**Insurance Proposal**

**CLIENT NAME**

**Policy Term: September 30, 2014 – September 30, 2015**

**Presented by:

PRODUCER**

**TITLE**

**Date Presented: September 26, 2014**

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# Introduction and Overview

**Mission Statement:**

To provide the highest standard of insurance service in a professional and courteous manner to our clients, prospective clients and community. To ever increase our knowledge and continually strengthen the insurance products that we offer while, at the same time, remaining financially competitive in our pricing to our clients. We will strive to have the utmost level of integrity and nurture lasting relationships with the people we do business with.

To be a leader in the use of technology and employee educations while at the same time maintaining sound financial footing so that our employees, clients and carrier partners have absolute confidence in Howard W. Phillips & Company. We will look beyond the horizon for new opportunities while always being cognizant of our nearly 100 year history. We aspire to be the agency of choice for the entire Mid-Atlantic region while focusing on the fundamental human values of respect, integrity and global residence.

And finally, we will always and proudly embrace the history of HWP and the honored tradition begun by our founders.

**Promise Statement:**

**HWP Insurance** will strive to provide the highest quality of service and technical advice to our customers. For nearly 100 years, **HWP Insurance** has earned the trust of its clients and will continue to foster long-term client relationships as a cornerstone of doing business.

Service Team

**Overall Account Coordinator:**

NAME

TITLE

PHONE

EMAIL

**Policy and Billing Services:**

NAME

TITLE

PHONE

EMAIL

Office Hours: Monday – Friday 8:30am – 4:30PM

Website: www.hwphillips.com

**Claims Reporting/Direct Bill:**

The Hartford

Claim Reporting – 800-327-3636

Billing Inquiry – 800-372-4822

www.thehartford.com

Chubb

Claim Reporting – 800-252-4670

Billing Inquiry – 800-372-4822

www.chubb.com

Service Timeline

**Certificate of Insurance**: Requests for certificates of insurance can either be emailed or faxed directly to the Account Executive. All certificates will be issued within 24 hours of receipt of the request, unless there is specific wording that would have to be reviewed and approved by the carrier, and/or coverage changes.

**Periodic Reviews**: We will meet with you periodically on a time interval which you feel is most suitable to your needs. The purpose of these meetings will be to prepare for renewals, review any outstanding issues, compare current coverages against actual known or unknown exposures, review payroll and revenue figures for accuracy, review any open claims or reserves, and keep a current understanding of your business operations and strategies.

**Marketing Strategy**: The strong relationship that we have with our carriers enables us to maintain competitive pricing and outstanding customer service for our insureds. However, we will not hesitate to change carriers at the renewal, if we see that it would be to your best interest to do so. Any change such as this will be discussed in full detail with you prior to renewal issuance.

**Audits**: We will meet with you in advance to discuss any Workers’ Compensation or General Liability audits to ensure that you understand how the carrier will arrive at the final audit figures.

**Loss Control**: The carrier will make periodic loss control visits and will provide loss control reports. HWP Insurance will partner with the carriers and their loss control departments with respect to loss control issues.

# Named Insured Schedule

**First Named Insured:**

**Note:** Not all entities are named on all insurance policies. Please refer to each policy for the applicable named insured(s). Failure to report a newly established entity could result in denial of a claim.

# Location Schedule

#

**Property**

**Coverage and Limits:**

|  |  |  |
| --- | --- | --- |
| **Description of Coverage** | **Limit of Insurance** | **Deductible** |
| **Blanket:** |  |  |
| Business Personal Property  |  |  |
| Business Income  |  |  |
| Equipment Breakdown |  |  |
| Flood |  |  |
| Electronic Vandalism – PD |  |  |
| Electronic Vandalism – BI |  |  |
|  |  |  |
| **Crime:** |  |  |
| Employee Theft |  |  |
| Forgery or Alteration |  |  |
| Computer Fraud |  |  |
| Money & Securities |  |  |

**Coverage Form:** Special Form, subject to policy exclusions

**Coinsurance:** Coinsurance does not apply

**Valuation:** Replacement Cost

**Coverage Extensions:**

* Ordinary Payroll Included

**Note:** Property Values should be reviewed to assure the property is insured to value. Quote is based on values provided by the insured.

**Property – (continued)**

**Additional Coverages:**

|  |  |
| --- | --- |
| **Property:** |  |
| Accounts Receivable | $250,000 |
| Building Glass Repairs | Included |
| Claims Expense | $50,000 |
| Contract Penalties | $50,000 |
| Debris Removal – Additional  | $250,000 |
| Employee Personal Effects | $50,000 |
| Expediting Expense | $50,000 |
| Fine Arts | $100,000 |
| Fungus, Wet Rot, Dry Rot, Bacteria | $50,000 |
| Loss of Master Key | $25,000 |
| Transit | $100,000 |
| Unnamed Premises – Business Personal Property | $100,000 |
| Utility Service Interruption | $50,000 |
| Valuable Papers | $25,000 |
| Computer Laptops – Worldwide  | $25,000 |
| Tenant Lease Coverages |  |
|  Building Glass | Included |
|  Lease Assessment | $2,500 |
|  Leasehold Improvement | $25,000 |
|  Misc Interior Building Property | $100,000 |
|  Theft Damage | Included |
|  Legal Liability | $25,000 |
|  |  |
| **Business Income:** |  |
| Business Travel | Included |
| Civil Authority | 30 Days |
| Denial of Service | $25,000 |
| Dependent Properties | $100,000 |
| Transit | $100,000 |
| Unnamed Premises | $100,000 |
| Utility Service Interruption | $25,000 |
| Website & Internet Services | $100,000 |

# General Liability

**Coverage and Limits:**

|  |  |
| --- | --- |
| Coverage | Limit |
| General Aggregate  | $2,000,000 |
| Products and Completed Operations | $2,000,000 |
| Personal and Advertising Injury | $2,000,000 |
| Each Occurrence | $2,000,000 |
| Damage to Rented Premises  | $100,000 |
| Medical Expense  | $5,000 |
|  |  |
| Deductible: $25,000 |  |

**Additional Coverages:**

* Additional Insured – Required by Written Contract
* Employee Benefits Liability – $2,000,000 Limit; $25,000 Deductible

**Rating Basis:** Your premium is based on the following estimated exposures at inception and is subject to audit:

|  |  |  |  |
| --- | --- | --- | --- |
| State | Class Description | Rating Basis | Exposure |
| **Multiple** |  |  |  |
| **DC** |  |  |  |

Commercial Auto

**Coverage and Limits:**

|  |  |  |
| --- | --- | --- |
| **Coverage** | **Symbols** | **Limit of Liability** |
| Combined Single Limit – Bodily Injury and Property Damage | 1 | $1,000,000 |
| Auto Medical Payments | 2 | $5,000 |
| Uninsured and Underinsured Motorists  | 2 | $1,000,000 |
| Comprehensive  | 2 & 8 | ACV less $500 Deductible |
| Collision | 2 & 8 | ACV less $500 Deductible |
| Towing |  | Not Covered |
| Rental Reimbursement |  | Not Covered |

**Additional Coverages:**

* Hired Car Physical Damage – $50,000 limit
* Employees as Insureds
* Auto Loan/Lease Gap Coverage
* Airbag Coverage
* Additional Insured – If Required by Written Contract
* Waiver of Subrogation
* Autos Rented by Employees

**Rating Basis:**

25 Vehicles

Annual Cost of Hire - $1,000

**Loss Experience :**

1 Year: 58%

3 Year: 40%

**Recommendation:**  Increase Collision Deductible to $1,000

**Automobile Symbols:**

|  |  |  |  |
| --- | --- | --- | --- |
| **1** | **Any Auto** | **2** | **All Owned Autos** |
| **3** | **Owned Private Passenger Autos** | **4** | **Owned Autos Other Than PPV** |
| **5** | **All Owned Autos Subject to No-Fault Coverage** | **6** | **Owned Autos Subject to Compulsory Uninsured Motorists Law** |
| **7** | **Autos Specifically on Schedule** | **8** | **Hired Auto Only** |
|  |  | **9** | **Hired Non-Owned Auto** |

# Management Liability

**Coverage and Limits:**

Combined Maximum Aggregate Limit: $5,000,000

**Directors & Officers Liability:**

|  |  |
| --- | --- |
|  Coverage | Limit |
| Aggregate Limit | $5,000,000  |
| Excess Benefit Transaction Excise Tax | $100,000 |
| Retention: $50,000  |  |

**Prior & Pending**

**Litigation Date**: September 30, 2010

**List of Endorsements/Extensions of Coverage:**

* Professional Services Exclusion Endorsement with Management Carveback
* Coverage for Multiplied Damages

**Employment Practices Liability:**

|  |  |
| --- | --- |
| Coverage | Limit |
| Maximum Aggregate  | $5,000,000 |
| Third Party Claims | $5,000,000 |
| Retention $50,000; CA – $75,000  |  |

**Prior & Pending**

**Litigation Date:** September 30, 2010

**List of Endorsements/Extensions of Coverage:**

* Violation of Employee Privacy Endorsement – $250,000 Limit
* Workplace Violence Expense Limit – $250,000 Limit

Fiduciary Liability

**Coverage and Limits:**

|  |  |
| --- | --- |
| Coverage | Limit |
| **Fiduciary Liability**  | $1,000,000 |
| Settlement Program | $100,000 |
| HIPPA Limit | $100,000 |
| Retention: $0 |  |
|  |  |
| **ERISA Fidelity** | $500,000 |
| Retention: $0 |  |

**Rating Basis:** Plan AssetsEmployed Lawyers Professional Liability

**Coverage and Limits:**

|  |  |
| --- | --- |
|  Coverage | Limit |
| Each Wrongful Act/Aggregate | $1,000,000 |
| Retention: $10,000 |  |

**Coverage Highlights:**

* Broad definition of “insured” includes employed lawyers, legal assistants, notaries public, foreign equivalents of the foregoing, and temporary and independent contractor attorneys.
* “Professional services” includes pro bono legal services and a broad definition of “moonlighting legal services,” with no requirement that the organization consent to such additional legal services.
* Definition of “claim” includes written demands, civil proceedings, criminal proceedings, formal administrative or regulatory proceedings, arbitration or mediation proceedings, requests for extradition, and bar association or other similar proceedings concerning the eligibility of an employed lawyer to practice law.
* Even when the definition of claim has not been triggered, if there is a subpoena regarding an attorney’s alleged wrongful act, our policy extends up to $10,000 to cover legal fees, including motions to quash or modify the subpoena.
* Broad definition of “loss” includes civil penalties assessed against an employed lawyer pursuant to the Foreign Corrupt Practices Act.
* “Loss” includes punitive, exemplary, and multiplied damages, where permitted by law, in the venue most favorable to the insured.
* Coverage for personal injury (as defined in the policy) includes malicious prosecution and abuse of process.
* No exclusion for loss arising out of securities laws.

**Rating Basis:** 4 Attorneys

Recommended Coverages

* Cyber Liability
* International Package
	+ General Liability
	+ Auto Liability
	+ Foreign Voluntary Workers Compensation
	+ Kidnap & Ransom
	+ Accident & Health
* Umbrella
* Crime – Increased Limits
* Earthquake

Premium Summary

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Coverage** | **Carrier** | **2013-2014****Expiring Premium** | **2014-2015****Renewal Premium** | **Percent Change** |
|  |  |  |  |  |
| Package |  |  |  |  |
| Commercial Auto |  |  |  |  |
| General Liability |  |  |  |  |
| Management Liability: |  |  |  |  |
| Fiduciary Liability |  |  |  |  |
| Employed Lawyers |  |  |  |  |
|  |  |  |  |  |
| **Total:** |  | **$260,668** | **$273,942** | **5%** |

**Optional Quote:**

**Rating Basis:**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Coverage** | **Rating Basis** | **2013-2014****Exposure** | **2014-2015****Exposure** | **Percent Change** |
|  |  |  |  |  |
| General Liability | Area |  |  |  |
| Management Liability: |  |  |  |  |
|  Greenpeace, Inc. | Revenue |  |  |  |
|  | Assets |  |  |  |
|  | Total Employees |  |  |  |
|  | CA Employees |  |  |  |
| Fiduciary Liability | Plan Assets |  |  |  |
| Employed Lawyers | # of Attorneys |  |  |  |

**Note:** The estimated premium shown above may differ from actual premiums shown on the policies and installment bills due to installment charges, estimated taxes & surcharges, as well as rounding. Surplus Lines Policy – taxes and fees are in addition to the general liability policy premium.

Disclaimers & Disclosures

**Disclaimer**:

This insurance proposal provided is for illustration purposes only; it is not a legal contract. It is provided to facilitate your understanding of your insurance program. Please refer to the actual policies for specific terms, coverage, conditions, limitations and exclusions that will govern the event of a loss. Specimen copies of all policies are available for review prior to the binding of coverage.

In assisting you with your insurance needs we have been dependent upon information provided to us by you. If there are other areas that need to be evaluated prior to binding of coverage, please bring them to our attention.  Should any of your business operations or exposures to loss change after coverage is bound, it is the customer’s responsibility to let us know promptly so proper coverage(s) can be discussed.

**Compensation:**

**Commissions:**

Commissions are paid to us by the insurer for placement or renewal of insurance policies, day-to-day servicing of the account, claims handling and other miscellaneous services. Commissions are generally determined as a percentage of the premiums. Commissions will be disclosed upon request.

**Fees:**

Fees we receive from the client are agreed to in writing by the client and HWP in a fee for service agreement.

**Surplus Lines Fees:**

In certain cases, placements of coverage by HWP on the Client’s behalf may require the payment of surplus lines taxes and/or fees to state regulators, which the Client agrees to pay. Such taxes will be identified on invoices and marketing material to the Client.