

**Insurance Proposal  
Prepared for**

**Ft. Bend Co. Toll Rd Authority**

***(D&O Liability and Bonds Only)***



**McDonald &  
Wessendorff**  
I N S U R A N C E



# McDonald & 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 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.

### McDonald & Wessendorff Insurance:

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Carrie Hitchcock  
Waterworks CSR  
Direct # 281-762-5216  
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# Plan Coverages

## Property

- Real and Personal Property Coverage based on Replacement Cost Valuation
- Contractors Equipment based on Actual Cash Value
- 

## Boiler & Machinery

- Coverage based on repair or replacement cost 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 Practices Liability included
- Coverage included for libel, slander, defamation of character

**Ft. Bend Co. Toll Rd Authority**

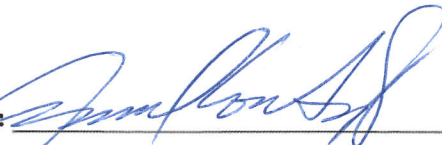
**TYPE OF POLICY:** DIRECTORS AND OFFICERS LIABILITY  
**PROPOSED EFFECTIVE DATE:** 10/01/16  
**COVERAGE:**

- 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

**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  
AM Best Rating: A + VIII

**OPTIONAL LIMITS**

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

**ACCEPTED BY:**  **DATE:** 8.17.16  
**REJECTED BY:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

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



**Ft. Bend Co. Toll Rd Authority**

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

**ANNIVERSARY OF CURRENT BOND:** 10/01/16

**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.

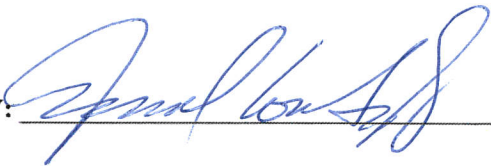
•Terrorism Not Excluded

**BOND TERM:** One Year

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

**PREMIUM:** \$175

**COMPANY:** Merchants Bonding Company  
AM Best Rating A VIII

**ACCEPTED BY:**  **DATE:** 8.17.16

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

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

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

**FT. BEND CO. TOLL RD AUTHORITY**

**PROPOSED EFFECTIVE DATE: 10/01/16**

**PREMIUM SUMMARY**

| <b>COVERAGE</b>               | <b>RENEWAL PREMIUM</b> | <b>LAST YEAR'S PREMIUM</b> |
|-------------------------------|------------------------|----------------------------|
| DIRECTORS AND OFFICERS        | 5,500.00               | 5,500.00                   |
| PUBLIC EMPLOYEE BLANKET CRIME | 1,387.00               | 1,387.00                   |
| DIRECTOR'S BOND               | 175.00                 | 175.00                     |
| <b>TOTAL PREMIUM</b>          | <b>\$7,062.00</b>      | <b>\$7,062.00</b>          |

McDonald & Wessendorff has been your insurance consultant since 06/16/10.  
We thank you for your business.

Please note this proposal does not include any Property, Boiler & Machinery or General Liability coverage.  
If the Authority would like a quote on additional coverages, please contact our office.

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

ACCEPTED BY: \_\_\_\_\_

PRINTED NAME & TITLE: Dr. James D. Condey, Chairman

DATE: August 17, 2016

FEDERAL TAX ID #: 57-1159190

WEB ADDRESS IF ANY: www.fbctra.com

**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.*

**D & O APPLICATION**

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

**THANK YOU!**

Professional Liability Application  
Application for Directors & Officers Liability Insurance

\$5,000,000

Premium \$5,500

Part 1: Background Information

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

Name of Organization: Ft. Bend Co. Toll Rd Authority

Address: C/O The Miller Law Group PLLC, 16555 Southwest Fwy. # 200  
Sugar Land, TX 77479

Purpose of Organization: Toll Road Authority

In continuous existence since: 1997 Number of Board Members: 5

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)

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.

Insurer:                      Limits of Liability:                      Premium:                      Deductible:                      Policy Period

Directors & Officers Liability Coverage has been continuously in force since: 1997  
If yes, with which insurance company? Various

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...

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: Richard Miller Title: Attorney

**Part 3: Employer Detail**

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 No

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

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

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

**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 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) No 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) No 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: Chairman, Board of Directors

Date: August 17, 2016

# CERTIFICATE OF INTERESTED PARTIES

FORM 1295

1 of 1

Complete Nos. 1 - 4 and 6 if there are interested parties.  
Complete Nos. 1, 2, 3, 5, and 6 if there are no interested parties.

## OFFICE USE ONLY CERTIFICATION OF FILING

**1 Name of business entity filing form, and the city, state and country of the business entity's place of business.**

McDonald & Wessendorff Insurance  
Richmond, TX United States

Certificate Number:  
2016-93170

Date Filed:  
08/01/2016

Date Acknowledged:  
*8.2.2016*

**2 Name of governmental entity or state agency that is a party to the contract for which the form is being filed.**

Ft. Bend Co. Toll Rd. Authority

**3 Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the services, goods, or other property to be provided under the contract.**

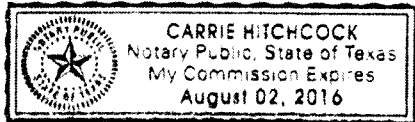
10/01/2016  
Insurance

| 4 Name of Interested Party | City, State, Country (place of business) | Nature of interest (check applicable) |              |
|----------------------------|--|---------------------------------------|--------------|
|                            |  | Controlling                           | Intermediary |
| McDonald, Daniel           | Richmond, TX United States               | X                                     |              |
|                            |  |                                       |              |
|                            |  |                                       |              |
|                            |  |                                       |              |
|                            |  |                                       |              |
|                            |  |                                       |              |
|                            |  |                                       |              |
|                            |  |                                       |              |
|                            |  |                                       |              |

5 Check only if there is NO interested Party.

**6 AFFIDAVIT**

I swear, or affirm, under penalty of perjury, that the above disclosure is true and correct.



*Kathryn N Williams*

Signature of authorized agent of contracting business entity

AFFIX NOTARY STAMP / SEAL ABOVE

Sworn to and subscribed before me by the said Kathryn N Williams this the 15<sup>th</sup> day of August 2016 to certify which, witness my hand and seal of office.

*Carrie Hitchcock*

Signature of officer administering oath

Carrie Hitchcock

Printed name of officer administering oath

Notary

Title of officer administering oath

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 08/01/2016

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 08/02/2016

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 Ft. Bend Co. Toll Rd. Authority

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 10/01/2016  
 Insurance

| 4 | Name of Interested Party | City, State, Country (place of business) | Nature of interest (check applicable) |              |
|---|--------------------------|--|---------------------------------------|--------------|
|   |                          |  | Controlling                           | Intermediary |
|   | McDonald, Daniel         | Richmond, TX United States               | X                                     |              |
|   |                          |  |                                       |              |
|   |                          |  |                                       |              |
|   |                          |  |                                       |              |
|   |                          |  |                                       |              |
|   |                          |  |                                       |              |
|   |                          |  |                                       |              |
|   |                          |  |                                       |              |
|   |                          |  |                                       |              |

**5 Check only if there is NO Interested Party.**

**6 AFFIDAVIT** I swear, or affirm, under penalty of perjury, that the above disclosure is true and correct.

\_\_\_\_\_  
 Signature of authorized agent of contracting business entity

AFFIX NOTARY STAMP / SEAL ABOVE

Sworn to and subscribed before me, by the said \_\_\_\_\_, this the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_, to certify which, witness my hand and seal of office.

\_\_\_\_\_  
 Signature of officer administering oath      Printed name of officer administering oath      Title of officer administering oath