

*A Renewal Proposal for*

# Excel Academy Charter Schools

Effective: July 1, 2023

**Jonathan Schreter, MBA, CIC**  
*Executive Vice President*

**Craig Myers**  
*Associate Vice President*

*Bolton Insurance Services, LLC*  
*License # 6004772*

Prepared: June 21, 2023



## Excel Academy Charter Schools

### Service Team

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	E-mail: gasatryan@boltonco.com	
	Service Team Fax:	(626) 583-2117

### Property & Casualty Resources

<b>Certificates/ Evidences</b>	<b>Standard - Receipt in 24 Hours</b>		<b>Rush - Receipt in 3 Hours</b>	
	Email: certrequest@boltonco.com		Email: rushcertrequest@boltonco.com	
	Fax: (626) 583-2117			
<b>Property &amp; Casualty Claims</b>	<b>Marianne Reyes, Senior Claims Consultant</b>			
	<b>Direct:</b> (626) 507-1344		<b>Fax:</b> (626) 583-2117	
	E-mail: mreyes@boltonco.com			
<b>Workers' Comp Claims</b>	<b>Lorenda Edmundson, Sr. Workers' Comp Consultant</b>			
	<b>Direct:</b> (626) 535-1815		<b>Fax:</b> (626) 583-2117	
	E-mail: ledmundson@boltonco.com			
<b>Risk Control</b>	<b>Stefanie Nobriga, Associate Vice President of Risk Control</b>			
	<b>Direct:</b> (626) 535-1436		<b>Fax:</b> (626) 583-2117	
	E-mail: snobriga@boltonco.com			
<b>Bonds</b>	<b>Mary Smith, Associate Producer Surety</b>			
	<b>Direct:</b> (626) 535-1473		<b>Fax:</b> (626) 583-2124	
	E-mail: msmith@boltonco.com			

# Excel Academy Charter Schools

## Department Leads

**Property & Casualty**  
**Erin Powell, Senior Vice President, Property & Casualty**  
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**Employee Benefits**  
**Johanna Alvarez, CA Market Leader for Employee Benefits**  
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**Personal Risk Management**  
**Jessica Gunnar, Senior Vice President**  
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# Premium Comparison

## Excel Academy Charter Schools

	2022-2023	2023-2024	\$	%
	Expiring Premium	Renewal Premium	Difference	Difference
Property including Inland Marine	\$ 722	\$ 474	\$ (248)	-34%
Automobile	\$ 3,412	\$ 3,936	\$ 524	15%
General Liability	\$ 18,456	\$ 18,456	\$ -	0%
Umbrella	\$ 7,534	\$ 7,710	\$ 176	2%
Educators Legal Liability including D&O and EPL	\$ 22,984	\$ 26,927	\$ 3,943	17%
Crime	\$ 3,886	\$ 4,018	\$ 132	3%
Student Accident	\$ 3,141	\$ 3,141	\$ -	0%
Cyber Liability	\$ 10,395	\$ 11,165	\$ 770	7%
Fee	\$ 150	\$ 150	\$ -	0%
Surplus Lines Taxes & Fees	\$ 338	\$ 355	\$ 17	5%
Workers' Compensation*	\$ 48,078	\$ 49,477	\$ 1,399	3%
State Taxes	\$ 2,767	\$ 2,806	\$ 39	1%
<b>TOTAL</b>	<b>\$ 121,863</b>	<b>\$ 128,615</b>	<b>\$ 6,752</b>	<b>6%</b>

\*2023 Estimated Premium until WCIRB releases the revised experience modification

This proposal is a summary of terms and conditions proposed by the insurers based on the information obtained from you. The policy must be reviewed for all of the coverages, terms, conditions, and exclusions. Policy forms will be made available at your request.  
The issued policy will supersede this proposal.

Higher Limits May be Available for All Coverages

# Subjectivities

## WORKERS COMPENSATION

### Independent Contractors and Subcontractors:

In the event that an Insured utilizes subcontracted labor, the insured must furnish satisfactory evidence that the subcontractor has workers compensation insurance in force, covering the work performed for the insured. The following documents may be used to provide satisfactory evidence:

- Certificate of Insurance for the subcontractor's workers compensation policy
- Certificate of exemption (if available in their state - not available in CA)
- Copy of the Subcontractor's workers compensation policy

In the event any form of this documentation is not available for review or deemed otherwise insufficient, amounts paid to these subcontractors or independent contractors will be included as payroll and utilized in the calculation of final audit premium

### Package Subject to:

Signed Statement of Values

Prior Carrier Loss Runs

### Cyber Subject to:

Completion of the Name and Signature of the IT contact on Question #5, page 2, of the application

Answer to question #3. Revenues

Answer to question #6.c.(2)

Answer to question #7.f.

Resigned application redated within 45 days of the effective date by the officer of the company (Owner, President, CEO, or COO)

# Named Insureds

Excel Academy Charter Schools  
FKA Community Collaborative Charter School

## Schedule of Locations

- 1 1 Technology Dr. Bldg 1811, Irvine, CA 92618
- 2 87-3163 Mamalahoa Hwy, Captain Cook, HI 96704 (Work Comp)

# Statement of Values 2022-2023

Loc #	Entity Name/ Location	Occupancy	Buildings	Business Personal Prop.	EDP	Bus. Income/ Extra Expense	Year Built/ Year Roof & Elec Updated	Const. Type/ Roof Type	# Stories	Total Bldg. Sq. Ft./ Occupied Sq. Ft.	Sprinklers	Local/ Central Alarm
1	1 Technology Dr. Bldg 1-811 Irvine, CA 92618	Office	\$0	\$11,000	\$100,000	\$10,325						
		TOTAL	\$0	\$11,000	\$100,000	\$10,325						

\_\_\_\_\_

Date

Name of Insured: Excel Academy Charter Schools

By: \_\_\_\_\_

Title: \_\_\_\_\_



# Renewal Proposal of Insurance 2023-2024

## Excel Academy Charter Schools

	2022-2023 Expiring Philadelphia A++ XV Admitted	2023-2024 Renewal Philadelphia A++ XV Admitted	Remarks
<b>Property</b>			
Business Personal Property	\$10,000	\$11,000	
Business Income/Extra Expense	\$10,325	\$10,325	
Business Personal Property Deductible	\$1,000	\$1,000	
Business Income Waiting Period	24 Hours	24 Hours	
Earthquake Sprinkler Leakage	\$10,000	\$10,000	
Equipment Breakdown	Included	Included	
<u>Locations:</u> See Statement of Values			
<u>CONDITIONS</u> : Special Form; Replacement Cost; 90% Co-Insurance. Includes Philadelphia Bell Endorsement, Workplace Violence Loss of Income Endorsement, Crisis Management Endorsement and Elite Property Enhancement: Schools			
<u>EXCLUSIONS</u> : Including, but not limited to Virus or Bacteria; Mold; Inflatable Structures; Earthquake and Flood			
<b>Inland Marine</b>	<b>Philadelphia A++ XV Admitted</b>	<b>Philadelphia A++ XV Admitted</b>	
Blanket Computer Coverage	\$50,000	\$50,000	
Blanket Monthly Limit of Indemnity	\$10,000	\$10,000	
While In Transit	\$10,000	\$10,000	
Transfer between Premises	\$10,000	\$10,000	
Temp within other Premises	\$10,000	\$10,000	
Permanently located at an employee's residence	\$10,000	\$10,000	
Deductible	\$1,000	\$1,000	
<u>EXCLUSIONS</u> : Including, but not limited to Governmental Action; Nuclear Hazard; Off-Premises Services; War or Military Action; Earthquake and Flood			

# Renewal Proposal of Insurance 2023-2024

## Excel Academy Charter Schools

	2022-2023 Expiring Philadelphia A++ XV Admitted	2023-2024 Renewal Philadelphia A++ XV Admitted	Remarks
<b>Business Auto</b>			
Auto Liability - Non-Owned & Hired	\$1,000,000	\$1,000,000	
Hired Auto Physical Damage - Cost of Hire	\$5,000	\$5,000	
Hired Auto Physical Damage Deductibles	\$1,000 Comp \$1,000 Coll	\$1,000 Comp \$1,000 Coll	
<u>CONDITIONS</u> : Employees and Volunteers as Insureds; Employees as Insureds for Hired Autos			
<i>We are not aware of any excluded drivers at the time of quoting. The carrier may review driving records and exclude any drivers that do not meet their guidelines of acceptability.</i>			

# Renewal Proposal of Insurance 2023-2024

## Excel Academy Charter Schools

	2022-2023 Expiring Philadelphia A++ XV Admitted	2023-2024 Renewal Philadelphia A++ XV Admitted	Remarks
<b>General Liability</b>			
General Aggregate Limit	\$3,000,000	\$3,000,000	
Products-Completed Operations Aggregate	\$3,000,000	\$3,000,000	
Personal & Advertising Injury Limit	\$1,000,000	\$1,000,000	
Each Occurrence Limit	\$1,000,000	\$1,000,000	
Damage to Premises Rented to You Limit - Any One Premises	\$300,000	\$300,000	
Medical Payments Limit - Any One Person	\$15,000	\$15,000	
Sexual/Physical Abuse or Molestation/Aggregate	\$1,000,000/\$3,000,000	\$1,000,000/\$3,000,000	
Employee Benefits Liability/Aggregate	\$1,000,000/\$3,000,000	\$1,000,000/\$3,000,000	
Deductible	N/A	N/A	
Student Count	1,809	1,809	

**CONDITIONS:** Employee Benefits Liability is a Claims-Made & Reported Form. Retroactive Date: 7/15/2015; Includes Employee Defense Coverage; Volunteers and Employees as Insureds; Fund Raising Events Endorsement; General Liability Deluxe: Schools Endorsement

The wording adding additional insured status for vendors, landlords, contractors or owners on your Commercial General Liability Policy applies only when there is a written contract between you and one of these entities requiring they be added to your policy as an additional insured. Please make sure to advise us if there is no contract at the time these are requested so special arrangements can be made with your insurance carrier. An unaltered purchase order is not considered a contract. Requests from these entities for additional insured status with no contract in force should be resisted as you have no legal obligation to provide this and claims against your policy in this situation could reduce the liability limits on your policy.

**EXCLUSIONS:** Including, but not limited to Asbestos; Employment-Related Practices; Fungi or Bacteria; Lead; Communicable Disease; Athletic or Sports Participants; Corporal Punishment; Nuclear Energy; Absolute Cyber Liability and Electronic;

# Renewal Proposal of Insurance 2023-2024

## Excel Academy Charter Schools

	2022-2023 Expiring	2023-2024 Renewal	Remarks
<b>Umbrella</b>	<b>Philadelphia A++ XV Admitted</b>	<b>Philadelphia A++ XV Admitted</b>	
Per Occurrence	\$4,000,000	\$4,000,000	
Aggregate Limit	\$4,000,000	\$4,000,000	
Retention	\$10,000	\$10,000	
<i><b>CONDITIONS</b></i> : Limits are excess of Primary General Liability, Sexual Abuse or Molestation, Employee Benefits Liability, Non-Owned & Hired Auto Liability, Employers Liability			
<i><b>EXCLUSIONS</b></i> : Including, but not limited to Fungi or Bacteria; Lead; Directors and Officers Liability; Silica; Subsidence; Liquor Liability; Employers Liability (Stop Gap); Designated Professional Services; Athletic Participants and Officials; Medical Professional Liability; Cyber Liability and Electronic			
<b>Educators Professional Select</b>	<b>Philadelphia A++ XV Admitted</b>	<b>Philadelphia A++ XV Admitted</b>	
Educators Legal Liability - Each Claim/Aggregate	\$2,000,000/\$2,000,000	\$2,000,000/\$2,000,000	
Retention-Per Claim	\$25,000	\$25,000	
Employment Practices Liability - Each Claim/Aggregate	\$2,000,000/\$2,000,000	\$2,000,000/\$2,000,000	
Retention-Per Claim	\$25,000	\$25,000	
Policy Aggregate	\$2,000,000	\$2,000,000	
Non-Monetary Defense - Occurrence/Aggregate	\$100,000/\$300,000	\$100,000/\$300,000	
Retention-Per Claim	\$10,000	\$10,000	
<i><b>CONDITIONS</b></i> : Claims-Made & Reported Form; Retroactive Date: 7/15/2015 Includes Wrongful Acts arising out of Education, Employment Practices, Directors, Officers and Trustees; Defense costs paid in addition to the policy limit; Includes Third Party Coverage in respects to Employment Practices Liability; Shared Limits; 12 Month Extended Reporting Period; Includes Crisis Management Enhancement Endorsement			
<i><b>EXCLUSIONS</b></i> : Including, but not limited to Pollution; Asbestos; Bodily Injury or Property Damage; Fraudulent, Dishonest, Malicious, Criminal or Intentional Wrongful Acts or Omissions; Fungi, Bacteria or Organic Pathogens; Intellectual Property; Lead; Personal and Advertising Injury; Radioactive/Nuclear Materials; Sexual Abuse & Molestation; War; Failure to Maintain Insurance; Securities; Access or Disclosure of Confidential or Personal Information; Wage and Hour Violations			

**Coverage Re-Cap  
2023-2024**

**Excel Academy Charter Schools**

<b>Philadelphia Indemnity Umbrella \$4,000,000</b>			<b>Philadelphia Indemnity Educators Professional Select Professional Liability/ Directors &amp; Officers Liability/ Employment Practices Liability \$2,000,000</b>
<b>Oak River Employer's Liability \$1,000,000</b>	<b>Philadelphia Indemnity General Liability/ Employee Benefits Liability/ Sexual Abuse &amp; Molestation \$1,000,000</b>	<b>Philadelphia Indemnity Auto Liability \$1,000,000</b>	

# Renewal Proposal of Insurance 2023-2024

## Excel Academy Charter Schools

	2022-2023 Expiring Hanover	2023-2024 Renewal Hanover	Remarks
<b>Crime</b>	<b>A XV Admitted</b>	<b>A XV Admitted</b>	
Employee Theft	\$1,000,000	\$1,000,000	
ERISA Fidelity	\$1,000,000	\$1,000,000	
Client Property	\$1,000,000	\$1,000,000	
Forgery or Alteration	\$1,000,000	\$1,000,000	
Premises Coverage	\$1,000,000	\$1,000,000	
Transit Coverage	\$1,000,000	\$1,000,000	
Computer Fraud	\$1,000,000	\$1,000,000	
Funds Transfer Fraud	\$1,000,000	\$1,000,000	
Credit, Debit or Charge Card Fraud	\$1,000,000	\$1,000,000	
Money Orders & Counterfeit Money	\$1,000,000	\$1,000,000	
Investigative Expense	\$15,000	\$15,000	
Deductible	\$5,000	\$5,000	
<u>CONDITIONS:</u> Loss Sustained Form			
<b>Student/Volunteer Accident</b>	<b>Philadelphia A XV Admitted</b>	<b>Philadelphia A XV Admitted</b>	
Basic Medical Expense Limit	\$50,000	\$50,000	
Deductible	\$0	\$0	
Benefit Period	52 Weeks	52 Weeks	
Accidental Death/Accidental Dismemberment	\$25,000/\$50,000	\$25,000/\$50,000	
Coma		\$10,000	
Accidental Paralysis	\$50,000	\$50,000	
Bereavement and Trauma Counseling		\$100/Session up to 10	
Dental		\$250/Tooth Per Accident	
Catastrophic Expense Limit	\$7,500,000	\$7,500,000	
Deductible	\$25,000	\$25,000	
Benefit Period	520 Weeks	520 Weeks	
Accidental Death & Dismemberment	\$10,000/\$20,000	\$10,000/\$20,000	
<u>CONDITIONS:</u> This policy is excess over primary health insurance if available. Incurred Period is 180 Days for Medical Expenses and 365 days for AD&D. Authorized Volunteers and Enrolled Students are Insureds.			
<u>EXCLUSIONS:</u> Please see the policy for a full list of exclusions.			

# Renewal Proposal of Insurance 2023-2024

## Excel Academy Charter Schools

		2022-2023	2023-2024	Renewal	Remarks
		Expiring	2023-2024	Renewal	Remarks
		Houston Casualty	Houston Casualty	Houston Casualty	Houston Casualty
		A++ XV Non-Admitted	A++ XV Non-Admitted	A++ XV Non-Admitted	A++ XV Non-Admitted
<b>Cyber Liability</b>					
Maximum Policy Aggregate Limit of Liability		\$1,000,000		\$1,000,000	
Multimedia Liability		\$1,000,000		\$1,000,000	
Security and Privacy Liability		\$1,000,000		\$1,000,000	
Privacy Regulatory Defense and Penalties		\$1,000,000		\$1,000,000	
PCI DSS Liability		\$1,000,000		\$1,000,000	
Bodily Injury Liability		\$1,000,000		\$1,000,000	
Property Damage Liability		\$50,000		\$50,000	
TCPA Defense		\$1,000,000		\$1,000,000	
Breach Events Costs		\$1,000,000		\$1,000,000	
Post Breach Remediation Costs		\$25,000		\$25,000	
BrandGuard		\$1,000,000		\$1,000,000	
System Failure		\$1,000,000		\$1,000,000	
Dependent System Failure		\$1,000,000		\$1,000,000	
Cyber Extortion		\$1,000,000		\$1,000,000	
Cyber Crime Sublimit Aggregate		\$250,000		\$250,000	
Financial Fraud Sublimit		\$250,000		\$250,000	
Telecommunications & Utilities Fraud Sublimit		\$250,000		\$250,000	
Phishing Fraud Aggregate Sublimit		\$250,000		\$250,000	
Your Phishing Fraud Loss		\$250,000		\$250,000	
Client Phishing Fraud Loss		\$50,000		\$50,000	
Bricking Loss		\$250,000		\$250,000	
Property Damage Loss		\$50,000		\$50,000	
Reward Expense		\$50,000		\$50,000	
Court Attendance Costs		\$25,000		\$25,000	
Additional Defense Costs		\$1,000,000		\$1,000,000	
Breach Events Costs Outside Limit		Included		Included	
Deductible		\$5,000		\$5,000	
<p><b>CONDITIONS</b> : BrandGuard (2 week Waiting period; 12 months Period of Indemnity), System Failure (8 hour waiting period 6 months Period of Indemnity), Dependent System Failure (12 hour waiting period; 4 months Period of Indemnity), Cyber Crime Sublimit \$250,000 (includes: Financial Fraud, Telecommunications Fraud, \$250,000 Phishing Fraud), Court Attendance Costs Sublimit (No deductible);</p> <p><b>EXCLUSIONS</b> : Including, but not limited to Nuclear Incident; Prior Knowledge; Cyber-bullying; War and Cyber War</p>					

# Workers' Compensation Comparison

## Excel Academy Charter Schools

Workers' Compensation	2022-2023 Expiring	2023-2024 Renewal	Remarks
	Oak River A+ XV Admitted	Oak River A+ XV Admitted	
Employers Liability Limits	\$ 1,000,000	\$ 1,000,000	
Quote is contingent upon the insured's participation in the Medical Provider Network (MPN); Subject to Final Audit; Volunteer Coverage Not Included. USL&H Not included.			

Coverage Description	2022-2023 Premium	2023-2024 Premium	\$ Difference	% Difference
Workers' Compensation	\$ 48,078	\$ 49,477	\$ 1,399	3%
Taxes & Fees	\$ 2,767	\$ 2,806	\$ 39	1%
<b>Premium</b>	<b>\$ 50,845</b>	<b>\$ 52,283</b>	<b>\$ 1,438</b>	<b>3%</b>

Classifications	2022-2023 Payroll	2023-2024 Payroll	\$ Difference	% Difference
Class Code 8868 –College: Professional Employees - Alabama	If Any	If Any		
Class Code 8875 – Public Colleges/Schools - California	\$ 7,775,639	\$ 9,669,649	\$ 1,894,010	24%
Class Code 8868– College: Professional Employees - Hawaii	\$ 150,796	\$ 153,396	\$ 2,600	2%
Class Code 8868 –College: Professional Employees - Idaho	If Any	If Any	\$ -	0%
Class Code 8868 – College: Professional Employees - New York	If Any	If Any	\$ -	0%
Class Code 8868– College: Professional Employees - Oregon	If Any	If Any	\$ -	0%
Class Code 8868– College: Professional Employees - Texas	If Any	If Any	\$ -	0%
Class Code 8868– College: Professional Employees - Wisconsin	If Any	If Any	\$ -	0%
<b>Total Payroll</b>	<b>\$ 7,926,435</b>	<b>\$ 9,823,045</b>	<b>\$ 1,896,610</b>	<b>24%</b>



## Workers' Compensation Comparison

Classifications	2022-2023 Net Rate	2023-2024 Net Rate	# Difference	% Difference
Class Code 8868 – College: Professional Employees - Alabama	0.48	0.40	-0.08	-17%
Class Code 8875 – Public Colleges/Schools - California	0.60	0.50	-0.1	-17%
Class Code 8868– College: Professional Employees - Hawaii	0.73	0.61	-0.12	-16%
Class Code 8868 –College: Professional Employees - Idaho	0.64	0.53	-0.11	-17%
Class Code 8868 – College: Professional Employees - New York	0.57	0.48	-0.09	-16%
Class Code 8868– College: Professional Employees - Oregon	0.37	0.31	-0.06	-16%
Class Code 8868– College: Professional Employees - Texas	0.26	0.22	-0.04	-15%
Class Code 8868– College: Professional Employees - Wisconsin	0.50	0.42	-0.08	-16%
Experience Modification - California*	0.60	0.50	-0.1	-17%

Net Rates do not include Expense Constant, Terrorism, or CA Assessments & Fees.

\*2023 Experience Modification is estimated, pending revised calculation by the WCIRB. Premium may be adjusted once the experience modification is released.

# Insurance Coverage Checklist

Below is a list of usually available, but not all inclusive, coverages. Those items checked represent the coverages proposed. If the item is not checked, the coverage is not included. If you are interested in an explanation of and/or quotation for any of these coverages, please let us know.

<input checked="" type="checkbox"/> Property (Building and Contents, Including Property of Others)	<input checked="" type="checkbox"/> Crime/ERISA
<input type="checkbox"/> Building Ordinance	<input checked="" type="checkbox"/> Employee Dishonesty
<input checked="" type="checkbox"/> Equipment Breakdown	<input checked="" type="checkbox"/> Money and Securities
<input checked="" type="checkbox"/> Business Income	<input checked="" type="checkbox"/> Forgery and Alteration
<input checked="" type="checkbox"/> Extra Expense	<input checked="" type="checkbox"/> Computer Fraud
<input type="checkbox"/> Loss of Rents	<input checked="" type="checkbox"/> General Liability
<input type="checkbox"/> Flood	<input checked="" type="checkbox"/> Employee Benefits Liability
<input type="checkbox"/> Earthquake	<input type="checkbox"/> Aircraft Liability/Drone
<input checked="" type="checkbox"/> Earthquake Sprinkler Leakage	<input checked="" type="checkbox"/> Automobile
<input checked="" type="checkbox"/> Electronic Data Processing	<input type="checkbox"/> Foreign Property/Liability/WC
<input type="checkbox"/> Signs	<input checked="" type="checkbox"/> Umbrella/Excess Liability
<input type="checkbox"/> Motor Truck Cargo Liability	<input checked="" type="checkbox"/> Workers' Compensation Employers Liability
<input type="checkbox"/> Transportation	<input checked="" type="checkbox"/> Directors and Officers Liability
<input type="checkbox"/> Ocean Cargo	<input checked="" type="checkbox"/> Employment Practices Liability
<input type="checkbox"/> Employee's Tool Floater	<input type="checkbox"/> Fiduciary Liability
<input type="checkbox"/> Equipment Floater	<input type="checkbox"/> Kidnap & Ransom
<input type="checkbox"/> Installation Floater	<input checked="" type="checkbox"/> Cyber/Privacy Liability/Internet Exposure
<input checked="" type="checkbox"/> Valuable Papers (On & Off Premises)	<input checked="" type="checkbox"/> Educators Legal Liability
<input checked="" type="checkbox"/> Accounts Receivable	<input type="checkbox"/> Pollution Liability
<input type="checkbox"/> Mold	<input type="checkbox"/> Miscellaneous Professional Liability
<input type="checkbox"/> Terrorism	<input type="checkbox"/> Law Enforcement Liability
<input checked="" type="checkbox"/> Funds Transfer Fraud	<input checked="" type="checkbox"/> Student Accident
	<input type="checkbox"/> Active Assailant/Workplace Violence
	<input checked="" type="checkbox"/> Volunteer Accident

# Proposal Acceptance

## Excel Academy Charter Schools

<u>Yes</u>	<u>No</u>	<u>Quote Option</u>
_____	_____	Package/Auto/Umbrella/Educators Legal - Philadelphia
_____	_____	Crime - Hanover
_____	_____	Student Accident - Philadelphia
_____	_____	Workers' Compensation - Oak River
_____	_____	Cyber Liability - Tokio Marine

\_\_\_\_\_      \_\_\_\_\_ Insurance Coverage Checklist – Would you like a quote for any of the coverages listed on the insurance coverage checklist section of our proposal?

(NOTES:)

This proposal is a summary of terms and conditions proposed by the insurers based on information obtained from you. The policy must be reviewed for all of the coverages, terms, conditions, and exclusions. Policy forms will be made available at your request. The issued policy will supersede this proposal.

Higher limits may be available for all coverages.

I have reviewed and accept the coverages and disclosures as summarized in this proposal with any changes indicated above.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Title

# BEST FINANCIAL STRENGTH RATING GUIDE - (FSR)

A Best's Financial Strength Rating (FSR) is an independent opinion of an insurer's financial strength and ability to meet its ongoing insurance policy and contract obligations. An FSR is not assigned to specific insurance policies or contracts and does not address any other risk, including, but not limited to, an insurer's claims-payment policies or procedures; the ability of the insurer to dispute or deny claims payment on grounds of misrepresentation or fraud; or any specific liability contractually borne by the policy or contract holder. An FSR is not a recommendation to purchase, hold or terminate any insurance policy, contract or any other financial obligation issued by an insurer, nor does it address the suitability of any particular policy or contract for a specific purpose or purchaser. In addition, an FSR may be displayed with a rating identifier, modifier or affiliation code that denotes a unique aspect of the opinion.

## Best's Financial Strength Rating (FSR) Scale

Rating Categories	Rating Symbols	Rating Notches*	Category Definitions
Superior	A+	A++	Assigned to insurance companies that have, in our opinion, a superior ability to meet their ongoing insurance obligations.
Excellent	A+	A-	Assigned to insurance companies that have, in our opinion, an excellent ability to meet their ongoing insurance obligations.
Good	B+	B++	Assigned to insurance companies that have, in our opinion, a good ability to meet their ongoing insurance obligations.
Fair	B	B-	Assigned to insurance companies that have, in our opinion, a fair ability to meet their ongoing insurance obligations. Financial strength is vulnerable to adverse changes in underwriting and economic conditions.
Marginal	C+	C++	Assigned to insurance companies that have, in our opinion, a marginal ability to meet their ongoing insurance obligations. Financial strength is vulnerable to adverse changes in underwriting and economic conditions.
Weak	C	C-	Assigned to insurance companies that have, in our opinion, a weak ability to meet their ongoing insurance obligations. Financial strength is vulnerable to adverse changes in underwriting and economic conditions.
Poor	D	-	Assigned to insurance companies that have, in our opinion, a poor ability to meet their ongoing insurance obligations. Financial strength is vulnerable to adverse changes in underwriting and economic conditions.

## Financial Strength Non-Rating Designations

Designation Symbols	Designation Definitions
E	Status assigned to insurance companies that are publicly placed under a significant form of regulatory supervision, control or restraint - including cease and desist orders, conservatorship or rehabilitation, but not liquidation - that prevents conduct of normal ongoing insurance operations; an impaired insurer.
F	Status assigned to insurance companies that are publicly placed in liquidation by a court of law or by forced liquidation; an impaired insurer.
S	Status assigned to rated insurance companies to suspend the outstanding FSR when sudden and significant events impact operations and rating implications cannot be evaluated due to lack of timely or adequate information; or in cases where continued maintenance of the previously published rating opinion is in violation of evolving regulatory requirements.
NR	Status assigned to insurance companies that are not rated; may include previously rated insurance companies of insurance companies that have never been rated by A.M. Best

## Rating Disclosure - Use and Limitations

A Best's Credit Rating (BCR) is a forward-looking independent and objective opinion regarding an insurer's, issuer's or financial obligation's relative creditworthiness. The opinion represents a comprehensive analysis consisting of a quantitative and qualitative evaluation of balance sheet strength, operating performance, business profile and enterprise risk management or, where appropriate, the specific nature and details of a security. Because a BCR is a forward-looking opinion as of the date it is released, it cannot be considered as a fact or guarantee of future credit quality and therefore cannot be described as accurate or inaccurate. A BCR is a relative measure of risk that implies credit quality and is assigned using a scale with a defined population of categories and notches. Entities or obligations assigned the same BCR symbol developed using the same scale, should not be viewed as completely identical in terms of credit quality. Alternatively, they are alike in category (or notches within a category), but given there is a prescribed progression of categories (and notches) used in assigning the ratings of a much larger population of entities or obligations, the categories (notches) cannot mirror the precise subtleties of risk that are inherent within similarly rated entities or obligations. While a BCR reflects the opinion of A.M. Best Rating Services, Inc. (AM Best) of relative creditworthiness, it is not an indicator or predictor of defined impairment or default probability with respect to any specific insurer, issuer or financial obligation. A BCR is not investment advice, nor should it be construed as a consulting or advisory service, as such; it is not intended to be utilized as a recommendation to purchase, hold or terminate any insurance policy, contract, security or any other financial obligation, nor does it address the suitability of any particular policy or contract for a specific purpose or purchaser. Users of a BCR should not rely on it in making any investment decision; however, if used, the BCR must be considered as only one factor. Users must make their own evaluation of each investment decision. A BCR opinion is provided on an "as is" basis without any expressed or implied warranty. In addition, a BCR may be changed, suspended or withdrawn at any time for any reason at the sole discretion of AM Best.

BCRs are distributed via the AM Best website at [www.ambest.com](http://www.ambest.com). For additional information regarding the development of a BCR and other rating-related information and definitions, including outlooks, modifiers, identifiers and affiliation codes, please refer to the report titled "Understanding Best's Credit Ratings" available at no charge on the AM Best website. BCRs are proprietary and may not be reproduced without permission.

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# Types of Insurance Carriers

## Non-Admitted

This is an insurance carrier that is not licensed by the State of California, but is domiciled and admitted in other states and approved for use in California by the Department of Insurance. It is published on the List of Approved Surplus Lines Insurers (LASLI).

Carriers are strictly regulated by their state of domicile and must meet strict surplus lines laws and regulations in order to provide insurance in California.

These carriers are not backed by the California Insurance Guarantee Association (CIGA). They are used when coverage is not available from an admitted company either because domestic carriers feel it is too risky or because broader coverage may be available from a non-admitted carrier.

## Admitted

This is an insurance carrier that is licensed to do business in California and regulated by the Department of Insurance. Carriers are strictly regulated. Rates and policy forms must be filed with the Department of Insurance and approved before they can be offered to the insurance consumer.

The carrier is backed by the Insurance Guarantee Association (CIGA), which provides insurance against carriers which become insolvent. It assumes limited responsibility for all claims up to \$500,000, with the exception of Worker's Compensation, which has no limitation. Ocean Cargo and Crime coverages are not insured through the Association.

# Claims-Made and Reported Liability Policy

A Claims-Made and Reported Liability Policy provides third party liability coverage when a claim for damages is first made during the policy period. The incident causing the claim must occur during the policy period between the **retroactive (or continuity date) and the expiration date**, whichever is later. The claim must be reported to the carrier prior to the policy expiration date or **extended reporting period**.

## Retroactive Date

The **retroactive date** is important in determining if a Claims-Made and Reported Policy will respond to a claim. This date is usually the same as the first date this coverage was first carried. For coverage to apply, the claim must fall between the **retroactive (or continuity) date** and the expiration date of the policy or **extended reporting period**.

## Extended Reporting Period

As mentioned above, the claim must occur and be reported prior to the end of the expiration date or **extended reporting period**. An extension of time to report claims following the end of the expiration date may be purchased for claims made during the specified term purchased. This extension or **extended reporting period** is needed when a policy is cancelled or non-renewed and not placed with another carrier, renewed with an advanced **retroactive date** or changed to an "occurrence" form policy. Please note the **extended reporting period** does not extend the coverage period, only the time to report. The **extended reporting period** is usually available for a period of 12, 24, or 36 months, in some cases longer.

## Continuity Date

This is the first date that a policy or particular limit is carried. It may act as a **retroactive date**. Some policies may have a **retroactive date and a continuity date**, especially if limits have been changed over the years.

It is very important that careful consideration be given to all of the above issues when moving coverage provided by a claims-made and reported policy.

# CERTIFIED TERRORISM Terrorism Risk Insurance Act – “TRIA” and Terrorism Risk Insurance Program Reauthorization Act of 2015 – “TRIPRA”)

"Certified Terrorism" is coverage offered by insurance carriers that have the financial backing of the U. S. government under the Terrorism Act of 2002, the Terrorism Risk Insurance Extension Act of 2005, the Reauthorization Act of 2007 and the Reauthorization Act of 2015. The Act is known as “TRIA.”

"Certified Terrorism" is defined under the act as: 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. Criteria include:

- a. The act is an act of terrorism.
  - b. The act is violent or dangerous to human life, property of infrastructure.
  - c. The act resulted in damage within the United States, or outside of the United States Missions or certain air carriers or vessels.
  - d. The act has 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.
  - e. The act must cause at least \$5,000,000 in overall insured losses attributable to all types of insurance subject to the Act.
  - f. The Federal Government will pay based on formula established by law; 85% through 2015, 84% 2016; 83% 2017; 82% 2018; 81% 2019 and 80% 2020, but no more than 100 billion dollars. The carrier’s maximum payment is 100 billion dollars in total for all losses.
- No act may be certified as an act of terrorism if the act is committed as part of the course of a war declared by Congress (except for Workers’ Compensation) or if losses resulting from the act, in the aggregate for insurance subject to TRIA. do not exceed \$5.000.000.

# IMPORTANT DECLARATION AND DISCLOSURE INFORMATION

This document and the information contained herein is designed in a format that is easy to understand and compare against previous insurance programs. As such, it is necessary to use generalized terminology. This document does not in any way confirm that coverage is, or will be, in effect. Coverage can only commence after your request for coverage is accepted by the insurance company, and a deposit premium has been received. This proposal does not in any way infer or suggest that coverage as proposed will be broader than the standard forms provided by the quoted insurance company unless the broadening features are specifically mentioned in writing in this format. The presenter of this proposal has no authority to broaden or infer coverages beyond those that are stated in writing. This proposal is only valid for 30 days.

This proposal is a summary of terms and conditions proposed by the insurers based on the information obtained from you. Therefore, you are solely responsible for the accuracy of the information furnished to the insurance carriers. We are not responsible for verifying any of this information which you have provided, nor shall we have any liability that arises from the inaccuracy of the information which you provided. All changes in your exposures to loss should be reported to us immediately so that proper coverage may be affected.

The policy must be reviewed for all of the coverages, terms, conditions, and exclusions. Policy forms will be made available at your request. The issued policy will supersede this proposal.

Upon acceptance of this proposal, it is necessary to effect insurance with proper values. Reviewing each of the coverages proposed and making changes and updates in accordance with current information and conditions is recommended. Higher limits may be available upon request.

It is important to note that any requests that you make, regarding this proposal or into the future, to change or bind your insurance coverage through email, voicemail or verbally with our staff will not take effect until written notice is received from us.

Any advice or guidance provided by any of our staff shall not be construed or relied upon as legal, accounting or actuarial advice. We encourage you to work with other professionals in those specific areas and for those specific matters.

Please also note that many insurance carriers have very strict claim reporting terms and conditions and can include wording that restricts or negates coverage should the carrier not be immediately notified of a potential claim. It is important that you refer to your actual policies for these requirements and follow them closely.

## **Compensation**

For the placement and service of your insurance program, we will receive commission-based compensation from selected insurance companies and/or wholesale intermediaries. The compensation received by us may differ depending on the product and the insurance company. We may receive additional contingent compensation from these insurance companies based upon other aggregate factors, such as claims experience, growth in new business, retention of the business, total premium volume placed, etc. We may also be reimbursed for services rendered under contract with selected premium finance companies that agree to finance your insurance premiums. Any additional fees in lieu of commissions or for services such as claims, loss control and general risk management, will be outlined in the proposal.

## **Data Protection and Use**

We are committed to protecting the privacy of your personal data. In our role as an insurance broker, we may use the data you provided us in the process of securing quotes or coverage, claims management, typical policy servicing, etc. and that data may be provided to various insurance carriers or intermediaries. If you have any specific questions about the use or access to this data, please let us know and we would be happy to discuss it with you.

With respect to your logo(s) and unless otherwise instructed by you, we may, without notice or consent, use your logo(s) and other publicly available information in our marketing efforts and materials with the intent of adding additional clients and growing our business.

## **Insurance Carrier Rating**

If we have provided information in the proposal as to the current rating of an insurance carrier through the AM Best Company, which is an independent rating company, please understand that to the best of our ability we are providing their current rating as of the date of the proposal. However, these ratings are subject to change at any time. Therefore, if the rating of the carrier is important to you or your business, we advise that you check the current rating by accessing their website directly at [ambest.com](http://ambest.com) for the most current status and rating of your insurance carrier.





## **IMPORTANT NOTICE:**

- 1. The insurance policy that you are applying to purchase is being issued by an insurer that is not licensed by the State of California. These companies are called "nonadmitted" or "surplus line" insurers.**
- 2. The insurer is not subject to the financial solvency regulation and enforcement that apply to California licensed insurers.**
- 3. The insurer does not participate in any of the insurance guarantee funds created by California law. Therefore, these funds will not pay your claims or protect your assets if the insurer becomes insolvent and is unable to make payments as promised.**
- 4. The insurer should be licensed either as a foreign insurer in another state in the United States or as a non-United States (alien) insurer. You should ask questions of your insurance agent, broker, or "surplus line" broker or contact the California Department of Insurance at the toll-free number 1-800-927-4357 or internet website [www.insurance.ca.gov](http://www.insurance.ca.gov). Ask whether or not the insurer is licensed as a foreign or non-United States (alien) insurer and for additional information about the insurer. You may also visit the NAIC's internet website at [www.naic.org](http://www.naic.org). The NAIC-the National Association of Insurance Commissioners-is the regulatory support organization created and governed by the chief insurance regulators in the United States.**
- 5. Foreign insurers should be licensed by a state in the United States and you may contact that state's department of insurance to obtain more information about that insurer. You can find a link to each state from this NAIC internet website: [https://naic.org/state\\_web\\_map.htm](https://naic.org/state_web_map.htm).**

**6. For non-United States (alien) insurers, the insurer should be licensed by a country outside of the United States and should be on the NAIC's International Insurers Department (IID) listing of approved nonadmitted non-United States insurers. Ask your agent, broker, or "surplus line" broker to obtain more information about that insurer.**

**7. California maintains a "List of Approved Surplus Line Insurers (LASLI)." Ask your agent or broker if the insurer is on that list, or view that list at the internet website of the California Department of Insurance: [www.insurance.ca.gov/01-consumers/120-company/07-](http://www.insurance.ca.gov/01-consumers/120-company/07-)**

**8. If you, as the applicant, required that the insurance policy you have purchased be effective immediately, either because existing coverage was going to lapse within two business days or because you were required to have coverage within two business days, and you did not receive this disclosure form and a request for your signature until after coverage became effective, you have the right to cancel this policy within five days of receiving this disclosure. If you cancel coverage, the premium will be prorated and any broker's fee charged for this insurance will be returned to you.**

\_\_\_\_\_  
Signature

Date: \_\_\_\_\_

Insured: Excel Academy Charter Schools

**D-1 (Effective January 1, 2020)**