
PREMIUM SUMMARY- REVISED 6/3/2019

DESCRIPTION OF COVERAGE	EXPIRED PREMIUM	RENEWAL PREMIUM
Property	\$320,026.05	\$351,365.00
Commercial General Liability	\$81,705.00	\$81,721.00
Commercial Automobile Liability	\$182,465.00	\$182,502.00
Public Officials Liability	\$84,865.52	\$85,228.96
Law Enforcement Liability	\$49,165.15	\$49,161.85
Excess Liability	\$89,773.00	\$91,192.00
Excess Workers' Compensation	\$398,383.00	\$395,692.00
Aviation	\$30,772.00	\$20,571.74
Cyber Liability	\$21,748.77	\$21,748.77
Pollution Legal Liability	\$18,494.71	\$18,992.11
Total Premium	\$1,277,398.20	\$1,298,175.43

Notes:

1. This Revised Premium Summary includes Chubb Aviation quote in lieu of Old Republic Aviation quote.
2. All premiums include applicable taxes.
3. War and Terrorism coverage may be added to the Aviation Policy for an additional premium of \$1,810.00
4. Terrorism may be added to the Pollution Legal Liability for 5% additional premium.
5. Commission percentage is 5% except on the Excess Workers' Compensation which is 3.5% and the Aviation which is 15% (Our office splits the Aviation commission with JSL Aviation). Commission is not paid on taxes or fees. The estimated commission for the premiums shown above for the renewal is \$58,187.07. The dollar amount of the commission is based on actual earned premiums and may increase or decrease if there are endorsements or audits which are premium bearing.
6. Optional quote: Cyber coverage broadening endorsements for Preventative Shutdown and Non Malicious Computer Act – Systems Failure may be added for an additional premium of \$1,087.33.
7. Safety National has offered the following rate commitment on the Commercial General Liability, Commercial Automobile Liability, Public Officials Liability, Law Enforcement Liability and Excess Liability:

RATE COMMITMENT & CONDITIONS

Upon binding, please note the below conditions will be incorporated into a more comprehensive legal document for signature by both us and you.

For purposes of this Rate Commitment:

2019 Policy Period refers to the policy period of: 7/1/2019-7/1/2020

2020 Policy Period refers to the policy period of: 7/1/2020-7/1/2021

If the below conditions are all met, Safety National agrees that there will be no increase in the Retention premium rate per payroll/exposure for the 2020 Policy Period over the rates that had been applied to the 2019 Policy Period.

- 1) The Retentions and Limits for the 2020 Policy Period will remain the same as expiring per the 2019 Policy Period bound with Safety National.
- 2) The treatment of Allocated Loss Adjustment Expense with respect to the Retentions and Limits for the 2020 Policy Period must remain the same as expiring per the 2019 Policy Period bound with Safety National.
- 3) No certified “act of terrorism”, as defined under the Terrorism Risk Insurance Act of 2002 or any subsequent acts, amendments, or reauthorizations thereto (“TRIA”), occurs during the 2019 or 2020 Policy Periods.
- 4) No significant change in exposure as applicable to the type of policy with “significant” being understood to mean a $\pm 15\%$ change in exposure for the 2020 Policy Period over that in place for the immediately preceding Policy Period bound with Safety National.
- 5) No material adverse change in the financial condition of the Insured throughout the 2019 or 2020 Policy Periods with material being determined by Safety National.
- 6) No individual incurred loss during the 2019 Policy Period for any of the Policies to exceed **50%** of that Policy’s applicable Retention amount with all such losses to be valued as of **03/31/2020**.
- 7) All prior year documents requiring signatures must be executed 60 days before the next renewal.

The parties understand and agree that, if all the above stated conditions are **not** met as applicable to a particular Policy Period renewal, the Retention premium rate per payroll/exposure for the 2020 Policy Period shall not be subject to any limitation nor guarantee with respect to rate increases.

8. Safety National has offered the following rate commitment on the Excess Workers’ Compensation:
Rate Commitment & Conditions

For the purposes of this Rate Commitment:

2019 Policy Period refers to the policy period of: 07/01/2019 – 07/01/2020

2020 Policy Period refers to the policy period of: 07/01/2020 – 07/01/2021

If the below conditions are all met, Safety National agrees that there will be no change in premium rate per exposure for the 2020 Policy Period over the rates that have been applied to the 2019 Policy Period.

- The SIR and Limits will remain as expiring per the 2019 Policy Period bound with Safety National.
- No certified “act of terrorism”, as defined and set forth under the Terrorism Risk Insurance Act of 2002 as amended and extended by the Terrorism Risk Insurance Program Reauthorization Act of 2015 (collectively, “the Act”), occurs during the 2018 Policy Period.
- No significant change in exposure as applicable to the type of policy with “significant” being understood to mean a (+/-) 15% change in exposure for any of the Policies over that for the 2019 Policy Period bound with Safety National.
- No significant change in underwriting exposure through development of, or acquisition of, non-core business, with “significant” being understood to be a change that is in excess of 5% for any Policy over that in place for 2019 Policy Period bound with Safety National. Safety National does consider any change in aircraft to be considered significant.
- No material adverse change in the financial condition of the Insured, as determined by Safety National, over the 2019 Policy Period.

- No new, individual incurred loss (DOI after 07/01/2019) during the 2019 Policy to exceed 75% of the Policy's applicable SIR/Retention amount with such losses to be valued as of 04/01/2020 or within 90 days prior to 07/01/2020.
- No development of existing claims (DOI prior to 01/01/2019) to exceed 85% of the Policy's applicable SIR/Retention amount with such losses to be valued as of 10/01/2019 or within 90 days prior to 07/01/2020 excluding the following claims:
 - DOL – 07/23/2010 - \$1,310,319 Total Incurred (valued as of 03/22/2019)
 - DOL – 09/14/2016 - \$875,619 Total Incurred (valued as of 03/22/2019) – subject to a maximum increase in incurred value greater than 20%.
 - DOL – 07/29/2010 - \$788,027 Total Incurred (valued as of 03/22/2019)

The parties understand and agree that, if all the above stated conditions are not met as applicable to a particular policy period renewal, the Premium Rate per payroll/exposure for the 2020 Policy Period shall not be subject to any limitation nor guarantee with respect to rate increases.

The second year payroll period we will require only the following underwriting information:

- Updated payroll by class code
- Updated loss information as outlined above
- Updated aircraft information (we must have each year for reinsurance purposes)
- Updated Employee Concentration (EC) information
- Insured's agreement to work with Safety National to complete the premium audit (whether voluntary or physical) in a timely manner. We do a premium audit at the end of each 12 month policy period.

AUTHORIZATION TO BIND

Named Insured: **Lexington-Fayette Urban Co Government**

Choose the appropriate option:

Bind	Decline	Coverage Description
<input type="checkbox"/>	<input type="checkbox"/>	Commercial Property Policy
		Effective Dates: 07/01/2019 Carrier: Affiliated FM
		Premium: \$351,365.00
<input type="checkbox"/>	<input type="checkbox"/>	Commercial General Liability Policy
		Effective Dates: 07/01/2019 Carrier: Safety National
		Premium: \$81,721.00
<input type="checkbox"/>	<input type="checkbox"/>	Commercial Auto Policy
		Effective Dates: 07/01/2019 Carrier: Safety National
		Premium: \$182,502.00
<input type="checkbox"/>	<input type="checkbox"/>	Public Officials Policy
		Effective Dates: 07/01/2019 Carrier: Safety National
		Premium: \$85,228.96
<input type="checkbox"/>	<input type="checkbox"/>	Law Enforcement Liability Policy
		Effective Dates: 07/01/2019 Carrier: Safety National
		Premium: \$49,161.85
<input type="checkbox"/>	<input type="checkbox"/>	Excess Liability Policy
		Effective Dates: 07/01/2019 Carrier: Safety National
		Premium: \$91,192.00
<input type="checkbox"/>	<input type="checkbox"/>	Excess Workers Compensation Policy
		Effective Dates: 07/01/2019 Carrier: Safety National
		Premium: \$395,692.00
<input type="checkbox"/>	<input type="checkbox"/>	Aviation Policy
		Effective Dates: 07/01/2019 Carrier: Chubb
		Premium: \$20,571.74
<input type="checkbox"/>	<input type="checkbox"/>	Cyber Policy
		Effective Dates: 07/01/2019 Carrier: Chubb
		Premium: \$21,748.77
<input type="checkbox"/>	<input type="checkbox"/>	Pollution Policy
		Effective Dates: 07/01/2019 Carrier: Chubb
		Premium: \$18,992.11

I hereby authorize J. Smith Lanier & Co to bind my coverage with changes as stated below. I understand these changes may result in possible additional underwriting requirements or more/less premium.

Authorized Signature

Date