

Insurance Proposal Prepared For

Fort Bend County, Texas

301 Jackson Street, Suite 224
Richmond, TX 77469

Presented: February 28, 2018



Arthur J. Gallagher & Co.

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Area Senior President

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Fort Bend County, Texas

Premium Summary

The estimated program cost for the options are outlined in the following table:

LINE OF COVERAGE		EXPIRING PROGRAM CARRIER	EXPIRING COST	PROPOSED PROGRAM CARRIER	ESTIMATED COST
Brit Global Package	Premium	Lloyd's Syndicate 2987	-	Lloyd's Syndicate 2987	\$698,000.00
	Taxes (Including TRIA Tax)		Included		\$35,080.00
	Estimated Cost		\$692,160.00		\$733,080.00
	Annualized Cost		\$692,160.00		-
	WC TRIA Premium		Included		\$3,600.00
Cyber Liability Endorsement (Option 3)	Premium	Not Purchased	-	Lloyd's Syndicate 2987	\$52,965.00
	Taxes		-		\$2,648.25
	Estimated Cost		-		\$55,613.25
	Annualized Cost		-		N/A
	TRIA Premium		-		-
Medical Professional Liability	Premium	Admiral Insurance Company (W. R. Berkley Group)	-	Admiral Insurance Company (W. R. Berkley Group)	\$14,940.00
	Taxes		-		\$747.00
	Estimated Cost		\$15,687.00		\$15,687.00
	Annualized Cost		\$15,687.00		-
	TRIA Premium		-		-
Aviation	Premium	QBE Insurance Corporation (QBE Insurance Group)	-	QBE Insurance Corporation (QBE Insurance Group)	\$35,335.00
	Estimated Cost		\$34,573.00		\$35,335.00
	Annualized Cost		\$34,573.00		-
	TRIA Premium		Included		Included
			\$120,000.00		\$120,000.00
Risk Management Fee					\$2,515.92
Risk Management Fee (Surplus Lines Tax & Fees)					
Total Estimated Program Cost (including WC TRIA)			\$862,420.00		\$965,831.20

Risk Management Fee Taxes are included under the applicable coverages

Quote from QBE Insurance Corporation (QBE Insurance Group) is valid until 4/1/2018
 Quote from Admiral Insurance Company (W. R. Berkley Group) is valid until 4/1/2018
 Quote from Lloyd's Syndicate 2987 is valid until 4/22/2018
 Quote from Lloyd's Syndicate 2987 is valid until 3/24/2018

Gallagher is responsible for the placement of the following lines of coverage:

Brit Global Package
Medical Professional Liability
Aviation
Cyber Liability Endorsement
Excess Workers Compensation
Excess Property / Boiler & Machinery
Pollution

It is understood that any other type of exposure/coverage is either self-insured or placed by another brokerage firm other than Gallagher. If you need help in placing other lines of coverage or covering other types of exposures, please contact your Gallagher representative.

Fort Bend County, Texas

Changes / Developments

It is important that we be advised of any changes in your operations that may have a bearing on the validity and/or adequacy of your insurance. The types of changes that concern us include, but are not limited to, those listed below:

1. Changes in any operation such as expansion to other states or new products.
2. Mergers and/or acquisition of new companies.
3. Any newly assumed contractual liability, granting of indemnities, or hold harmless agreements.
4. Circumstances which may require increased liability insurance limits.
5. Any changes in fire or theft protection, such as the installation of or disconnection of sprinkler systems, burglar alarms, etc. This includes any alterations to same.
6. Immediate advice of any changes to scheduled equipment such as contractors' equipment, electronic data processing, etc.
7. Property of yours that is in transit, unless we have previously arranged for the insurance.
8. Any changes in existing premises including vacancy, whether temporary or permanent, alterations, demolition, etc. Also, any new premises either purchased, constructed, or occupied.

☒ No Changes and/or Developments except as noted on insurance applications and contracts are routinely executed as a regular course of business each unique in it's requirements for granting indemnification and hold harmless

Signature: _____

Title: Robert Hebert - County Judge

Date: March 13, 2018

Fort Bend County, Texas


Client Authorization to Bind Coverage

After careful consideration of Gallagher's proposal dated 2/28/2018, we accept the following coverage(s). Please check the desired coverage(s) and note any coverage amendments below:

	LINE OF COVERAGE	CARRIER
<input checked="" type="checkbox"/> Accept <input type="checkbox"/> Reject <input checked="" type="checkbox"/> Accept <input type="checkbox"/> Reject <input type="checkbox"/> Accept <input checked="" type="checkbox"/> Reject	Brit Global Package TRIA Coverage – Work Comp TRIA Coverage – All Other Lines	Lloyd's Syndicate 2987
<input type="checkbox"/> Accept <input type="checkbox"/> Reject <input type="checkbox"/> Accept <input type="checkbox"/> Reject <input checked="" type="checkbox"/> Accept <input type="checkbox"/> Reject <input type="checkbox"/> Accept <input type="checkbox"/> Reject <input type="checkbox"/> Accept <input checked="" type="checkbox"/> Reject	Cyber Liability \$1M/\$25K Opt# 1 - Cyber Liability \$1M/\$50K Opt# 2 - Cyber Liability \$2M/\$25K Opt# 3 - Cyber Liability \$2M/\$50K TRIA Coverage	Lloyd's Syndicate 2987
<input checked="" type="checkbox"/> Accept <input type="checkbox"/> Reject	Medical Professional Liability	Admiral Insurance Company (W. R. Berkley Group)
<input checked="" type="checkbox"/> Accept <input type="checkbox"/> Reject <input checked="" type="checkbox"/> Accept <input type="checkbox"/> Reject <input type="checkbox"/> Accept <input checked="" type="checkbox"/> Reject	Aviation War TRIA Coverage	QBE Insurance Corporation (QBE Insurance Group)
<input checked="" type="checkbox"/> Accept <input type="checkbox"/> Reject	Risk Management Fee	Arthur J. Gallagher & Co.

The above coverage may not necessarily represent the entirety of available insurance products. If you are interested in pursuing additional coverages other than those addressed in the coverage considerations included in this proposal, please list below:

Producer/ Insured Coverage Amendments and Notes:


Client Initials

POLICYHOLDER DISCLOSURE
NOTICE OF TERRORISM INSURANCE COVERAGE

You are hereby notified that under the Terrorism Risk Insurance Act of 2002, as amended ("TRIA"), that you now have a right to purchase insurance coverage for losses arising out of acts of terrorism, **as defined in Section 102(1) of the Act, as amended:** The term "act of terrorism" means any act that is certified by the Secretary of the Treasury, in consultation with the Secretary of Homeland Security and the Attorney General of the United States, to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of an air carrier or vessel or the premises of a United States mission; and to have been committed by an individual or individuals, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion. Any coverage you purchase for "acts of terrorism" shall expire at 12:00 midnight December 31, 2020, the date on which the TRIA Program is scheduled to terminate, or the expiry date of the policy whichever occurs first, and shall not cover any losses or events which arise after the earlier of these dates.

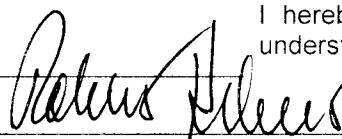
YOU SHOULD KNOW THAT COVERAGE PROVIDED BY THIS POLICY FOR LOSSES CAUSED BY CERTIFIED ACTS OF TERRORISM IS PARTIALLY REIMBURSED BY THE UNITED STATES UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. HOWEVER, YOUR POLICY MAY CONTAIN OTHER EXCLUSIONS WHICH MIGHT AFFECT YOUR COVERAGE, SUCH AS AN EXCLUSION FOR NUCLEAR EVENTS. UNDER THIS FORMULA, THE UNITED STATES PAYS 85% THROUGH 2015; 84% BEGINNING ON JANUARY 1, 2016; 83% BEGINNING ON JANUARY 1, 2017; 82% BEGINNING ON JANUARY 1, 2018; 81% BEGINNING ON JANUARY 1, 2019 AND 80% BEGINNING ON JANUARY 1, 2020; OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURER(S) PROVIDING THE COVERAGE. YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS A USD100 BILLION CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT AS WELL AS INSURERS' LIABILITY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM WHEN THE AMOUNT OF SUCH LOSSES IN ANY ONE CALENDAR YEAR EXCEEDS USD100 BILLION. IF THE AGGREGATE INSURED LOSSES FOR ALL INSURERS EXCEED USD100 BILLION, YOUR COVERAGE MAY BE REDUCED.

THE PREMIUM CHARGED FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

XX

I hereby elect to purchase coverage for acts of terrorism for a prospective premium of USD \$3,600 (Section V) ~~USD \$3,600 (Section V)~~

I hereby elect to have coverage for acts of terrorism excluded from my policy. I understand that I will have no coverage for losses arising from acts of terrorism.



Policyholder/Applicant's Signature

Robert Hebert - County Judge



Brit Global Specialty USA

Syndicate on behalf of certain underwriters at Lloyd's

Print Name

March 13, 2018

Policy Number

Fort Bend County, Texas

Date

LMA9104

12 January 2015

Account Name

Premium Adjustment (if any)
\$

SELECTION OR REJECTION OF PERSONAL INJURY PROTECTION COVERAGE
(Texas)

The Texas Insurance Code (Article 5.06-3) permits you, the insured named in the policy, to reject Personal Injury Protection Coverage. Personal Injury Protection Coverage consists of provisions in a motor vehicle liability policy which provide for payment to the named insured in the motor vehicle liability policy and members of the insured's household, an authorized operator or passenger of the named insured's motor vehicle including a guest occupant, up to an amount of \$2,500 for each such person for payment of all reasonable expenses arising from the accident and incurred within three (3) years from the date thereof for necessary medical, surgical, X-ray and dental services and loss of income as the result of the accident. Personal Injury Protection benefits under Article 5.06-3 are payable without regard to the fault or non-fault of the named insured or the recipient in causing or contributing to the accident, and without regard to any collateral source of medical, hospital or wage continuation benefits.

In accordance with Texas Insurance Code (Article 5.06-3), the undersigned insured (and each of them)

(Applicable item marked ☒)

☐ Agrees that the Personal Injury Protection Coverage is SELECTED with limits of \$ _____.

☒ Agrees that the Personal Injury Protection Coverage is REJECTED. The Personal Injury Protection Coverage described above and offered by the Insurer is completely removed and deleted from the policy. Personal Injury Protection Coverage will NOT be provided in or supplemental to a renewal policy issued by this Insurer or an affiliated Insurer unless the named insured requests such coverage in writing.

Robert Hebert - County Judge

Signature of Insured

March 13, 2018

Date



Signature of Insured

Policy No. (if known)

Premium Adjustment (if any)

\$

**REJECTION OF UNINSURED/UNDERINSURED MOTORISTS COVERAGE
OR SELECTION OF HIGHER LIMIT OF LIABILITY
(Texas)**

The Texas Insurance Code (Article 5.06-1) permits you, the insured named in the policy, to reject Uninsured/Underinsured Motorists Coverage or to select a limit for such coverage higher than the minimum limit required by the Texas Motor Vehicle-Safety Responsibility Act but not higher than the policy's liability limit. Uninsured/Underinsured Motorists Coverage provides insurance for the protection of persons insured thereunder who are legally entitled to recover damages from owners or operators of uninsured or underinsured motor vehicles because of bodily injury, sickness or disease, including death, or property damage resulting therefrom.

In accordance with the Texas Insurance Code (Article 5.06-1), the undersigned insured (and each of them)—

(Applicable item marked ☒)

☒ agrees that the Uninsured/Underinsured Motorists Coverage afforded in the policy is hereby deleted.

☐ agrees that the following higher limit of liability applies with respect to the Uninsured/Underinsured Motorists Coverage afforded in the policy.

(Enter if a single limit of liability applies.)

\$ each accident

(Enter if a separate limit of liability applies to Bodily Injury and Property Damage)

\$	each person	Bodily Injury
\$	each accident	Bodily Injury
\$	each accident	Property Damage



SIGNATURE OF INSURED

Robert Hebert - County Judge

SIGNATURE OF INSURED

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

Certificate Number:
2018-322742

Date Filed:
03/06/2018

Date Acknowledged:
03/13/2018

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

Arthur J. Gallagher Risk Management Services, Inc.
Dallas, TX United States

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

Fort Bend County

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.

RFP14-046
Brit Package/Lloyds, Aviation and Medical Professional Liability Insurance

4	Name of Interested Party	City, State, Country (place of business)	Nature of interest (check applicable)	
			Controlling	Intermediary
	Berkley Insurance Company	Wilmington, DE United States	X	
	QBE Insurance Corporation	Sydney South Wales United	X	
	Fairfax Group	Toronto Ontario Canada	X	

5 Check only if there is NO Interested Party.

☐

6 UNSWORN DECLARATION

My name is _____, and my date of birth is _____.

My address is _____, _____, _____, _____, _____.
(street) (city) (state) (zip code) (country)

I declare under penalty of perjury that the foregoing is true and correct.

Executed in _____ County, State of _____, on the _____ day of _____, 20____.
(month) (year)

Signature of authorized agent of contracting business entity
(Declarant)