

Commercial Insurance Proposal

Prepared for:
Account Number: 68436685
JOE SMITH INC.

Presented by:
ABC INSURANCE AGENCY

Date of Proposal:	09/01/2016
Policy Period:	Effective Date: 09/01/2016 Expiration Date: 09/01/2017
Quote Numbers Included	
Multiline Account:	68436685
Comprehensive Business Package (CBP): Underwriting Company:	68436685BKS1Q1 Ohio Security Insurance Company ¹
Workers Compensation: Underwriting Company:	68436685XWS1Q1 Ohio Security Insurance Company ¹
Business Auto: Underwriting Company:	68436685BAS1Q1 Ohio Security Insurance Company ¹
Umbrella: Underwriting Company:	68436685USO1Q1 The Ohio Casualty Insurance Company ¹

This proposal is valid for 60 days from the Date of Proposal or until the Effective Date (whichever is earlier) and is solely an estimate of premium, based on the information provided, and all amounts are subject to change. This proposal does not bind or provide actual coverage and is not an offer of insurance. Specific terms of coverage, exclusions, and limitations are contained solely in a completed insurance policy for which a premium has been paid.

This proposal may vary from your original request for coverage. Please review the proposal carefully for any variances. The terms, conditions and premiums included in this proposal contemplate the sale or renewal of all the quoted insurance lines. Electing to buy or renew only some of the lines of coverage may result in changes to the terms, conditions and premiums of the remaining insurance lines.

¹ Liberty Mutual Insurance is the marketing name for the property and casualty insurance operations of Liberty Mutual Insurance Company and its affiliates. Policies may be written in the following stock insurance company subsidiaries: The Ohio Casualty Insurance Company, Ohio Security Insurance Company, American Fire & Casualty Company, and West American Insurance Company. Not all coverages or policies may be available in all states.

EFT pay plans available:

- Annual (100% down)
- Monthly (12 equal monthly installments)

Non-EFT pay plans available:

- Annual (100% down)
- Quarterly (25% down- 3 equal installments at 90 day interval)
- Monthly (2 months down, 10 equal monthly installments)
- Special Monthly (10 equal monthly installments)

When you elect to pay your policy on a non-EFT installment plan, a service fee may apply and fees vary by state.

Commercial Insurance Proposal: Premium Recap

Multiline Account

Total Comprehensive Business Package (CBP) Premium	\$5,666.00
Total Workers Compensation Premium	\$2,314.00
Total Business Auto Premium	\$2,533.00
Total Umbrella Premium	\$455.00
Total Proposal Premium	\$10,968.00

COMPREHENSIVE BUSINESS PACKAGE (CBP)

Commercial Property Coverage

Commercial Property Premium	\$4,100.00
Certified Acts of Terrorism Coverage ²	\$94.00
State Charges:	
Balance To Meet Minimum Premium(s)	\$0.00
Total Commercial Property Premium	\$4,194.00

Inland Marine Coverage

Miscellaneous Scheduled Property Risk Premium	\$252.00
Total Inland Marine Risk Premium	\$252.00
Certified Acts of Terrorism Coverage ²	\$6.00
Balance To Meet Minimum Premium(s)	\$0.00
State Charges:	
Total Inland Marine Premium	\$258.00

Crime Coverage

Crime Premium	\$431.00
State Charges:	
Total Crime Premium	\$431.00

General Liability Coverage

General Liability Premium	\$704.00
Certified Acts of Terrorism Coverage ²	\$3.00
State Charges:	
Total General Liability - Occurrence Premium	\$707.00

Employee Benefits Coverage

Employee Benefits Premium	\$76.00
State Charges:	
Total Employee Benefits Premium	\$76.00

Total CBP Premium

\$5,666.00

Workers Compensation Coverage

Workers Compensation Premium	\$2,275.00
Certified Acts Of Terrorism Coverage ²	\$10.00
Catastrophe (Other Than Certified Acts Of Terrorism) Coverage	\$10.00
Balance To Meet Minimum Premium(s)	
Total Workers Compensation Premium	\$2,314.00

Automobile Coverage	
Liability	\$1,390.00
Physical Damage	\$1,143.00
Total Automobile Premium	\$2,533.00
Terrorism Charges	\$0.00
Balance To Meet Minimum Premium(s)	\$0.00
State Charges:	
Total Automobile Premium	\$2,533.00

Commercial Umbrella/Excess Coverage	
Commercial Umbrella/Excess Premium	\$450.00
Certified Acts Of Terrorism Coverage ²	\$5.00
State Charges:	
Balance To Meet Minimum Premium(s)	
Total Umbrella/Excess Premium	\$455.00

Coverage Provided	
Coverage	Commercial Umbrella
Coverage Form	CU 6002 0697
Insuring Company	The Ohio Casualty Insurance Company
Minimum Retained	10%
Self-Insured Retention	\$10,000.00

Limits Quoted	Option 1
Each Occurrence	\$1,000,000
Aggregate (Where Applicable)	\$1,000,000
Products-Completed Operations Aggregate (Where Applicable)	\$1,000,000
Premium Including Terrorism, Taxes & Surcharges:	\$455.00
Charges for Certified Acts of Terrorism (See Attached Disclosure Notice)	\$5.00
State Charges:	

Account acceptability and final pricing are subject to underwriting review and approval.

²NP 72 42 Terrorism Insurance Premium Disclosure and Opportunity to Reject:

This quote includes coverage for Certified Acts of Terrorism (as defined in the Terrorism Risk Insurance Act ("TRIA")) for the lines of business referenced above with a premium charge. You may elect to reject this coverage for any Commercial Property, General Liability, Inland Marine, Commercial Protector (BOP), or Umbrella for losses resulting from a "certified act of terrorism" according to the instructions included within this document. Should you elect to reject this coverage, we will process an endorsement to your policy upon receipt of the signed rejection form. Note this disclosure notice and rejection option does not apply to Workers Compensation, Crime, Professional Liability or Commercial auto coverage, if included in this quote. Please refer to the enclosed notice for additional information regarding this act, its effect regarding your policy coverage, and its impact on your premium.

Additional Note: The Certified Acts of Terrorism Coverage does not apply for any Commercial Auto, burglary and theft (i.e. Commercial Crime), or professional liability coverages quoted and a premium charge has not been included for these lines of business.

²CNW 90 09 (Terrorism Insurance Premium Notice)

If this disclosure notice is attached, you may not reject coverage for losses arising from a "certified act of terrorism" which is included within your Workers Compensation quote. Please refer to **CNW 90 09** attached to this Quote Proposal for details regarding the Terrorism Insurance Act and its effect regarding

your policy coverages and impact on your premium. The premium charge for coverage displays as Certified Acts of Terrorism Coverage.

²NP 7312 Terrorism Insurance Premium Disclosure (COMMERCIAL UMBRELLA/EXCESS)

This notice provides information pertaining to the Terrorism Risk Insurance Act ("TRIA"). You may elect to reject coverage for Commercial Umbrella/Excess for losses resulting from an "act of terrorism" according to the instructions included within this document. Please refer to the enclosed notice for additional information regarding this act, its effect regarding your policy coverages, and its impact on your premium.

For Umbrella/Excess, this total includes the premium for Option 1 limits only. If quotes for other Umbrella/Excess limits were requested, Umbrella/Excess premiums for those limits will appear in the Optional Limits section of the Umbrella quote.

Commercial Property Proposal

Optional Coverage: Policy Level	Limit of Insurance
Property Extension Endorsement	Included
Identity Theft Administrative Services and Expense Coverage	Included

LOCATION NUMBER: 0001

ADDRESS: 100 Main St, Indianapolis, IN 46216
 CP 00 10 10 12
 CP 90 55 12 12
 CP 00 30 10 12

Optional Coverage: Location Level	Limit of Insurance
Equipment Breakdown Coverage	Included

Building Coverage	Limit of Insurance
Blanket	No
Limit	\$716,515
Agreed Value	No
Coinsurance	80%
Deductible	\$1000
Valuation	Replacement Cost
Cause Of Loss	Special Form Including Theft
Inflation Guard	None
Wind/Hail % Deductible	Not Applicable
Wind/Hail Fixed Dollar Deductible	Not Applicable
Wind/Hail Exclusion	No

Personal Property of the Insured Coverage	Limit of Insurance
Blanket	No
Limit	\$500,000
Agreed Value	No
Coinsurance	80%
Deductible	\$1000
Valuation	Replacement Cost
Cause Of Loss	Special Form Including Theft
Inflation Guard	None
Wind/Hail % Deductible	Not Applicable
Wind/Hail Fixed Dollar Deductible	Not Applicable
Wind/Hail Exclusion	No

Business Income and Extra Expense Coverage	Limit of Insurance
Number Of Months	12
Blanket	No
Limit	Actual Loss Sustained
Causes Of Loss	Special Form Including Theft

PROPERTY EXTENSION ENDORSEMENT CP 88 00 02 15 INCLUDES:

Coverage Description	Limit of Insurance
Special Deductible Provision	Included
Broadened Premises	Included
Additional Covered Property	Included
Real Property of Others Required by Contract	\$20,000
Fire Department Service Charge (Not applicable in Arizona)	\$2,500
Electronic Data	\$5,000
Arson or Theft Reward	\$10,000
Newly Acquired or Constructed Property	180 days
Newly Acquired or Constructed Property - Buildings	\$500,000
Newly Acquired or Constructed Property - Business Personal Property	\$250,000
Personal Effects and Property of Others	\$10,000
Valuable Papers and Records (Other than Electronic Data)	\$10,000
Outdoor Property	\$5,000
Accounts Receivable	\$10,000
Fine Arts	\$10,000
Fire Protective Devices	\$10,000
Loss of Refrigeration	\$10,000
Computer Equipment (including laptop/portable computers)	\$15,000
Lock Replacement	\$1,000
Money and Securities - Inside the Premises	\$2,500
Money and Securities - Outside the Premises	\$2,500
Utility Services Interruption - Direct Damage	\$5,000
Extra Expense	\$10,000
Utility Services Interruption - Business Income	\$2,500
Loss Adjustment Expenses	\$2,500
Appurtenant Structures - Buildings	\$50,000
Appurtenant Structures - Business Personal Property	\$5,000
Salespersons Samples	\$1,000
Signs (Outdoors)	\$5,000
Special Valuation Provision	\$5,000
Property In Transit	\$10,000
Back-up of Sewers or Drains	\$10,000

The above limit(s) apply unless replaced by a higher limit shown in the OPTIONAL COVERAGE section of this quote proposal.

PROPERTY COVERAGE FORM CP 00 10 10 12 INCLUDES:

Coverage Description	Limit of Insurance
Additional Coverages	
Debris Removal	\$25,000
Preservation of Property	Included
Fire Department Service Charge	\$1,000
Pollutant Cleanup and Removal	\$10,000
Increased Cost of Construction	\$10,000 or 5% of the Building limit, whichever is less
Electronic Data	\$2,500 unless a higher limit has been selected
Coverage Extensions:	
Newly Acquired or Constructed Property	
Buildings	\$250,000 - 30 Days
Business Personal Property	\$100,000 - 30 Days
Personal Effects And Property Of Others	\$2,500
Valuable Papers And Records (Other Than Electronic Data)	\$2,500
Property Off-Premises	\$10,000

Coverage Description	Limit of Insurance
Outdoor Property	\$1,000 (\$250 per tree, shrub or plant)
Non-Owned Detached Trailers	\$5,000 unless a higher limit is shown in the declarations
Business Personal Property Temporarily In Portable Storage Units	\$10,000 unless a higher limit has been selected

The above limit(s) apply unless replaced by a higher limit shown in the OPTIONAL COVERAGE section of this quote proposal

BUSINESS INCOME COVERAGE: ACTUAL LOSS SUSTAINED CP 90 55 12 12 INCLUDES:

Coverage Description	Limit of Insurance
Broadened Premises	Describe premises includes area within 1000 feet of described premises
Additional Coverages	
Business Income from Dependent Properties	Up to \$10,000 for your actual loss of Business Income and Extra Expense sustained due to the suspension of operations during the period of restoration due to a direct physical loss of or damage to a dependent property from a covered cause of loss.
Limits of Insurance	
Replaced by	Actual loss of Business Income you sustain and necessary Extra Expense you incur due to the necessary suspension of your operations during the period of restoration
Additional Condition	
Coinsurance	Does not apply.
Number of Months	12 months

BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM CP 00 30 10 12 INCLUDES:

Coverage Description	Limit of Insurance
Business Income	The actual loss of Business Income sustained due to the suspension of operations, caused by direct physical loss of or damage to property at described premises, during the period of restoration up to policy Limit.
Extra Expense	The necessary expenses incurred during the period of restoration that would not have been incurred had there been no direct physical loss or

Coverage Description	Limit of Insurance
	damage to property at described premises.
Additional Coverages:	
Civil Authority-Business Income	Actual loss of Business Income for up to four weeks after the 72 hours that follows the action of civil authority.
Civil Authority-Extra Expense	Four weeks after the action of civil authority or when Civil Authority for Business Income ends.
Alterations and New Buildings	Included
Extended Business Income	Begins on the date property is repaired or replaced and operations are resumed and ends on the earlier of the date the business income is returned to the level prior to the loss or damage or 30 days after the property is repaired, replaced and operations resume
Interruption of Computer Operations	Included
Coverage Extensions	
Newly Acquired Locations	Up to \$100,000 at each location for up to 30 days.

Commercial Inland Marine Proposal

Commercial Lines Miscellaneous/Scheduled Floater Coverage	Limit of Insurance
Property Type "Tools - Small Hand Tools"	
Total Limit of Insurance	\$10,000
Transit Limit	N/A
Deductible	\$1,000
Coinsurance	100%
Describe Covered Property: Miscellaneous	

Commercial Crime Proposal

Coverages: Policy Level	Limit of Insurance
Employee Dishonesty Coverage – Form A (Blanket)	\$50,000
• Deductible	\$0
• Includes Welfare And Pension Plan ERISA	No
• Includes Faithful Performance Of Duty	No

PREMISE NUMBER 1

ADDRESS: 100 Main St, Indianapolis, IN

Coverages: Location Level	Limit of Insurance
Theft Disappearance And Destruction – Outside – Form C	\$10,000
• Deductible	\$0
Theft Disappearance And Destruction – Inside - Form C	\$10,000
• Deductible	\$0

Commercial General Liability Proposal

POLICY LEVEL COVERAGES

Coverage Provided	Limit of Insurance
Each Occurrence Limit	\$1,000,000 Per Occurrence
General Aggregate Limit (Other Than Products-Completed Operations)	\$2,000,000
Products-Completed Operations Aggregate Limit	\$2,000,000
Personal And Advertising Injury Limit	\$1,000,000 Any One Person or Organization
Damages To Premises Rented To You Limit	\$300,000 (Any One Fire or Explosion)
Medical Expense Limit	\$15,000 Any One Person

LOCATION EXPOSURES

Location:	Class Description:	Exposure:
100 Main St, Indianapolis, IN, 46216	13673 - Grocery Stores - NOC	500,000

GENERAL LIABILITY COVERAGE FORM INCLUDES:

Coverage Extension Supplemental Payments	Limit Of Insurance
Bail Bonds	\$250
Loss Of Earnings	\$250 per day

COMMERCIAL GENERAL LIABILITY EXTENSION

Coverage Description	Revised Limits of Insurance
Non-Owned Aircraft	Included
Non-Owned Watercraft	Included
Property Damage Liability - Elevators	Included
Extended Damage to Property Rented To You (Tenant's Property Damage)	Included
Medical Payments Extension	Included Within 3 Years Of The Date Of The Accident
Extension Of Supplementary Payments - Coverages A and B	Included
Cost Of Bail Bonds	\$3,000
Loss Of Earnings Due To Time Off Work While Assisting In The Investigation Of a Claim Or Suit	\$500 a day
Additional Insureds - By Contract, Agreement Or Permit	Included
Primary and Non-Contributory - Additional Insured Extension	Included
Additional Insureds - Extended Protection of Your "Limits of Insurance"	Included
Who Is An Insured - Incidental Medical Errors/Malpractice and Who Is An Insured - Fellow Employee Extension - Management Employees	Included
Newly Formed or Additionally Acquired Entities	Included
Failure To Disclose Hazards and Prior Occurrences	Included
Knowledge Of Occurrence, Offense, Claim Or Suit	Included
Liberalization Clause	Included
Bodily Injury Redefined	Included
Extended Property Damage	Included
Waiver Of Transfer Of Rights Of Recovery Against Others To Us - When Required In a Contract Or Agreement With You	Included

Employee Benefits Coverage	Limit of Insurance
Each Employee	\$1,000,000
Aggregate Limit	\$1,000,000
Deductible Basis	Per Claim
Deductible Amount	\$1,000
Supplemental Extended Reporting Period	Included

Workers Compensation Proposal

Workers Compensation (States): IN

EMPLOYERS LIABILITY INSURANCE

Workers Compensation Coverage	Limit of Insurance
Bodily Injury by Accident	\$500,000
Bodily Injury by Disease	\$500,000
Bodily Injury by Disease	\$500,000

State: IN

LOCATION NUMBER: 1
ADDRESS: 100 Main St, Indianapolis, IN 46216

Class Code	Classification	Payroll
8006	Store: Grocery - Retail	\$100,000

Coverage	Details
Other States Coverage	States excluded: ND, WA, OH, WY

Automobile Schedule Proposal

POLICY LEVEL COVERAGES

Coverages	Symbol(s)	Limit Of Insurance
Liability	07	\$1,000,000
Uninsured Motorists	07	\$1,000,000
Underinsured Motorists	07	\$1,000,000
Medical Payments	07	\$5,000
Comprehensive	07	Included -- see vehicle schedule below
Collision	07	Included -- see vehicle schedule below

Optional Coverage: Policy Level	Limit Of Insurance
Business Auto Coverage Enhancement Endorsement	Included
Terrorism	NBC Exclusion

STATE COVERAGES FOR IN

Coverage	Limit of Insurance
Uninsured Motorist Bodily Injury and Property Damage	None (Full Coverage) Property Damage Deductible applies
Underinsured Motorist Bodily Injury	Included

VEHICLE INFORMATION:

Coverages	Unit 0001					
Year, Make, Model	2015 Ford Truck					
VIN	8888888888 88888888					
Cost New	\$50,000					
Registered Owner						
FEIN						
Date of Birth						
DL Number						
License Plate Number						
License Plate Type						
License Plate Series						
Pre-Insurance Inspection Code						
Owner's Name						
Liability	X					
Liability Rate Basis						
No Fault						
EMWCA						
WLBE (MN)						
Property Damage Liability Buyback						
Med Pay	X					
Inc Loss						
UM	X					
UM Property Damage						
UIM	X					

Coverages	Unit 0001					
T&L						
Full Glass						
Comp Ded	500					
Glass Ded't						
Coll Ded	500					
Stated Amount						
Ltd Coll						
Coll Ded't Waiver						
Coll Ded't Waiver						
Coll Exposure						
Full Glass - Coll						
Sound Audio/Visual						
Tapes						
SCOL						
SCOL Ded						
Loan/Lease Gap OTC						
Loan/Lease Gap Coll						
Hired Add'l Ins						
Add'l Insd Leased						
Hired Auto Spec						
Anti-Theft Discount Device						
Safety Features Discount						
Inexp. Op. SurChg.						
Airbag						
Anti-Theft Discount						
Acc Prev						
OBEL						
Aux Run Lamps						
Passive Restraint Discount						
Passive Restraint Discount						
Rental Reimbursement OTC						
Rental Reimbursement Coll						
Rental Reimbursement MA						

BUSINESS AUTO COVERAGE ENHANCEMENT ENDORSEMENT INCLUDES:

Coverage	Description
Broad Form Insured	Covers, with limitations, all legally incorporated entities of which the insured owns more than a 50% interest.
Employees as Insureds	Provides excess non-owner liability coverage to cover the individual liability of employees using their own autos in the insured's business.
Additional Insured By Contract, Agreement or Permit	Includes as an insured any person or organization with whom the insured has agreed, by written contract, agreement or permit to provide insurance such as is afforded under this policy.
Supplementary Payments	Increases bail bonds to \$3000 and loss of earnings to \$500 per day.
Amended Fellow Employee Exclusion	Amends the Fellow Employee Exclusion to extend to Bodily Injury resulting from the use of a covered auto.
Hired Auto Physical Damage	Provides excess physical damage coverage for owned autos to autos rented or hired by the insured if hired autos are covered for liability up to the smallest of \$50,000, ACV or RC, subject to largest deductible

Coverage	Description
	applicable to any owned auto to maximum of \$750 per accident.
Towing and Labor	Provides towing and labor up to \$50 per disablement for private passenger autos and light weight trucks; up to \$150 per disablement for medium weight trucks.
Physical Damage Additional Transportation Expense Coverage	Increase coverage for temporary transportation expense up to \$50 per day (\$1500 total) if a covered auto is stolen.
Rental Reimbursement	Provides up to \$75 per day for rental reimbursement because of an accident or loss to an auto with Physical Damage coverage and up to \$500 for expenses incurred to remove and replace tools and equipment from the covered auto.
Extra Expense - Broadened Coverage	Covers up to \$1000 for the expense of returning to the insured a stolen covered auto.
Personal Effects Coverage	Provides coverage up to \$600 for personal effects if stolen with a covered auto.
Accidental Airbag Deployment	Provides Excess Coverage to reset or replace an airbag that inflates accidentally if the auto is covered for comprehensive or collision coverage.
Audio, Visual and Data Electronic Equipment Coverage	Covers permanently installed electronic equipment that receives or transmits audio, visual or data signals. \$100 deductible applies to equipment or accessories used with this equipment.
Loan/Lease Gap Coverage	Pays the outstanding balance of a lease, if it exceeds the actual cash value of the auto and the loss is a total loss.
Glass Repair - Waiver of Deductible	Waives the deductible if the glass is repaired instead of replaced.
Parked Auto Collision Coverage (Waiver of Deductible)	The Collision Deductible doesn't apply to private passenger autos or light trucks while in the charge of an insured, legally parked and unoccupied.
Unintentional Failure to Disclose Hazards	Clarifies that the insured's failure to disclose all hazards or exposures will not affect coverage unless the failure was intentional.
Amended Duties in the Event of Accident, Claim, Suit or Loss	Clarifies that the insured's duty to notify us of a loss does not begin until the loss is known to the insured.
Waiver of Transfer of Rights of Recovery Against Others to Us	Clarifies if any person or organization to or for whom we make payment has waived their rights of recovery before an accident or loss, our rights are waived also.
Hired Auto Coverage Territory	Territory for autos hired 30 days or less is extended to anywhere in the world.
Bodily Injury Redefined	Redefines bodily injury to mean physical injury, sickness or disease sustained by a person, including mental anguish, mental injury, shock, fright or death resulting from any of these at any time.
Extended Cancellation Condition	Provides at least 60 days' time in which to replace coverage if cancellation is for any reason other than nonpayment.

This summary contains highlights only and is subject to change. The specific terms of coverage, exclusions, and limitations are contained in the Insurance Policy.

Commercial Umbrella/Excess Insurance Proposal

UNDERLYING INSURANCE

The Quote Proposal Premiums are based on the following Schedule of Underlying Insurance:

Carrier, Policy Number And Policy Period	Type Of Coverage	Limits of Insurance	
Ohio Security BKS(17)68436685 09/01/2016 - 09/01/2017	General Liability	\$1,000,000 \$1,000,000 \$2,000,000 \$2,000,000	Each Occurrence Limit Personal and Advertising Injury Limit General Aggregate Limit Products - Completed Operations Aggregate Limit
Ohio Security Insurance Company TO BE FURNISHED 09/01/2016 - 09/01/2017	Owned Auto Liability	\$1,000,000	Combined Single Limit
Ohio Security Insurance Company TO BE FURNISHED 09/01/2016 - 09/01/2017	Employers Liability	\$1,000,000 \$1,000,000 \$1,000,000	Bodily Injury Each Accident Limit Bodily Injury by Disease Each Employee Limit Bodily Injury by Disease Policy Limit
Ohio Security Insurance Company TO BE FURNISHED 09/01/2016 - 09/01/2017	Employee Benefits Liability	\$1,000,000 \$1,000,000	Each Employee Limit Aggregate Limit

This quote is subject to the following additional terms and conditions:

1. This quote is valid for 60 days or the intended policy inception, as presented in your original submission, whichever is first.
2. All underlying coverages, with the exception of Employers Liability, must be placed with a Liberty Mutual Insurance underwriting company. Employers Liability must be placed with a Liberty Mutual Insurance underwriting company or a carrier that has an AM Best rating of A minus V or better. We do not write over Lloyd's of London, any exceptions require prior underwriter approval.
3. The Umbrella policy must be concurrent with the primary General Liability policy (ies).
4. All scheduled policies require a \$1,000,000 underlying limit with the exception of Employers Liability which is \$500,000/\$500,000/\$500,000 in most jurisdictions.
5. Policies are not backdated. Written requests to bind coverage must be received by the end of the day on the policy effective date shown on page 1.
6. We do not intend to provide drop down coverage for Certified Acts of Terrorism if the coverage is rejected on the primary policy, but not on the umbrella policy.
7. **If the Terrorism Insurance Premium Disclosure and Opportunity to Reject is signed and returned rejecting the Certified Acts of Terrorism Coverage, then Caps on Losses From Certified Acts of Terrorism and Underlying Coverage Warranty (or Requirement) for Certified Acts of Terrorism will be

removed and replaced with the Certified Acts of Terrorism Exclusion.

Thank you for selecting us as your Umbrella and Excess Liability Carrier. We look forward to working with you on this account. If you have any questions, please call your local underwriter.

This Quote is based on the following forms, which apply at the time of quote and may differ on policy issuance:

AC00310114 - Changes in Your Policy
AC31011215 - Indiana Underinsured Motorists Coverage
AC84590614 - State App Terror Excl Endt Nuclear,Bio,Chem Terror
CA00010306 - Business Auto Coverage Form
CA01190709 - Indiana Changes
CA04340208 - IN Changes - Amendment of Definition of Pollutants
CA21441215 - Indiana Uninsured Motorists Coverage
CA23850106 - Excl of Terrorism Inv Nuc, Bio, or Chem Terrorism
CA23870106 - Excl of Terror Inv Nuc Bio or Chem Min Stat Lmts
CA23890106 - AK Excl of Terr Inv Nuc Bio or Chem Min Stat Lmt
CA23930106 - WA Excl. of Terrorism Inv. Nuc,Bio or Chem. Terror
CA85471293 - Temporary Substitute Auto - Physical Damage Ins
CA85531293 - Recreational Trailers and Boat Trailers
CA88100110 - Business Auto Coverage Enhancement End
CA99030306 - Auto Medical Payments Coverage
CG00010413 - Commercial GL Coverage Form - Occurrence
CG21060514 - Excl Disclosure Confid Personal Info Lmt BI Except
CG21471207 - Employment Related Practices Excl
CG21671204 - Fungi or Bacteria Exclusion
CG21700115 - Cap on Losses from Certified Acts of Terrorism
CG21760115 - Excl Punitive Damages Certified Act of Terrorism
CG24260413 - Amend of Insd Contract Definition
CG80081009 - Employee Benefits Liability Cov Form
CG84990809 - Non-Cumulation Liab Limits Same Occ
CG88100413 - Commercial GL Liab Extension
CG88771208 - Medical Expense At Your Request Endorsement
CG88861208 - Exclusion - Asbestos Liability
CL01000399 - Common Policy Conditions
CL01880399 - Indiana Amendatory Endorsement
CL06000115 - Certified Terrorism Loss
CL07001006 - Virus or Bacteria Exclusion
CP00101012 - Building and Personal Property Coverage Form
CP00301012 - Business Income (And Extra Expense) Coverage Form
CP00900788 - Commercial Property Conditions
CP01400706 - Exclusion of Loss Due to Virus or Bacteria
CP01520796 - Indiana Changes - Rights of Recovery
CP10301012 - Causes of Loss - Special Form
CP88000215 - Property Extension Endorsement
CP88040310 - Removal Permit
CP88440215 - Equipment Breakdown Coverage Endt.
CP90551212 - BI & EE Changes - Actual Loss Sus. In a 12-Mo Per
CP90591212 - Identity Theft Admin Service and Expense Coverage
CR00011090 - Employees Dishonesty Coverage Form
CR00041090 - Theft, Disappearance and Destruction Coverage Form
CR01540807 - Indiana Changes-Rights of Recovery
CR10000497 - Crime General Provisions (Loss Sustained Form)
CR88000507 - Exclusion of Terrorism
CU60020697 - Commercial Umbrella Coverage Form
CU60300697 - CCC Exclusion - Real or Personal Property
CU60390115 - Cap On Losses From Certified Acts Of Terrorism
CU60400115 - Underlying Cov Req For Certified Acts Of Terrorism
CU60621000 - IN Changes - Cancellation and Nonrenewal
CU61060113 - Auto Liability - Following Form
CU61250714 - Liquor Liability Exclusion
CU61530697 - Employee Benefit Liability - Following Form

CU63440697 - Foreign Liability - Following Form
CU63801204 - Fungi or Bacteria Exclusion
CU64790509 - Excl - Recording and Dist of Material in Violation
CU64820714 - Amendment - Electronic Data
CU64871005 - Economic or Trade Sanctions Condition Endorsement
CU64920113 - Mobile Equipment - Following Form
CU64951207 - Waiver Transfer Rights of Recovery Against Others
CU65070908 - IN - Amendment of Definition of Pollutants
CU65080115 - Excl Punitive Damage Related Certified Act Terror
CU88011202 - War Liability Exclusion
CU88020509 - Non-Cumulation of Liability (Same Occurrence)
CU88031207 - Employment Related Practices Exclusion
CU88300714 - General Amendatory Endorsement
CU88390714 - Amendment of Definition of Insured
CU88410210 - Amendment of Pollution Exclusion
CU89061210 - Indiana Changes - Workers' Compensation Exclusion
CU89190113 - Amendment of Watercraft Exclusion
CU89210715 - Amendment of Aircraft Exclusion
CU89400516 - Crisis Management Coverage
CU89451014 - Access or Disclosure Info Data Rel Liab-Lmt BI Exc
IL00171198 - Common Policy Conditions
IL00171198 - Common Policy Conditions
IL00210908 - Nuclear Energy Liab Excl Endt
IL00210908 - Nuclear Energy Liab Excl Endt
IL01171210 - Indiana Changes - Workers Compensation Exclusion
IL01171210 - Indiana Changes - Workers Compensation Exclusion
IL01560907 - IN Changes - Conceal Misrepresent Fraud
IL01560907 - IN Changes - Conceal Misrepresent Fraud
IL01580908 - Indiana Changes
IL01580908 - Indiana Changes
IL01860900 - Indiana Changes - Rights of Recovery
IL02720907 - IN Changes - Cancellation and Nonrenewal
IL02720907 - IN Changes - Cancellation and Nonrenewal
IL09350702 - Exclusion of Certain Computer-Related Losses
IL09520115 - Cap On Losses From Certified Acts Of Terrorism
IL70130208 - Amend Definition Pollutants
IL70130208 - Amend Definition Pollutants
IL88360115 - Cap On Losses From Certified Acts Of Terrorism
IL88380115 - Excl Punitive Damages Related Cert Act Terrorism
IM20290713 - Indiana Amendatory Endorsement
IM22500713 - Pollutant -- Amended Definition
IM75000404 - Scheduled Property Floater
NP70171199 - NP - WC Surcharge Notice To Indiana Policyholders
NP70290910 - NP - Notice to Policyholder Indiana
NP70290910 - NP - Notice to Policyholder Indiana
NP70290910 - NP - Notice to Policyholder Indiana
NP70290910 - NP - Notice to Policyholder Indiana
NP71360611 - NP - Indiana Mine Subsidence Coverage
NP72420115 - NP-Terrorism Ins Prem Disclosure and Opp to Reject
NP73120115 - NP-Terrorism Ins Prem Disclosure and Opp to Reject
NP74060106 - NP - Flood Insurance Notice
NP74440906 - NP - Treasury Dept OFAC Notice to Policyholders
NP74440906 - NP - Treasury Dept OFAC Notice to Policyholders
NP74440906 - NP - Treasury Dept OFAC Notice to Policyholders
NP74500107 - NP - Audit Information
NP88010908 - NP - Important Info About Driving Outside of US
NP90621211 - NP - Changes in UM and/or UIM Coverages
NP98200115 - Jurisdictional Boiler & Pressure Vessel Inspect
NP99990216 - NP - Amendment of Aircraft Exclusion

WC000000C - WC and Employers Liability Insurance
WC000414 - Notification of Change in Ownership Endorsement
WC000419 - Premium Due Date Endorsement
WC000421D - Catastrophe OT Certified Acts of Terror Prem Endt
WC000422B - Terrorism Risk Ins Prog Reauth Act Disclosure Endt
WC34610899 - NP - Indiana Workers Comp Deductible Program

STATE FRAUD NOTICES

The following must be provided to the applicant either by use of this proposal, by reproduction in a proposal by the Producer, or by use of a current ACORD application or its equivalent.

Applicable in AL, AR, DC, LA, MD, NM, RI and WV

Any person who knowingly (or willfully)¹ presents a false or fraudulent claim for payment of a loss or benefit or knowingly (or willfully)¹ presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison. ¹Applies in MD Only.

Applicable in CO

It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado Division of Insurance within the Department of Regulatory Agencies.

Applicable in FL and OK

Any person who knowingly and with intent to injure, defraud, or deceive any insurer files a statement of claim or an application containing any false, incomplete, or misleading information is guilty of a felony (of the third degree)². ²Applies in FL Only.

Applicable in KS

Any person who, knowingly and with intent to defraud, presents, causes to be presented or prepares with knowledge or belief that it will be presented to or by an insurer, purported insurer, broker or any agent thereof, any written statement as part of, or in support of, an application for the issuance of, or the rating of an insurance policy for personal or commercial insurance, or a claim for payment or other benefit pursuant to an insurance policy for commercial or personal insurance which such person knows to contain materially false information concerning any fact material thereto; or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act.

Applicable in KY, NY, OH and PA

Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties (not to exceed five thousand dollars and the stated value of the claim for each such violation)³. ³Applies in NY Only.

Applicable in ME, TN, VA and WA

It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties (may)⁴ include imprisonment, fines and denial of insurance benefits. ⁴Applies in ME Only.

Applicable in NJ

Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.

Applicable in OR

Any person who knowingly and with intent to defraud or solicit another to defraud the insurer by submitting an application containing a false statement as to any material fact may be violating state law.

Applicable in PR

Any person who knowingly and with the intention of defrauding presents false information in an insurance application, or presents, helps, or causes the presentation of a fraudulent claim for the payment of a loss or any other benefit, or presents more than one claim for the same damage or loss, shall incur a felony and, upon conviction, shall be sanctioned for each violation by a fine of not less than five thousand dollars (\$5,000) and not more than ten thousand dollars (\$10,000), or a fixed term of imprisonment for three (3) years, or both penalties. Should aggravating circumstances [be] present, the penalty thus established may be increased to a maximum of five (5) years, if extenuating circumstances are present, it may be reduced to a minimum of two (2) years.

TERRORISM INSURANCE PREMIUM DISCLOSURE AND OPPORTUNITY TO REJECT

This notice contains important information about the Terrorism Risk Insurance Act and its effect on your policy. Please read it carefully.

THE TERRORISM RISK INSURANCE ACT

The Terrorism Risk Insurance Act, including all amendments (“TRIA” or the “Act”), establishes a program to spread the risk of catastrophic losses from certain acts of terrorism between insurers and the federal government. If an individual insurer’s losses from “certified acts of terrorism” exceed a specified deductible amount, the government will reimburse the insurer for a percentage of losses (the “Federal Share”) paid in excess of the deductible, but only if aggregate industry losses from such acts exceed the “Program Trigger”. An insurer that has met its insurer deductible is not liable for any portion of losses in excess of \$100 billion per year. Similarly, the federal government is not liable for any losses covered by the Act that exceed this amount. If aggregate insured losses exceed \$100 billion, losses up to that amount may be pro-rated, as determined by the Secretary of the Treasury.

The Federal Share and Program Trigger by calendar year are:

Calendar Year	Federal Share	Program Trigger
2015	85%	\$100,000,000
2016	84%	\$120,000,000
2017	83%	\$140,000,000
2018	82%	\$160,000,000
2019	81%	\$180,000,000
2020	80%	\$200,000,000

MANDATORY OFFER OF COVERAGE FOR “CERTIFIED ACTS OF TERRORISM” AND DISCLOSURE OF PREMIUM

TRIA requires insurers to make coverage available for any loss that occurs within the United States (or outside of the U.S. in the case of U.S. missions and certain air carriers and vessels), results from a “certified act of terrorism” AND that is otherwise covered under your policy.

A “certified act of terrorism” means:

[A]ny 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

- (i) to be an act of terrorism;
- (ii) to be a violent act or an act that is dangerous to
 - (I) human life;
 - (II) property; or
 - (III) infrastructure;
- (iii) to have resulted in damage within the United States, or outside of the United States in the case of
 - (I) an air carrier (as defined in section 40102 of title 49, United States Code) or United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States); or
 - (II) the premises of a United States mission; and
- (iv) 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.

REJECTING TERRORISM INSURANCE COVERAGE - WHAT YOU MUST DO

We have included in your policy coverage for losses from "certified acts of terrorism" as defined above.

THE PREMIUM CHARGE FOR THIS COVERAGE APPEARS ON THE DECLARATIONS PAGE OF THE POLICY AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT. If we are providing you with a quote, the premium charge will also appear on your quote as a separate line item charge.

IF YOU CHOOSE TO REJECT THIS COVERAGE, PLEASE CHECK THE BOX BELOW, SIGN THE ACKNOWLEDGMENT, AND RETURN THIS FORM TO THE ADDRESS BELOW:

Please ensure any rejection is received within thirty(30) days of the effective date of your policy.

Before making a decision to reject terrorism insurance, refer to the Disclaimer for Standard Fire Policy States located at the end of this Notice.

I hereby reject this offer of coverage. I understand that by rejecting this offer, I will have no coverage for losses arising from a "certified acts of terrorism" and my policy will be endorsed accordingly.

Policyholder/Applicant's Signature

Print Name

Date Signed

Named Insured
TEST FOR AMANDA

Policy Number
BKS(17)68436685

Policy Effective/Expiration Date
09-01-2016/09-01-2017

IF YOU REJECTED THIS COVERAGE, PLEASE RETURN THIS FORM TO:

Attn: Commercial Lines Division - Terrorism
PO Box 66400
London, KY 40742-6400

NOTE: Certain states (currently CA, GA, IA, IL, ME, MO, NY, NC, NJ, OR, RI, WA, WI and WV) mandate coverage for loss caused by fire following a "certified act of terrorism" in certain types of insurance policies. If you reject TRIA coverage in these states on those policies, you will not be charged any additional premium for that state mandated coverage.

The summary of the Act and the coverage under your policy contained in this notice is necessarily general in nature. Your policy contains specific terms, definitions, exclusions and conditions. In case of any conflict, your policy language will control the resolution of all coverage questions. Please read your policy carefully.

If you have any questions regarding this notice, please contact your agent.

TERRORISM INSURANCE PREMIUM NOTICE

This notice contains important information about the Terrorism Risk Insurance Act and its effect on your policy. Please read it carefully.

THE TERRORISM RISK INSURANCE ACT

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2018	82%	\$160,000,000
2019	81%	\$180,000,000
2020	80%	\$200,000,000

MANDATORY OFFER OF COVERAGE FOR “CERTIFIED ACTS OF TERRORISM” AND DISCLOSURE OF PREMIUM

TRIA requires insurers to make coverage available for any loss that occurs within the United States (or outside of the U.S. in the case of U.S. missions and certain air carriers and vessels), results from a “certified act of terrorism” AND that is otherwise covered under your policy.

A “certified act of terrorism” means:

- [A]ny 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
- (i) to be an act of terrorism;
 - (ii) to be a violent act or an act that is dangerous to
 - (I) human life;
 - (II) property; or
 - (III) infrastructure;
 - (iii) to have resulted in damage within the United States, or outside of the United States in the case of
 - (I) an air carrier (as defined in section 40102 of title 49, United States Code) or United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States); or
 - (II) the premises of a United States mission; and
 - (iv) 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.

PREMIUM DISCLOSURE STATEMENT

Your policy does not contain an exclusion for losses resulting from “certified acts of terrorism.” Coverage for such losses is still subject to, and may be limited by, all other terms, conditions and exclusions in your policy.

THE PREMIUM CHARGE FOR THIS COVERAGE FOR THE POLICY PERIOD APPEARS ON THE ATTACHED QUOTE AS “**CERTIFIED ACTS OF TERRORISM COVERAGE.**”

YOU NEED NOT DO ANYTHING FURTHER AT THIS TIME.

The summary of the Act and the coverage under your policy contained in this notice is necessarily general in nature. Your policy contains specific terms, definitions, exclusions and conditions. In case of any conflict, your policy language will control the resolution of all coverage questions. Please read your policy.

If you have any questions regarding this notice please contact your agent.

TERRORISM INSURANCE PREMIUM DISCLOSURE AND OPPORTUNITY TO REJECT

This notice contains important information about the Terrorism Risk Insurance Act and its effect on your policy. Please read it carefully.

THE TERRORISM RISK INSURANCE ACT

The Terrorism Risk Insurance Act, including all amendments (“TRIA” or the “Act”), establishes a program to spread the risk of catastrophic losses from certain acts of terrorism between insurers and the federal government. If an individual insurer’s losses from certified acts of terrorism exceed a specified deductible amount, the government will reimburse the insurer for a percentage of losses (the “Federal Share”) paid in excess of the deductible, but only if aggregate industry losses from such acts exceed the “Program Trigger”. An insurer that has met its insurer deductible is not liable for any portion of losses in excess of \$100 billion per year. Similarly, the federal government is not liable for any losses covered by the Act that exceed this amount. If aggregate insured losses exceed \$100 billion, losses up to that amount may be pro-rated, as determined by the Secretary of the Treasury.

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2019	81%	\$180,000,000
2020	80%	\$200,000,000

MANDATORY OFFER OF COVERAGE FOR “CERTIFIED ACTS OF TERRORISM” AND DISCLOSURE OF PREMIUM

TRIA requires insurers to make coverage available for any loss that occurs within the United States (or outside of the U.S. in the case of U.S. missions and certain air carriers and vessels), results from a “certified act of terrorism” AND that is otherwise covered under your policy.

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- [A]ny 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
- (i) to be an act of terrorism;
 - (ii) to be a violent act or an act that is dangerous to
 - (I) human life;
 - (II) property; or
 - (III) infrastructure;
 - (iii) to have resulted in damage within the United States, or outside of the United States in the case of
 - (I) an air carrier (as defined in section 40102 of title 49, United States Code) or United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States); or
 - (II) the premises of a United States mission; and
 - (iv) 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.

REJECTING TERRORISM INSURANCE COVERAGE - WHAT YOU MUST DO

We have included in your policy coverage for losses resulting from “certified acts of terrorism” as defined above.

THE PREMIUM CHARGE FOR THIS COVERAGE APPEARS ON THE DECLARATIONS PAGE OF THE POLICY AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT. If we are providing you with a quote, the premium charge will also appear on your quote as a separate line item charge.

IF YOU CHOOSE TO REJECT THIS COVERAGE, PLEASE CHECK THE BOX BELOW, SIGN THE ACKNOWLEDGEMENT, AND RETURN THIS FORM TO THE ADDRESS BELOW:

Please ensure any rejection is received within (30) days of the effective date of your policy.

Before making a decision to reject terrorism insurance, refer to the Underlying Coverage Requirement located at the end of this Notice.

I hereby reject this offer of coverage. I understand that by rejecting this offer, I will have no coverage for losses arising from a “certified acts of terrorism” and my policy will be endorsed accordingly.

Policyholder/Applicant's Signature

Print Name

Date Signed

Named Insured
TEST FOR AMANDA

Policy Number
USO(17)68436685

Policy Effective/Expiration Date
09-01-2016/09-01-2017

UNDERLYING COVERAGE REQUIREMENT

This policy will apply to Terrorism Coverage only in excess of the total amounts stated as the applicable limits of the underlying policies listed in the Schedule of Underlying Insurance and the applicable limits of any other insurance providing coverage to you during the Policy Period.

If you fail to comply with this Underlying Coverage Requirement and you do not maintain your underlying limits as scheduled, we will only be liable to the same extent that we would have been had you fully complied with this requirement.

IF YOU REJECTED THIS COVERAGE, PLEASE RETURN THIS FORM TO:

Attn: Commercial Lines Division - Terrorism
P.O. Box 66400
London, KY 40742-6400

The summary of the Act and the coverage under your policy contained in this notice is necessarily general in nature. Your policy contains specific terms, definitions, exclusions and conditions. In case of any conflict, your policy language will control the resolution of all coverages questions. Please read your policy carefully.

If you have any questions regarding this notice, please contact your agent.