \$10,000,000 Public Officials' Liability – Occurrence basis
- Up to \$10,000,000 Law Enforcement Liability – Occurrence basis
- Up to \$2,000,000 Auto Hired/Non-Owned Liability – Occurrence basis.
- Auto Physical Damage for reported and scheduled Authority owned vehicles
- Up to \$2,000,000 Pollution Liability coverage – Occurrence basis
- Workers' Compensation coverage available for Elected/Appointed Officials, Employees, Volunteers
- Loss Control Inspections done by TML IRP

We believe you should thoroughly understand the most important differences between coverages with TML IRP and insurance policies offered by other companies. We offer additional information to show how these services can improve the coverages for your Authority and for yourselves as Public Officials.

Please review the next few pages of this summary that will better explain the significant and important coverage and service benefits of the program we recommend.

TML PROPERTY COVERAGE FEATURES

Note: Authority Does Not Currently Purchase This Coverage

The Texas Municipal League Intergovernmental Risk Pool's property coverage includes the following features (but is not limited to) at no additional cost:

1. Coinsurance Provision	None
2. Pollution Damage to Scheduled Prop Caused by Covered Peril	Included in the Blanket Limit
3. Pollution Clean-up at Scheduled Premises	\$20,000 each Premises
4. Accounts Receivable	\$10,000 *
5. Valuable Papers/EDP Media	\$10,000 *
6. Loss Of Revenue/Extra Expense/Rental Income	\$50,000 *
7. Personal Effects of Employees/Volunteers	\$5,000 *
8. Outdoor Property - Trees, Plants, Shrubs	\$250 each / \$10,000 per occurrence *
9. Property in the Open	\$10,000 Per Occurrence*
10. Debris Removal	Included in the Blanket Limit
11. Demolition of undamaged portions of covered structures	Included in the Blanket Limit
12. Boiler & Machinery	Included
13. Increased cost of construction due to Building Ordinances	Included in the Blanket Limit
14. Loss to undamaged portion of a covered structure	Included in the Blanket Limit
15. Newly acquired or constructed structures	Automatic \$1,000,000 or the Blanket Limit, whichever is less – Additional Limits Available upon request - No Time Limitation
16. Property in Transit	\$1,000,000 or TIV whichever is lower
17. Property Off Premises	Included in the Blanket Limit
18. Sewer Backup at Scheduled Premises	Included in the Blanket Limit
19. Communications Equipment	Included in the Blanket Limit
20. Computer Equipment	Included in Contents Coverage
21. Electrical Damage - EDP equipment	Included in the Blanket Limit
22. Glass Breakage	Included in the Blanket Limit
23. Glass Display or Trophy Cases	Included in the Blanket Limit
24. Ground Maintenance Equipment	Included in the Blanket Limit
25. Fine Arts	Lessor of repairs or scheduled value / <u>Must Be Reported</u>
26. Fire Department Service Charge	Included
27. Fire Equipment Recharge	Included
28. Commandeered boats	Included in Mobile Equipment
29. Outdoor Property - Detached Signs, Fences, Antennas	Included in the Blanket Limit / <u>Must Be Reported</u>
30. Temporary repairs after a loss to prevent further damage	Included in the Blanket Limit
31. Inventory costs related to a loss	Included
32. Portable equipment	Included / Must Be Reported
33. Property of Others	Included in the Blanket Limit
34. Premises Boundary	None
35. Spoilage	Included in the Blanket Limit
36. Off Premises Utility Failure	Included in the Blanket Limit
37. Lock replacement after a loss	Included in the Blanket Limit
38. Changes in temperature/humidity	Included in the Blanket Limit
39. Architectural/Engineering fees incurred as a result of a loss	Included
40. Underground Sprinkler Systems	Included in the Blanket Limit / <u>Must Be Reported</u>
41. Wind-Driven Rain from a Named Storm	\$25,000 per occurrence W/\$1000 Deductible, or elected deductible whichever is less
42. Protection of Property from Flood	\$25,000 "reimbursement" for protecting prop from flood

***These are the basic limits provided at no cost to the Member. Additional limits may be available. If the limits provided are not adequate, Please Contact Brown & Brown Lone Star Insurance Services to discuss Additional Limit Quote Options.**

TML LIABILITY COVERAGE FEATURES

The Texas Municipal League Intergovernmental Risk Pool's liability coverage includes, but is not limited to, the following features:

All Liability Coverages

- | | |
|---|---|
| 1. "Occurrence" rather than "Claims-Made" | All liability coverages including Public Officials' and Law Enforcement Liability |
| 2. Punitive and Exemplary Damages | Not Excluded (unless assumed by contract) |
| 3. Defense Costs | Included in addition to COVERAGE Limits |
| 4. Pay On Behalf Of | Included |

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General Liability (includes but not limited to)

- | | |
|--|---|
| 1. Pollution Coverage | Broad coverage for damages or injuries that occur within 45 days of a sudden and accidental pollution incident. No time limitation for damage or injury resulting from the Member's products (such as water) or chlorine usage and coverage extends to gradual & sudden events. |
| 2. Failure to Supply Gas, Oil, Water, Electricity
(Resulting from Unintentional error or damage to tangible property) | Included |
| 3. Fireworks Displays | Included |
| 4. Watercraft Liability | Included |
| 5. Fire Legal Liability | Included up to full Limits of Liability |
| 6. Incidental Medical Malpractice | Included |
| 7. Emergency Medical Services (EMTs and Paramedics) | Included |
| 8. Special Events | Included |

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Public Officials Liability (includes but not limited to)

Note: Authority Does Not Currently Purchase This Coverage

- | | |
|--|--|
| 1. Coverage for Employment-Related Matters including
(Discrimination, Wrongful Termination, Failure to Hire or Promote and Sexual Harassment or Misconduct) | Included |
| 2. Criminal Defense Reimbursement | \$10,000 |
| 3. Back Wages | 50% up to \$25,000 when awarded in connection with other covered damages |
| 4. Claims filed with EEOC and Texas Commission on Human Rights | Included in the definition of "Suit" |
| 5. Five Years Prior Acts Coverage | Included upon request, warrant of incident report required |
| 6. Coverage for Members of Boards or Commissions
Including Airport and Utility Boards | Included while acting as public officials or |
| 7. Coverage for Attorneys, Architects, Engineers & Accountants | Included while actin as public officials or employees of the member |
| 8. Land Use/Zoning | Included Only when damages are sought. |
| 9. Mental Anguish | Included when sought in connection with an alleged civil rights violation. |
| 10. Coverage for Actual or Alleged Civil Rights Violations | Included when damages sought. |
| 11. Whistleblower's and Workers' Compensation Retaliation Claims | Included |

TML LIABILITY COVERAGE FEATURES

Automobile Liability (includes but not limited to)

Note: Authority Only carrier Hired/Non-owned Auto Coverage

- | | |
|--|---|
| 1. Medical Payments | \$25,000 for vehicles with design capacity of 8 passengers or less. |
| 2. Vehicles Added During the Year | Automatic coverage at no additional charge. |
| 3. Deductible Reimbursement for Volunteers | Up to \$500 for damage to vehicles owned by volunteer firefighters or emergency medical personnel when damage occurs during emergency response on behalf of the Member. |
| 4. High Speed Pursuit | Included Only if there is physical contact with the Member's vehicle and the Claimant's Vehicle |

Automobile Physical Damage (includes but not limited to)

Note: Authority Does Not Currently Purchase This Coverage

- | | |
|--------------------------|--|
| 1. Deductible Limitation | \$10,000 maximum deductible for all vehicle damage sustained in one occurrence, except for damage resulting from hail, when deductible elected for each vehicle is \$10,000 or less. |
|--------------------------|--|

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Law Enforcement Liability:

- | | |
|---|---|
| 1. Coverage for Alleged Use of Excessive Force | Included |
| 2. Moonlighting | Included for the Member and Officers acting in their capacity as Law Enforcement Officers |
| 3. High Speed Pursuit | Included if there is no contact between the Member's vehicle and the Claimant's vehicle |
| 4. Coverage of Intentional Acts | Included |
| 5. Damage to Seized or Impounded Property | Included |
| 6. Jails | Included |
| 7. Actual or Alleged Violations of Civil Rights | Included |
| 8. Mutual Aid Agreements | Included |

DEFINITIONS OF TERMS

ADVERTISING INJURY

Injury arising out of an offense occurring in the course of the Authority's advertising activities, if such injury arises out of libel, slander, defamation, violation of right of privacy, piracy, unfair competition or infringement of copyright, title or slogan.

AGGREGATE

This is the maximum amount that could be paid for all damages arising out of one or more accidents or occurrences that occurred during the policy period.

BODILY INJURY

Bodily injury, sickness or disease sustained by any person, including death at any time resulting there-from.

HIRED / NON-OWNED AUTOMOBILE

Hired - An automobile not owned by the Member but is used on behalf of or lent to the Authority.

Non-Owned – An automobile which is neither owned nor a hired automobile of the Authority.

LAW ENFORCEMENT ACTIVITIES

The actions and functions that required or within the defined scope of duties for an Authority's Law Enforcement Agency which include, but are not limited to, actions towards the prevention and control of crime.

OCCURRENCE

Means each accident or event, including continuous or repeated exposure to conditions, which results in bodily injury, advertising injury, personal injury, or property damage neither expected nor intended from the Standpoint of the insured.

OCCURRENCE FORM

This form pays for the legal liability incurred by the insured for damages that occur during the policy period, no matter when the accident or occurrence becomes evident to the insurer as a "claim" against the insured. This may result in the insurer being responsible for providing coverage for occurrences reported long after the policy period expires.

PERSONAL INJURY

Injury arising out of one or more of the following offenses: False arrest, detention or imprisonment, malicious prosecution, wrongful entry, eviction or other invasion of the right of private occupancy, the publication or Utterance of a libel, slander or other defamatory or disparaging material, or publication or utterance in violation of an individual's right of privacy, false, erroneous or improper service of civil papers or assault and battery.

PROPERTY DAMAGE

Physical injury to or destruction of tangible property which occurs during the policy period, including the loss of use thereof at any time resulting there from; or Loss of use of tangible property which has not been physically injured or destroyed, provided such loss of use is caused by an occurrence.

TERRORISM

The use of violence and threats to intimidate or coerce for political ends and/or purposes. Includes any use of violence or threats for the purpose of putting the public or any section of the public in fear.

VERIFICATION OF COMPLIANCE WITH GOVERNMENT CODE

As required by Chapter 2270, Government Code, Brown & Brown Lone Star Insurance Services Inc. hereby verifies that it does not boycott Israel and will not boycott Israel through the term of the policies included in this proposal. For purposes of this verification, “boycott Israel” means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes.

Foreign Terrorists Organizations. Pursuant to Chapter 2252, Texas Government Code, Brown & Brown Lone Star Insurance Services Inc. represents and certifies that, at the time of execution of this proposal neither Brown & Brown Lone Star Insurance Services Inc. nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the same (i) engages in business with Iran, Sudan, or any foreign terrorist organization as described in Chapters 806 or 807 of the Texas Government Code, or Subchapter F of Chapter 2252 of the Texas Government Code, or (ii) is a company listed by the Texas Comptroller of Public Accounts under Sections 806.051, 807.051, or 2252.153 of the Texas Government Code. The term “foreign terrorist organization” in this paragraph has the meaning assigned to such term in Section 2252.151 of the Texas Government Code.

Anti-Boycott of Energy Companies Verification, Chapter 2274, Texas Government Code, Brown & Brown Lone Star Insurance Services Inc. verifies, pursuant to Chapter 2274 of the Texas Government Code (as added by Senate Bill 13, 87th Texas Legislature, Regular Session), it is not a Company that boycotts energy companies and agrees it will not boycott energy companies during the term of this Contract. The terms “boycotts energy companies” and “boycott energy companies” have the meaning assigned to the term “boycott energy company” in Section 809.001, Texas Government Code. For purposes of this paragraph, “Company” means a for-profit sole proprietorship, organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or limited liability company, including a wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of those entities or business associations, that exists to make a profit, but does not include a sole proprietorship.

Anti-Discrimination of Firearm Entity or Firearm Trade Association Verification, Brown & Brown Lone Star Insurance Services Inc. verifies, pursuant to Chapter 2274 of the Texas Government Code (as added by Senate Bill 19, 87th Texas Legislature, Regular Session, “SB 19”), Brown & Brown Lone Star Insurance Services Inc. hereby verifies that it is not a Company that has a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and agrees it will not discriminate against a firearm entity or firearm trade association during the term of this Contract. The terms “discriminates against a firearm entity or firearm trade association” and “discriminate against a firearm entity or firearm trade association” have the meaning assigned to the term “discriminate against a firearm entity or firearm trade association” in Section 2274.001(3), Texas Government Code (as added by SB 19). For purposes of this paragraph, “Company” means a for-profit organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or limited liability company, including a wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of those entities or business associations, that exists to make a profit, but does not mean a sole proprietorship.