

**Property  
Insurance Renewal  
for**

**City of Columbus**

**August 1, 2003 – August 1, 2004**

Submitted by:

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## Cost Summary

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<u>Coverage or Service</u>	<u>Annual Cost</u>
Property	\$287,341
Loss Control Service	
Optional Terrorism Coverage	+(13,267)

### Notations

Payment is due twenty (20) days from policy inception date. Please advise if premium financing is desired.

25% Minimum earned premium.

## Property Coverage Summary

Coverage	Valuation*	Limits of Insurance	Deductible
Building& Contents Loss Limit / Any occurrence:	RC	\$100,000,000	100,000
Earthquake – annual aggregate limit	RC	20,000,000	S/A
Flood – annual aggregate limit	RC	20,000,000	S/A
Business Interruption/ Rental Income	ALS	Included	S/A
Extra Expense	ALS	1,000,000	S/A
Off Premises Service Interruption / Business Interruption		1,000,000	S/A
Claim Data Expense		25,000	Policy Ded.
Pollutant Clean up		100,000	Policy Ded.
Mold Limitation		\$25,000 /\$150,000 aggregate	Policy Ded.
Property in transit		100,000	Policy Ded.
Errors & Omissions		5,000,000	S/A
Valuable Papers	RC	Included	Policy Ded.
Accounts Receivable	RC	Included	Policy Ded.
Computer and EDP Equipment, Media	RC	500,000	Policy Ded.
Fine Arts, 5,000 max per item	Appraised	500,000	Policy Ded.
Mobile ( Contractors) Equipment	ACV	Included	Policy Ded.
Miscellaneous Property (b)	ACV	Included	Policy Ded.
Trees, Shrubs, Landscape Plants , \$1,000 per item	SC	5,000 item/ 100,000 total	Policy Ded.
Paved Surfaces, Bridges <30 ft.	RC	Included	Policy Ded.
Commandeered or Impounded	RC	Included	Policy Ded.
Emergency Service Equipment	RC	Included	Policy Ded.
Communications Equipment	RC	Included	Policy Ded.
Ordinance or Law: Demolition + Undamaged Building Increased Cost of construction	RC	5,000,000	Policy Ded.
Newly Acquired Completed Buildings / Newly Constructed	RC	5,000,000	Policy Ded.
Employees & volunteers property on Specified premises	ACV	5,000 / \$100,000 total	Policy Ded.

Continued on next page...

\* \* Please advise if higher limits are desired.

## Property Coverage Summary – continued

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### Footnotes

- (a) includes Mechanical Breakdown & Electrical Injury
- (b) if included in schedule of values, antennas, traffic control lights and signs, street lights, flag poles, signs, fire hydrants, parking meters, fences
- (c) Specified Cause of Loss, Perils only - see policy

**Perils Insured** Special Form – “All risk” perils subject to policy exclusions and limitations

### \*Valuation Key

RC	Repair or Replacement Cost endorsement
ACV	Actual Cash Value
ALS	Actual Loss Sustained
SC	Specified Cost

**Coinsurance** No coinsurance applies. 110% margin clause applies to buildings, contents and equipment.

### Notations

Premium and coverage is based on the location schedule provided by you. Please advise if schedule is not correct, as proposed insurance coverage may not be adequate.

Property appraisals are available and are recommended.  
Terrorism modification endorsement applies.

# Loss Control Summary

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## **Loss Control Services Includes:**

Property Inspections

Potential Risk Exposures

Meetings with designated Representatives from City Agencies to discuss funding and abatement plans

Reports in paper and electronic format

Incidental Loss Control Services to uninsured locations

38 / 50 Revisits or new site locations

# **Major Exclusions / Uninsured Areas**

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It is not possible to list all uninsured loss exposures. However, some loss exposures that may not be insured or not fully insured are listed below. **(This is not a complete list.)** Insurance is available for many of these areas. If insurance is desired or if you have questions, please advise.

## **Property**

Loss to animals, aircraft, land, crops, paved surfaces

Restrictions on vacant property

Loss from moths, vermin, insects, termites

Mechanical breakdown (except EDP)

Contamination & pollution limitations

Off premises power or utility failure

Wear, tear, gradual deterioration

Voluntary parting with property

Loss from rust, wet or dry mold

Any loss related to asbestos

Limited Named Perils for outdoor property,

Following are excluded, but can be provided:

Cost of excavations, grading, filling;

Foundations & property below lowest

floor; Underground pipes, flues, or drains;

Pilings, piers, wharves or docks

Retaining walls, not part of building

Outdoor radio or television antennas, street lights, traffic control items, sign, flag poles, fire hydrants, parking meters and fences are excluded unless devices proper values are included in Property Schedule you provided.

If in this schedule, the limit is \$25,000 per occurrence for these items are not at scheduled location.

Unscheduled locations

Transmission lines, towers, transformers

## **Boiler & Machinery**

## **Crime**

## **Automobile**

## **General Liability / Law Enforcement**

## **Public Officials Liability**

## Comments

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1. This proposal is issued as a matter of information only and does not amend, extend, or alter the coverage provided by the insurance policies.
2. The information contained in this proposal is based on historical loss experience and exposures that were provided to Arthur J. Gallagher & Co. This proposal is not an actuarial study. Should you wish to have this proposal reviewed by an independent actuary for adequacy of loss projections, retentions, deductibles, insurance limits, or other purposes, we will be pleased to provide a list of some available actuaries for your use.
3. Quoted costs are based on exposures and other information provided to Arthur J. Gallagher & Co. Other insurance coverage, not included in this proposal, may be necessary to adequately insure your interests. If you would like to review this with Arthur J. Gallagher & Co., please advise.
4. Only those coverages and / or options requested by you will be implemented.
5. Insurance coverage included in this proposal applies as a package. Unless specifically stated in writing or otherwise agreed to, individual sections of the proposal cannot be purchased separately on a monoline basis.
7. Specimen policy forms are attached. Please review these. While we believe these are complete and accurate specimen policy forms, some endorsements and/or manuscript wording requested by the specifications may not be included.
8. Some proposed insurance coverage might include an aggregate limit. This is the maximum the insurance company will pay in aggregate for all claims that occurred during the policy year (reported for claims made coverage such as POL). Gallagher does not assume any responsibility for notification in the event of depletion of any such aggregate limit.



## Comments – (continued)

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9. Loss Control and other Risk Management services may be provided to assist you. Arthur J. Gallagher & Co. does not warrant that all, or any, potential hazards have been identified or evaluated, or that they are safely controlled. Arthur J. Gallagher & Co. assumes no liability for such information or lack of information.
10. Insurance coverage is not provided for joint ventures or other entities that are not owned or controlled by you (i.e. volunteer fire department organizations) unless they are specifically added. If such additional coverage is desired, please advise.
11. Gallagher from time to time enters into arrangements with certain insurance carriers or those carriers' reinsurers providing for compensation, in addition to commissions, to be paid by such carriers or reinsurers to Gallagher or its affiliates based on, among other things, the volume of premium and/or underwriting profitability of the insurance coverages written through Gallagher by such carriers or reinsurers. In addition, Gallagher and its affiliates provide management and other services to, and receive compensation for those services from, certain reinsurers that reinsure insurance coverages written through Gallagher by other insurance carriers. The insurance coverages you purchase through Gallagher might be issued by an insurance carrier or reinsured by a reinsurer that has such a relationship with Gallagher or its affiliates.
12. Some or all of the proposed insurance policies contain specific exclusionary language related to Year 2000. The silence or absence of explicit Y2K exclusionary language does not guarantee there is any insurance policy coverage for Y2K related losses.

## Insurance Companies

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Best's Insurance Reports, published annually by A. M. Best Company, Inc., presents comprehensive reports on the financial position, history, and transactions of insurance companies operating in the United States and Canada. Companies licensed to do business in the United States are assigned a Best's Rating which attempts to measure the comparative position of the company against industry averages.

Best's ratings are based on analysis, which give consideration to a number of factors of varying importance. While the analysis is believed to be reliable, we cannot guarantee the accuracy of the rating or the financial stability of the insurance company.

A copy of the Best's Insurance Report on the insurance companies is available for your review. At your option, you may wish to consult with other available rating services.

Arthur J. Gallagher & Co. uses A. M. Best & Co. rating services to evaluate the financial condition of insurers whose policies we propose to deliver. The rating of the carrier and the year of publication of that rating are indicated. Arthur J. Gallagher & Co. makes no representations and warranties concerning the solvency of any carrier, nor does it make any representation or warranty concerning the rating of the carrier, which may change:

## Guide to Best's Rating

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### Rating Categories

Coverage	Insurance Company	2000 Best's Assigned Rating	Surplus Lines
Property	Travelers Insurance Co.	A+:XV	No

<u>Level</u>	<u>Category</u>	<u>Level</u>	<u>Category</u>	<u>Level</u>	<u>Category</u>
A++, A+	Superior	B, B-	Good	D	Below Min. Standards
A, A-	Excellent	C++, C+	Fair	E	Under State Supervision
B++, B+	Very Good	C, C-	Marginal	F	In Liquidation

### Financial Size Categories

(In \$000 of Reported Policy Holders' Surplus Plus Conditional reserve Funds)

Class I			Up to 1,000	Class IX	250,000	to	500,000
Class II	1,000	to	2,000	Class X	500,000	to	750,000
Class III	2,000	to	5,000	Class XI	750,000	to	1,000,000
Class IV	5,000	to	10,000	Class XII	1,000,000	to	1,250,000
Class V	10,000	to	25,000	Class XIII	1,250,000	to	1,500,000
Class VI	25,000	to	50,000	Class XIV	1,500,000	to	2,000,000
Class VII	50,000	to	100,000	Class XV	2,000,000		or more
Class VIII	100,000	to	250,000				

# Exhibit A Proposal Receipt

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Receipt of this proposal is acknowledged.

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Signed

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Date