



**MarshMcLennan
Agency**

Proposal for Insurance Services

Augusta, Georgia

Property Insurance Renewal

Policy Term:

March 20, 2025

Presented By:

Phil Harison
Senior Vice President

Alec Miller, CLCS
Account Executive

Your future is limitless.™

Your future is limitless.SM



We are your local resource.

We are the Southeast hub of Marsh & McLennan agency and have 21 local offices in Georgia, Alabama, Tennessee, Florida, and Kentucky.

We actively support the communities we represent and look to expand our footprint in the coming years.

We have global strength.

Our affiliation with the Marsh family of companies allows us to deliver far more valuable services to our clients including market research, benchmarking reports, technology, exclusive products and pricing, as well as unparalleled leverage with insurance carriers and vendors.

The strength of our solutions lies in the quality of our team.

Our approach means we look at your company holistically, and create a custom plan that aligns with your business strategies, core values and culture. We believe collaboration and teamwork are the key to success and enjoy working with our clients to build personal and professional security.

Marsh & McLennan Agency Client Service Team

Marsh & McLennan Agency LLC

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Marsh US Property Market Index Report

Property Market

2025

Shared & Layered

The average rate decreases reached 2% and are positioned more favorably compared previous years, even in the face of Hurricanes Helene and Milton. Increased capacity deployment from the US Retail, US E&S, London and Bermuda is stimulating an increase in supply of capacity, bringing forth cost savings, contract term improvements and other forms of optionality not seen in years.

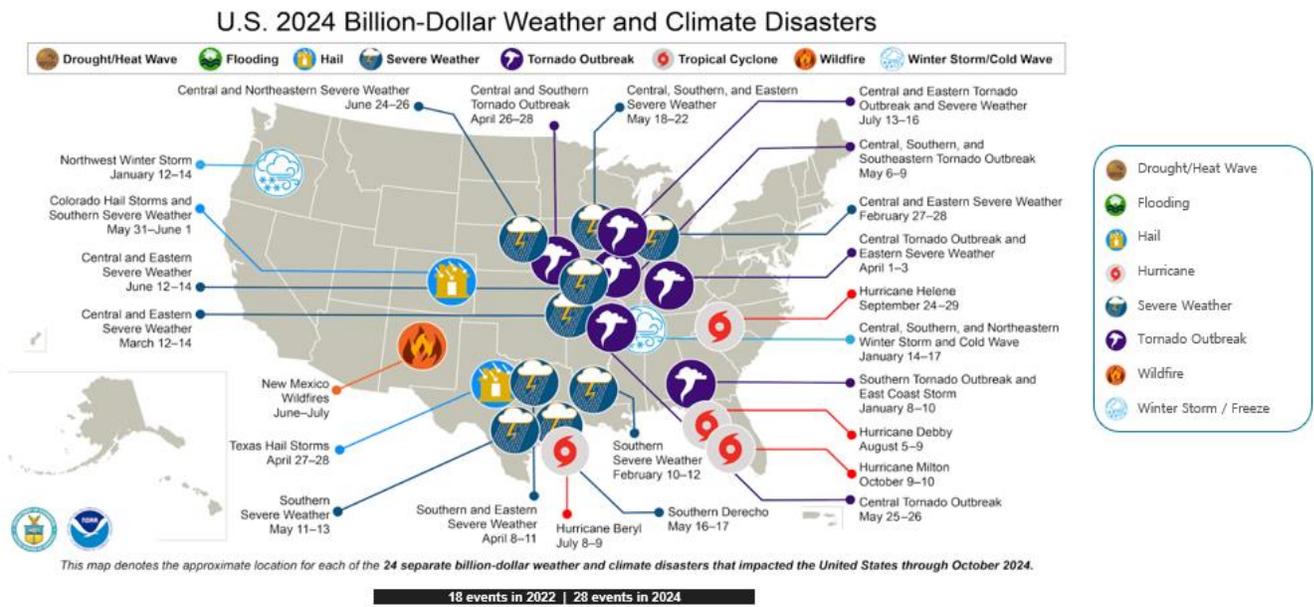
Exceptions / Challenging Placements

Certain occupancies such as warehousing, multifamily, food / protein, forestry products and chemicals, have certainly faced more headwinds the past few years, driven mainly by loss activity and risk quality. Likewise, certain Insureds have also been negatively impacted by Insurers implementing portfolio geographic or occupancy reduction strategies. As such, challenging outliers continue to exist involving placements facing hurdles including loss activity, loss control concerns, outsized fire predictive loss modeling and/or catastrophe exposures and/or exposures in certain geographic areas.

While the improving marketplace is being universally being felt across all Insureds, there continues to exist rigor around the underwriting process as Insurers strive to maintain discipline and uphold the rating foundation built over the last few years.

Property Market – Reference Data

2024 U.S. Weather and Climate Events Exceeding \$1B in Losses



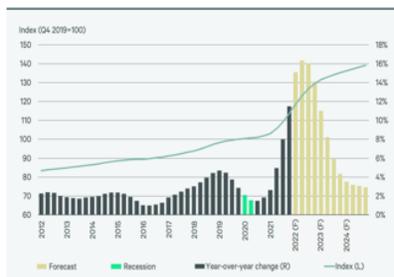
Replacement Cost Valuations

Index Trends and Market Response

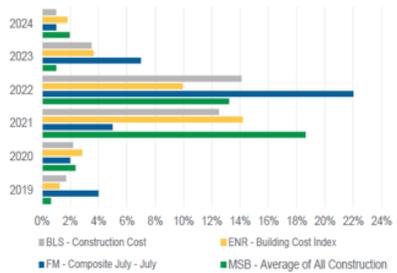
October 2024 – Latest 3rd Party Industry Guidance on Construction Cost Trending

- Marshall & Swift® Average US increase: +2.0%
- FM Global Average US Building Cost Trend (July '23 – Jul '24): +1.0%
- Engineering News-Record Risk Management Solutions: +1.8%
- US Bureau of Labor Statistics (BLS): +1.0%
- Average Inflationary Adjustment on Marsh's property portfolio in H1, 2023 = 9.0%

CBRE Construction Cost Index



Construction Cost Index Trends October Yearly



Notable market behaviors around valuation include:

- Insurers continue to be aggressive in their demand for valuations to be "accurate".
- Certain Insurers are declining to quote accounts with valuations lower than a pre-set valuation threshold they view as appropriate for specific ISO construction types.
- Insurers are comparing the expiring building valuations and rent/business income figures to the renewal values submitted, seeking adjustment and explanation of how it was calculated.
- Meaningfully undervalued accounts are now more likely to receive **scheduled limits** with a **margin clause**, **coinsurance** and/or **actual cash value (ACV)** rather than blanket limits.
- Select carriers are allowing long-term buyers to upwardly "stair-step" their valuations over a period of one or two years.

Premium Summary and Comparison

Policy	Expiring Premium	Renewal Premium
Commercial Property	\$979,685,637	\$1,054,424

No coverage is provided by this summary. Coverage conditions are highlights only and are subject to exclusions and additional terms as stated within the policy. Not all exclusions, terms and conditions are shown. If there are any differences between the policy and the proposal, the policy prevails. For details of coverage, refer to policy forms, terms and conditions.

Comments & Conditions

Expiring Building Values - \$973,474,979

Renewal Building Values - \$979,685,637

Changes to expiring:

- Updated the Flood prone locations appendix and sub-limits based on property flood exposures.
- Added solar panel and associated equipment sub-limit.
- Add locations no longer insured to the Property Excluded list.
- Errors and Emissions; Newly Acquired Property; & Unnamed Property changed to \$1,000,000
- Updated the sub-limited location schedule based on the renewal SOV. 3405 & 3421 Mike Padgett Highway both show that they may be owned by the State and may need to be removed. Please verify if they should be removed.

Deductibles:

- Removed the specific fine arts and valuable papers deductible
- Water Damage at \$100K per location
- Wind and Hail at 2% for Property Damage subject to a minimum of USD 100,000 per **location**
- AOL at \$100K

Valuation:

Actual cash valuation for losses resulting from wind and hail events. It will apply to any roof coverings, including but not limited to fasteners, insulation boards, cover boards, membranes, and other components of the above deck roofing systems, 15 years of age or older at all locations.

- Notable Losses: September 27, 2024, Hurricane Helene, total paid loss to date: \$1,250,000

PROPERTY VALUES:

Reporting the accurate value of your property is an important component of a properly structured property insurance policy. We recommend that you consider obtaining the services of a professional appraisal service who can provide you with the proper basis to determine the amount of coverage to be carried. With a professional appraisal, we, as your insurance agent, will be better prepared to design a property policy that will help protect you in the event of a loss.

Schedule of Locations

001	1501 Aviation Way, Augusta, Georgia, 30906, USA
002	902 Greene Street, Augusta, Georgia, 30901, USA
003	1568 Broad Street, Augusta, Georgia, 30904, USA
004	1866 Highland Avenue, Augusta, Georgia, 30911, USA
005	535 Telfair Street, Augusta, Georgia, 30901, USA
006	510 & 520 Fenwick Street, Augusta, Georgia, 30901, USA
009	901 Reynolds Street & 921 James Brown Boulevard, Augusta, Georgia, 30901
010	846 Ellis Street, Augusta, Georgia, 30901, USA
012	2314 Tobacco Road, Augusta, Georgia, 30906, USA
013	2463/2456 Golden Camp Road, Augusta, Georgia, 30906, USA
014	3157 Damascus Road, Augusta, Georgia, 30909, USA
015	1941 Phinizy Road, Augusta, Georgia, 30906, USA
016	425 Wood Street, Augusta, Georgia, 30904, USA
017	2421 Riverlook Drive, Augusta, Georgia, 30904, USA
018	1820 Doug Barnard Parkway, Augusta, Georgia, 30906, USA
019	2822 & 2835 Central Avenue, Augusta, Georgia, 30909, USA
020	1731 Tobacco Road and 234 Pistol Range Road, Augusta, Georgia, 30906, USA
021	101-115 Diamond Lakes Way & 4335 Windsor Spring Road, Hephzibah, Georgia, 30815
022	3647 Karleen Road, Augusta, Georgia, 30906, USA
023	1155 Hephzibah-McBean Road, Hephzibah, Georgia, 30815, USA
024	1101 Bennock Mill Road, Augusta, Georgia, 30906, USA
025	2098 Greenland Road, Augusta, Georgia, 30805, USA
026	1941 Lumpkin Road, Augusta, Georgia, 30906, USA

Schedule of Locations

028	911 4th Street, Augusta, Georgia, 30901, USA
029	4136 Mack Lane, Augusta, Georgia, 30906, USA
030	1840 Wylids Road, Augusta, Georgia, 30909, USA
031	2260 Walton Way, Augusta, Georgia, 30904, USA
032	1237 Laney Walker Boulevard, Augusta, Georgia, 30901, USA
033	1447 Jackson Road, Augusta, Georgia, 30909, USA
034	1927 Lumpkin Road, Augusta, Georgia, 30906, USA
035	346 Watkins Street, Augusta, Georgia, 30906, USA
037	3507 GA Highway 88, Blythe, Georgia, 30805, USA
038	3705 Old Waynesboro Road, Augusta, Georgia, 30906, USA
039	4185 Windsor Spring Road, Augusta, Georgia, 30906, USA
040	3446 Old Louisville Road, Augusta, Georgia, 30906, USA
041	2619 Lumpkin Road, Augusta, Georgia, 30906, USA
042	2618 Richmond Hill Road, Augusta, Georgia, 30906, USA
043	2243 Old Savannah Road, Augusta, Georgia, 30906, USA
046	1420 Flowing Wells Road, Augusta, Georgia, 30909, USA
047	302 Watkins Street, Augusta, Georgia, 30901, USA
051	1099 Reynolds Street, Augusta, Georgia, 30901, USA
052	3507 Walton Way, Augusta, Georgia, 30906, USA
054	1866 Ellis Street, Augusta, Georgia, 30904, USA
055	2163 Central Avenue, Augusta, Georgia, 30904, USA
056	1898 Martin Luther King Jr Boulevard, Augusta, Georgia, 30901, USA
057	1600 Brown Street, Augusta, Georgia, 30901, USA
058	1 Broad Street, Augusta, Georgia, 30901, USA

Schedule of Locations

059	2917 Willis Foreman Road, Hephzibah, Georgia, 30815, USA
060	1898 Highland Avenue, Augusta, Georgia, 30904, USA
061	2316 Tobacco Road, Augusta, Georgia, 30906, USA
065	1A 5th Street, Augusta, Georgia, 30901, USA
067	2029 Lumpkin Road, Augusta, Georgia, 30906, USA
069	3423 Mike Padgett Highway, Augusta, Georgia, 30906, USA
073	702 3rd Street, Augusta, Georgia, 30901, USA
074	120 Watkins Street, Augusta, Georgia, 30906, USA
075	4330 Deans Bridge Road, Blythe, Georgia, 30805, USA
076	1815 Marvin Griffin Road, Augusta, Georgia, 30906, USA
077	2051 Division Street, Augusta, Georgia, 30904, USA
078	1157 5th Street, Augusta, Georgia, 30901, USA
082	1710 Highland Avenue, Augusta, Georgia, 30904, USA
083	1600 Troupe Street, Augusta, Georgia, 30906, USA
084	2105 Lock & Dam Road, Augusta, Georgia, 30906, USA
085	622 4th Street, Augusta, Georgia, 30901, USA
086	2027 Lumpkin Road, Augusta, Georgia, 30906, USA
088	1488 Eisenhower Drive, Augusta, Georgia, 30904, USA
089	965 Hickman Road, Augusta, Georgia, 30904, USA
091	1349 Community Park Road, Augusta, Georgia, 30906, USA
092	300 Warren Road, Augusta, Georgia, 30907, USA
093	644 Aiken Street, Augusta, Georgia, 30901, USA
094	1014 11th Avenue, Augusta, Georgia, 30901, USA
095	1200 Nellieville Road, Augusta, Georgia, 30901, USA

Schedule of Locations

- 097 3431 Old McDuffie Road, Augusta, Georgia, 30906, USA
- 098 2309 Tobacco Road, Augusta, Georgia, 30906, USA
- 100 87 Milledge Road & 2205 Broad Street, Augusta, Georgia, 30904, USA
- 102 1500 Holley Street, Augusta, Georgia, 30901, USA
- 103 1850 Chester Avenue, Augusta, Georgia, 30906, USA
- 104 1915 Lumpkin Road, Augusta, Georgia, 30906, USA
- 105 2740 Mayo Road, Augusta, Georgia, 30907, USA
- 106 1610 Hunter Street, Augusta, Georgia, 30901, USA
- 109 432 Telfair Street, Augusta, Georgia, 30901, USA
- 110 836 Reynolds Street, Augusta, Georgia, 30901, USA
- 111 3103 Wrightsboro Road, Augusta, Georgia, 30906, USA
- 113 101 Riverfront Drive, Augusta, Georgia, 30901, USA
- 114 3129 GA Highway 88, Blythe, Georgia, 30805, USA
- 115 2540 Wheeler Road, Augusta, Georgia, 30904, USA
- 117 1546 & 1548 Broad Street, Augusta, Georgia, 30904, USA
- 119 2760 Peach Orchard Road, Augusta, Georgia, 30906, USA
- 120 1506 4H Club Road, Augusta, Georgia, 30906, USA
- 121 1506 4-H Club Road, Augusta, Georgia, 30906, USA
- 122 600 Broad Street, Augusta, Georgia, 30901, USA
- 123 3824 Maddox Road, Augusta, Georgia, 30909, USA
- 125 3117 Deans Bridge Road, Augusta, Georgia, 30906, USA
- 126 823 Telfair Street, Augusta, Georgia, 30901, USA
- 127 735 James Brown Boulevard, Augusta, Georgia, 30901, USA
- 128 3050 Deans Bridge Road, Augusta, Georgia, 30906, USA

Schedule of Locations

129	2816 Washington Road, Augusta, Georgia, 30909, USA
130	1056 Alexander Drive, Augusta, Georgia, 30909, USA
131	1832 Wylids Road, Augusta, Georgia, 30909, USA
132	4023 Jim Dent Way, Augusta, Georgia, 30904, USA
133	3425 Mike Padgett Highway, Augusta, Georgia, 30906, USA
134	400 & 402 Walton Way, Augusta, Georgia, 30901, USA
135	511 Reynolds Street, Augusta, Georgia, 30901, USA
136	3463A & 3463B Peach Orchard Road, Augusta, Georgia, 30906, USA
137	452 Walker Street, Augusta, Georgia, 30901, USA
146	712 4th Street, Augusta, Georgia, 30901, USA
148	1822 & 1826 Broad Street, Augusta, Georgia, 30904, USA
150	928 Telfair Street, Augusta, Georgia, 30901, USA
151	2844 Regency Boulevard Buildings A & B, Augusta, Georgia, 30904, USA
152	2820 Old Highway 1, Hephzibah, Georgia, 30815, USA
155	1001 4th Street, Augusta, Georgia, 30901, USA
156	1803 Marvin Griffin Rd, Augusta, Georgia, 30906-3811, USA
157	3431 Mike Padgett Highway, Augusta, Georgia, 30906-3815, USA
158	912 8th Street, Augusta, Georgia, 30901-2918, USA
160	4446 Old Waynesboro Rd, Hephzibah, Georgia, 30815-4352, USA
161	1351 Majestic Skies Way, Augusta, Georgia, 30906, USA
162	1151 Hephzibah-McBean Road, Augusta, Georgia, 30901, USA
163	2869 Central Avenue, Augusta, Georgia, 30909, USA
164	1775 Highland Avenue, Augusta, Georgia 30909, USA

A. POLICY TERM

FROM: 1 March 2025 12:01 a.m. Standard Time
TO: 1 March 2026 12:01 a.m. Standard Time

B. NAMED INSURED

Augusta Richmond County and its wholly or majority owned subsidiaries, and any interest which may now exist or hereinafter be created or acquired which are owned, controlled or operated by any one or more of those named insureds.

C. POLICY LIMIT

This Company's total limit of liability, including any insured Business Interruption loss, will not exceed the Policy Limit of USD 500,000,000 as a result of any one occurrence subject to the respective sub-limits of liability shown elsewhere in this Policy.

D. POLICY TERRITORY

Coverage provided by this Policy is limited to property while located within the United States of America.

Cyber Coverage Territory

Coverage provided in Data Restoration; Data Service Provider Property Damage and Business Interruption; and Owned Network Interruption is limited to anywhere in the world except Cuba; Iran; North Korea; Russian Federation; Sudan; Syria; and Crimea, Donetsk People's Republic (DPR) and Luhansk People's Republic (LPR) regions of Ukraine.

E. INSURANCE PROVIDED**Location Schedule**

This Policy covers property, as described in this Policy, against ALL RISKS OF PHYSICAL LOSS OR DAMAGE, except as hereinafter excluded, while located as follows:

See attached Schedule of Locations

Sub-Limited Location Schedule

This Policy covers property, as described in this Policy, against ALL RISKS OF PHYSICAL LOSS OR DAMAGE, except as hereinafter excluded, not to exceed the limits of liability specified for the coverages indicated, while located as follows:

There shall be no liability under this Policy when "NOT COVERED" is shown.

See attached Schedule of Sub-Limited Locations

F. SUB-LIMITS

Unless otherwise stated below or elsewhere in this Policy, the following sub-limits of liability, including any insured Business Interruption loss, will be the maximum payable and will apply on a per occurrence basis.

The sub-limits stated below or elsewhere in this Policy are part of and not in addition to the Policy Limit.

When a limit of liability applies to a location or property, such limit of liability will be the maximum amount payable for all loss or damage.

There shall be no liability under this Policy when "NOT COVERED" is shown as a sublimit.

Accounts Receivable	USD 2,500,000
Arson or Theft Reward	USD 250,000
Attraction Property	NOT COVERED
boiler and machinery	Policy Limit
Brand Protection	Policy Limit
Change of Temperature	USD 100,000
Civil or Military Authority	30 days
Communicable Disease - Business Interruption	NOT COVERED
Communicable Disease - Property Damage	USD 1,000 annual aggregate
communication towers and associated equipment attached to towers	USD 50,000
Contractual Penalties	NOT COVERED
Crisis Management	NOT COVERED

cyber event	<ol style="list-style-type: none"> 1. USD 1,000 annual aggregate for Data Restoration 2. USD 1,000 annual aggregate for Data Service Provider - Property Damage 3. USD 50,000 annual aggregate for loss or damage to stock in process or finished goods manufactured by or for the Insured caused by or resulting from cyber event that impacts the processing, manufacturing, or testing of such property or while it is otherwise being worked on.
Data Restoration	USD 500,000 annual aggregate
Data Service Provider - Business Interruption	NOT COVERED
Data Service Provider - Property Damage	USD 50,000 annual aggregate
Debris Removal	Policy Limit Not to exceed USD 100,000 for Location No. 047, 302 Watkins Street, Augusta, Georgia, 30901, USA
Decontamination Costs	Policy Limit
Deferred Payment	USD 100,000
Demolition and Increased Cost of Construction	Policy Limit
Earth Movement	USD 100,000,000 annual aggregate , not to exceed USD 50,000 annual aggregate for Data Service Provider - Property Damage, Errors and Omissions, Off-Premises Service Interruption - Property Damage and Unnamed Property, combined
Errors and Omissions	USD 1,000,000
Expediting Expenses	USD 1,000,000
Extended Period of Liability	NOT COVERED
Extra Expense	USD 5,000,000
fine arts	USD 5,000,000, not to exceed USD 10,000 per item for irreplaceable fine arts

Flood	<p>USD 50,000,000 annual aggregate, not to exceed the following:</p> <ol style="list-style-type: none"> 1. USD 5,000,000 annual aggregate for locations described on Tier I Flood Prone Locations, Appendix A, combined, not to exceed USD 2,000,000 annual aggregate for the following locations, combined: <ul style="list-style-type: none"> Location No. 016, 425 Wood Street, Augusta, Georgia, 30904, USA; Location No. 017, 2421 Riverlook Drive, Augusta, Georgia, 30904, USA; Location No. 018, 1820 Doug Barnard Parkway, Augusta, Georgia, 30906, USA; Location No. 026, 1941 Lumpkin Road, Augusta, Georgia, 30906, USA; Location No. 042, 2618 Richmond Hill Road, Augusta, Georgia, 30906, USA; Location No. 046, 1420 Flowing Wells Road, Augusta, Georgia, 30909, USA; Location No. 065, 1A 5th Street, Augusta, Georgia, 30901, USA; Location No. 081, 386 Prep Phillips Drive, Augusta, Georgia, 30901, USA; Location No. 083, 1600 Troupe Street, Augusta, Georgia, 30906, USA; Location No. 084, 2105 Lock & Dam Road, Augusta, Georgia, 30906, USA; Location No. 103, 1850 Chester Avenue, Augusta, Georgia, 30906, USA; Location No. 104, 1915 Lumpkin Road, Augusta, Georgia, 30906, USA; Location No. 113, 101 Riverfront Drive, Augusta, Georgia, 30901, USA; Location No. 126, 823 Telfair Street, Augusta, Georgia, 30901, USA; Location No. 153, 200 Dorsey Drive, Augusta, Georgia, 30905, USA and Location No. 154, 205 Dorsey Drive, Augusta, Georgia, 30905, USA 2. USD 50,000 annual aggregate for Data Service Provider - Property Damage, Errors and Omissions, Off-Premises Service Interruption - Property Damage and Unnamed Property, combined
Green Coverage	USD 100,000 not to exceed 25% of the amount of the property damage loss
Gross Earnings	NOT COVERED
Gross Profits	NOT COVERED
Ingress/Egress	NOT COVERED
Land and Water Clean Up Expense	USD 50,000 annual aggregate

landscaping, lawns, shrubs, trees and flowers	USD 100,000, not to exceed USD 1,000 per item
Leasehold Interest	NOT COVERED
Locks and Keys	USD 500,000
Logistics Extra Cost	NOT COVERED
Money and Securities	USD 250,000
Newly Acquired Property	USD 1,000,000
Off-Premises Service Interruption - Business Interruption	NOT COVERED
Off-Premises Service Interruption - Property Damage	USD 1,000,000
Owned Network Interruption	NOT COVERED
pavements and roadways	USD 100,000
Professional Fees	USD 250,000
Property Removed from a Location	Policy Limit
property under construction	USD 500,000
Protection and Preservation of Property - Business Interruption	NOT COVERED
Protection and Preservation of Property - Property Damage	Policy Limit, not to exceed USD 250,000 for security costs
Rental Income	NOT COVERED
Research and Development	NOT COVERED
Soft Costs	USD 100,000
solar panels and associated equipment	USD 100,000 annual aggregate
Supply Chain	NOT COVERED
Tax Treatment	USD 100,000

Tenants Legal Liability	USD 100,000
Terrorism	USD 100,000 annual aggregate, not to exceed USD 100,000 annual aggregate for Flood and Property Removed from a Location combined
Terrorism: Supplemental United States Certified Act of Terrorism Endorsement(s)	USD 500,000,000 for property located in the United States of America
Transit	USD 500,000, not to exceed USD 250,000 for Business Interruption
Unnamed Property	USD 1,000,000
valuable papers and records	USD 2,000,000, not to exceed USD 10,000 per item for irreplaceable valuable papers and records

G. QUALIFYING PERIODS AND DEDUCTIBLES

QUALIFYING PERIODS

This Company will not be liable for loss or damage unless the Qualifying Period below is exceeded. When the Qualifying Period is exceeded, the loss will be calculated beginning from the time of loss or damage. The Qualifying Periods for the following coverages are as follows:

Communicable Disease - Property Damage	48 hours
Data Restoration	48 hours
Data Service Provider - Property Damage	24 hours
Off-Premises Service Interruption - Property Damage	48 hours

DEDUCTIBLES

This Company will not be liable for loss or damage, including any insured Business Interruption loss, in any one occurrence until the amount of loss or damage exceeds the deductible amount shown below and then this Company will only be liable for its share of the loss or damage in excess of the deductible amount.

The following deductible amounts shall apply per occurrence, unless otherwise stated, for insured loss or damage under this Policy.

When two or more deductibles apply to a single occurrence, then no more than the largest deductible amount will apply. However, this Policy allows for the application of separate and distinct deductibles and deductibles for specific loss or damage as shown below.

When a day equivalent deductible is stated below it is calculated as follows. The 100% daily actual annual Business Interruption value that would have been earned had no loss occurred at the location where the physical damage happened plus that proportion of the 100% annual business interruption value at all other locations where Business Interruption loss ensues, divided by the number of annual working days.

When a % percent deductible is stated below it is calculated as follows:

1. The value of property at the time such loss or damage at the location where loss or damage occurs, in accordance with the valuation section of this Policy.
2. The annual Business Interruption value that would have been earned at the location where loss or damage occurs plus that proportion of the 100% Business Interruption value at all other locations where Business Interruption loss ensues, in accordance with the Business Interruption section of this Policy (if any).

earthquake	USD 100,000 per location
Flood	USD 100,000 per location Except USD 500,000 per location for locations described on Tier I Flood Prone Locations, Appendix A
water damage	USD 100,000 per location
wind and hail	Property Damage: 2% subject to a minimum of USD 100,000 per location
All Other Losses	USD 100,000

H. ADDITIONAL EXCLUSIONS

In addition to the exclusions elsewhere in this Policy, the following exclusions apply unless otherwise stated:

1. Vacant Locations

After 60 days from the date a location becomes vacant, coverage at such location is subject to the following:

This Company will:

1. Apply the following additional exclusions:

This Policy excludes loss or damage caused by or resulting from vandalism or malicious mischief, sprinkler leakage, glass breakage, liquid damage, changes of temperature, changes in relative humidity, theft, fungus, mold or mildew, collapse, and any loss covered under Demolition and Increased Cost of Construction; and

2. Value the insured physical loss amount under this Policy as of the date of loss at the place of loss, and for no more than the interest of the Insured based on the lesser of:
 - a) On property offered for sale on the date of the loss, the selling price.

- b) On property scheduled for demolition, the increased cost of demolition, if any, directly resulting from insured loss.
- c) The cost to repair or replace.
- d) The actual cash value.

The location(s) which are considered vacant include, but are not limited to the following:

Loc. No.	Title	Address
036		5098 Mike Padgett Highway, Augusta, Georgia, 30906, USA
048		2163 Central Avenue, Augusta, Georgia, 30904, USA
068		401 Hale Street, Augusta, Georgia, 30901, USA

DEFINITIONS is amended to include:

vacant means:

The Real Property is unoccupied or the property does not contain enough personal property, machinery or equipment to conduct customary business operations or services;

The Insured is the owner, or lessor, and 30% or less of the total rentable square footage of the location is leased, rented or occupied; or

The Insured is the lessee and the area rented to the Insured does not contain enough personal property, machinery or equipment to conduct customary business operations or services.

Real Property that is under active construction or renovation is not considered vacant unless construction or renovation has ceased for more than 60 consecutive days.

2. Property Exclusion - PRO 408 (01/17)

PROPERTY EXCLUDED is amended to include:

2020 Leona Street, Augusta, Georgia, 30901, USA
 1559 Eagles Way, Augusta, Georgia, 30904, USA
 1860 Kissinghower, Augusta, Georgia, 30906, USA
 4977 Windsor Spring Road, Augusta, Georgia, 30906, USA
 2830 Central Ave, Augusta, Georgia, 30909, USA
 2625 Washington Rd, Augusta, Georgia, 30904, USA
 525 Telfair St, Augusta, Georgia, 30901, USA
 5th Laney Walker, Augusta, Georgia, 30901, USA
 1698 Hunter Street, Augusta, Georgia, 30901, USA
 1800 Heath Street, Augusta, Georgia, 30904, USA
 2510 Allen Street, Augusta, Georgia, 30904, USA
 1132 & 1140 Merry Street, Augusta, Georgia, 30904, USA
 1516 Fenwick Street, Augusta, Georgia, 30904, USA
 401 Walton Way, Augusta, Georgia, 30901, USA
 3116A Augusta Tech Drive, Augusta, Georgia, 30906, USA
 1828 - 1835 Smith Cemetery Road, Augusta, Georgia, 30906, USA
 2502 Allen Street, Augusta, Georgia, 30904, USA
 3140 Augusta Tech Drive, Augusta, Georgia, 30906, USA

298 Prep Phillips Drive, Augusta, Georgia, 30901, USA
 971 Broad Street, Augusta, Georgia, 30901, USA
 1740 Walton Way, Augusta, Georgia, 30904, USA
 78 Milledge Road, Augusta, Georgia, 30904, USA
 2615 Tobacco Road, Hephzibah, Georgia, 30815, USA
 2619 Tobacco Road, Hephzibah, Georgia, 30815, USA
 3408 Blackstone Street, Augusta, Georgia, 30906, USA

3. Personal Property Exclusion - PRO 408 (01/17)

PROPERTY EXCLUDED is amended to include:

Personal Property at the following location(s):

Loc. No.	Title	Address
031		2260 Walton Way, Augusta, Georgia, 30904, USA
032		1237 Laney Walker Boulevard, Augusta, Georgia, 30901, USA
033		1447 Jackson Road, Augusta, Georgia, 30909, USA
034		1927 Lumpkin Road, Augusta, Georgia, 30906, USA
126		823 Telfair Street, Augusta, Georgia, 30901, USA

4. Transmission and Distribution Systems Exclusion - PRO 132 (01/19)

PROPERTY EXCLUDED is amended to include:

transmission and distribution systems, except at a described location but not within the 1,000 feet extension provided by the PROPERTY INSURED wording.

5. Location Debris Removal Only Coverage (Property Damage) - PRO 383 (04/15)

PROPERTY EXCLUDED is amended to include the following:

Property at the following location(s):

Loc. No.	Title	Address
047		302 Watkins Street, Augusta, Georgia, 30901, USA

Except for Debris Removal coverage.

This Policy covers Debris Removal for the following location(s):

Loc. No.	Title	Address
047		302 Watkins Street, Augusta, Georgia, 30901, USA

6. Fort Eisenhower Exclusion - PRO 408 (01/17)

PROPERTY EXCLUDED is amended to include:

All property at Fort Eisenhower, Augusta, Georgia, 30905, USA

Except at the following location(s):

Loc. No.	Title	Address
153	Fort Eisenhower Irrigation Water Treatment Plant	200 Dorsey Drive, Augusta, Georgia, 30905, USA
154	AUD Fort Eisenhower Admin Building	205 Dorsey Drive, Augusta, Georgia, 30905, USA

I. SPECIAL TERMS AND CONDITIONS**1. Actual Cash Value - Roof Coverings**

LOSS ADJUSTMENT AND SETTLEMENT, VALUATION, item 1., is amended to:

1. Adjustment of physical loss to property resulting from wind and hail will be determined based on the lesser of the following unless stated otherwise below or elsewhere in this Policy:
 - a) The actual cash value;
 - b) The cost to repair;
 - c) The cost to rebuild or replace on the same site with new materials of like size, kind and quality;
 - d) The cost to rebuild, repair or replace on the same or another site, but not to exceed the size and operating capacity that existed on the date of loss.

Applying to any roof coverings, including but not limited to fasteners, insulation boards, cover boards, membranes, and other components of the above deck roofing systems, 15 years of age or older at all locations.

deductibles

The % deductible for the above (if any) will be based on the valuation of the location prior to the roof covering valuation change above.

2. Historical Replacement Cost - PRO 157 (01/17)

LOSS ADJUSTMENT AND SETTLEMENT, VALUATION, is amended to include:

With respect to buildings designated by a local, state, or federal authority to be of historical significance or of historical value, such rebuilding, repairing or replacement shall be with modern material, workmanship processes, technologies and designs, and shall not include the cost of re-creating outdated, archaic or antiquated materials, workmanship, processes, technologies, or designs, whether or not such cost otherwise would be covered under ADDITIONAL COVERAGES, Demolition and Increased Cost of Construction.

3. United States Certified Act of Terrorism - PRO 207 (01/20)

As respects the United States, its territories and possessions and the Commonwealth of Puerto Rico, the definition of terrorism is declared null and void and it is agreed that a Certified Act of Terrorism under the terms of the SUPPLEMENTAL UNITED STATES CERTIFIED ACT OF TERRORISM ENDORSEMENT attached to this Policy shall be considered terrorism within the terms of this Policy. Notwithstanding anything contained in this Policy to the contrary, this Policy provides coverage for direct physical loss or damage to insured property and any resulting BUSINESS INTERRUPTION loss, as provided in the Policy, caused by or resulting from a Certified Act of Terrorism only to the extent coverage is provided under the terms and conditions of the SUPPLEMENTAL UNITED STATES CERTIFIED ACT OF TERRORISM ENDORSEMENT attached to this Policy. Any difference in limit between loss recoverable under the SUPPLEMENTAL UNITED STATES CERTIFIED ACT OF TERRORISM ENDORSEMENT and this Policy is not recoverable under this Policy.

J. INDEX OF FORMS

The following forms are made part of this Policy:

<u>Title</u>	<u>Form No.</u>	<u>Edition</u>
Declarations Page	PRO DEC 4100	(01/24)
Declarations	PRO S-1 4100	(01/20)
All Risk Coverage	PRO AR 4100	(01/23)
Tier I Flood Prone Locations	Appendix A	Version 001
Supplemental United States Certified Act of Terrorism Endorsement	AFM 7312	(06/21)
Georgia Amendatory Endorsement	AFM 2376	(01/23)

SCHEDULE OF SUB-LIMITED LOCATIONS**Sub-Limited Location Schedule**

Loc. No.	Title	Address
007		3421 Mike Padgett Highway, Augusta, Georgia, 30906, USA
Sub-limit of liability:		
	Real & Personal Property	USD 6,579,696
	Business Interruption	NOT COVERED
036		5098 Mike Padgett Highway, Augusta, Georgia, 30906, USA
Sub-limit of liability:		
	Real & Personal Property	USD 229,434
	Business Interruption	NOT COVERED
048		2163 Central Avenue, Augusta, Georgia, 30904, USA
Sub-limit of liability:		
	Real & Personal Property	USD 961,340
	Business Interruption	NOT COVERED
050		1439 Walton Way, Augusta, Georgia, 30901, USA
Sub-limit of liability:		
	Real & Personal Property	USD 542,690
	Business Interruption	NOT COVERED
068		401 Hale Street, Augusta, Georgia, 30901, USA
Sub-limit of liability:		
	Real & Personal Property	USD 350,234
	Business Interruption	NOT COVERED
081		386 Prep Phillips Drive, Augusta, Georgia, 30901, USA
Sub-limit of liability:		
	Personal Property	NOT COVERED
	Real Property	USD 441,510
	Business Interruption	NOT COVERED
099		2101 Telfair Street, Augusta, Georgia, 30904, USA
Sub-limit of liability:		
	Real & Personal Property	USD 96,843
	Business Interruption	NOT COVERED
107		902 James Brown Boulevard & 903 8th Street, Augusta, Georgia, 30901, USA
Sub-limit of liability:		
	Real & Personal Property	USD 979,251
	Business Interruption	NOT COVERED
147		3405 Mike Padgett Highway, Augusta, Georgia, 30906, USA
Sub-limit of liability:		
	Real & Personal Property	USD 1,010,348
	Business Interruption	NOT COVERED

153		200 Dorsey Drive, Augusta, Georgia, 30905, USA
Sub-limit of liability:		
	Personal Property	USD 5,232,400
	Real Property	USD 21,852,480
	Business Interruption	NOT COVERED
154		205 Dorsey Drive, Augusta, Georgia, 30905, USA
Sub-limit of liability:		
	Personal Property	USD 267,800
	Real Property	USD 2,403,773
	Business Interruption	NOT COVERED
159		2803 Wrightsboro Rd, Augusta, Georgia, 30909-3913, USA
Sub-limit of liability:		
	Personal Property	USD 257,500
	Real Property	NOT COVERED
	Business Interruption	NOT COVERED

Property Definitions

Actual Cash Value: This valuation method pays for the cost to repair or replace damaged property with like kind and quality, less reasonable deductions for wear and tear, deterioration, and economic obsolescence.

Agreed Value: This coverage is used to remove the coinsurance requirement for covered property. With it your company agrees that the amount of coverage purchased is adequate, and any coinsurance requirements are waived if the limit of insurance equals the agreed value.

Basic Cause of Loss: This coverage is used to provide protection for the following causes of loss: fire, lightning, explosion, windstorm, hail, smoke (except from agricultural smudging or industrial operations), aircraft, vehicles, riot, civil commotion, vandalism, sprinkler leakage, sinkhole collapse, and volcanic action.

Broad Cause of Loss: This coverage is used to provide protection for the following causes of loss: fire, lightning, explosion, windstorm, hail, smoke (except from agricultural smudging or industrial operations), aircraft or vehicles, riot, civil commotion, vandalism, sprinkler leakage, sinkhole collapse, volcanic action, breakage of glass, falling objects, weight of snow, ice or sleet (except for damage to gutters, downspouts or personal property outside of buildings), and limited water damage.

Business Income: This coverage is used to insure against loss of income that you experience because of a suspension of your business when insured property has been damaged by a "covered" peril. If indicated on the proposal, it may also include additional expenses needed to continue business. Refer to the specific Business Income form for any set "period of restoration" limitations.

Coinsurance: A policy may contain a coinsurance clause requiring that the limit of coverage be a minimum percentage (usually 80%) of the insurable value of your property. If the amount of insurance carried is less than what is required by this clause, any claim payment may be reduced by the same percentage as the deficiency. For example, covered property worth \$100,000 may require a minimum of 80%, or \$80,000, of coverage for compliance with the policy's coinsurance requirement. If only \$60,000 of coverage is carried (25% less than the required \$80,000), then any loss payment would be reduced by 25%.

Coverage Summary: Direct physical loss of or damage to covered property at described premises caused by or resulting from a covered Cause of Loss.

Earthquake: This coverage is used to provide protection for loss due to earth movement including earthquake shocks and volcanic eruption.

Flood: This coverage is used to provide coverage against loss due to water damage arising from flooding, surface water, tides, tidal waves, and the overflow of any body of water.

Functional Replacement Cost: This valuation method is used in situations where replacing damaged or destroyed property is impractical, impossible, or unnecessary. It affords you the ability to substitute property which is substantially different in value or cost from the original property. Consequently, you are allowed to carry policy limits lower than what would normally be required.

Property Definitions - Continued

Guaranteed Replacement Cost: When added to your policy, this endorsement guarantees to repair or rebuild a covered building even if the reconstruction costs are greater than the amount of coverage specified for that building.

Property Specific Basis: Property protection is provided for a specified limit of insurance at each individually described premise.

Property Blanket Basis: Blanket protection combines a number of separate property coverages and/or coverages at two or more locations under a single combined limit of insurance.

Replacement Cost: This valuation method pays for the cost to repair or replace damaged items with like kind and quality without deduction for depreciation. This is important since you could face a substantial loss if you must replace property at today's prices but receive only the depreciated value of the property that was destroyed.

Special Cause of Loss: This coverage will protect covered property against direct physical loss arising from any cause not specifically "excluded". Example of exclusions are **flood, earthquake**, rust, corrosion, fungi, mold, damage to property being worked on, artificially generated electrical currents, damage by rain, snow, or sleet to property in the open. Refer to the special cause of loss form for additional exclusions.

Vacancy: All property policies include a condition that limits or reduces coverage when a building is **vacant** or considered vacant as defined by the insurance policy. For certain causes of loss, coverage is completely eliminated. The policy can include wording that defines a building as considered **vacant** beyond a certain period of time or a certain percentage of the square footage of the building is not used to conduct customary operations. In most cases, policies or coverage forms that apply to commercial property require additional premium and endorsement in order for insurance coverage to continue during a period of **vacancy**.

Valuation: The value basis by which the covered property is replaced after the loss.

Coverage Recommendations

We have been dependent upon information provided by you to evaluate your exposures to loss. However, if there are other areas that need to be evaluated, please bring these areas to our attention. ***Specifically, we ask that you review and consider the following items:***

HIGHER LIMITS:	In today's litigious society, many businesses have found it necessary to increase their limits of liability to ensure adequate protection for their assets in the event of a loss. Higher limits of liability may be available. To ensure your level of comfort, please carefully review the limits of coverage shown in this proposal
BUSINESS INTERRUPTION:	A time element coverage which pays for loss of earnings when business operations are curtailed or suspended due to property loss as a result of an insured cause of loss. Also covered are loss of rents and rental value. Extra expenses incurred to continue operations at another location are included as long as they reduce the total amount of loss.
BUILDING ORDINANCE:	Provides coverage including (1) Demolition Cost, (2) Increased Cost of Construction, and (3) Coverage for Undamaged Portion of your "older" buildings. By law, a building not in conformance with current building codes could be required to be demolished or remodeled to satisfy all current building requirements. Insurance protection for these exposures is not contemplated by the standard property "form".
EMPLOYEE DISHONESTY:	Reimburses you for loss of money or other property because of a fraudulent or dishonest act committed by an employee.
FLOOD INSURANCE:	Protects your property against loss by flood, high tides or waves, or rising water due to severe storms, which are normally perils excluded by the "All Risk" property forms. Mudslide, if a result of general floods conditions, is also covered. Coverage against damage done by the rising or overflowing of bodies of water.
EARTHQUAKE INSURANCE:	Protects your property against loss by earthquake and volcanic eruption, which are normally perils excluded by the "Special" property forms.
EMPLOYMENT PRACTICES LIABILITY:	Insures against a wide spectrum of claims arising from the Americans With Disability Act, the Civil Rights Act of 1991, and other state and federal civil rights laws affecting employment related discrimination, sexual harassment and wrongful termination.
DIRECTORS & OFFICERS LIABILITY:	Covers your officers and directors from claims brought because of alleged negligent acts and errors or omissions, while acting within the capacity of their official duties.
FIDUCIARY LIABILITY:	The Employee Retirement Income Security Act (ERISA) imposed an obligation on employee benefit plan fiduciaries to act solely in the interest of participants and beneficiaries. Under the law, fiduciaries are personally liable for any breach of their responsibilities. Fiduciary Liability coverage protects the personal assets of trustees.

Coverage Recommendations - Continued

INTERNATIONAL:

Do you have any customers that have foreign sales, imports or exports?
Do you sell any products over the internet?
Do any of your employees travel outside the United States on business?
Do you attend trade fairs or exhibitions overseas?
Do you have any customers looking for new markets overseas – including Canada and Mexico?
Do you have any overseas facilities, licensing, subcontracting or joint ventures?
Do you have an Ocean Cargo policy?
Do you have any customers that travel overseas routinely to service sold products or equipment?

If you have answered yes to any of these questions, you may need to purchase local statutory required coverage for the country(s) where you have exposures. When companies do business in foreign countries, they can encounter a myriad of unfamiliar laws, languages and customs. Foreign Liability Insurance is the first line of defense against costly legal actions arising from events occurring outside U.S. borders.

POLLUTION:

Contractor's Pollution Liability (CPL): Provides coverage for loss as a result of claims for bodily injury, property damage, or clean-up costs caused by pollution conditions resulting from covered operations; applies to sudden and gradual pollution events; coverage can be amended to include vicarious professional exposure, non-owned disposal sites, transportation, and limited premises liability.

Pollution Legal Liability (PLL): facility-based coverage for listed locations; provides on-site and off-site coverage for bodily injury, property damage, and clean-up for pollution conditions on, at, under, or emanating from a covered location; coverage can be for pre-existing and/or new conditions; coverage can be amended to include non-owned disposal sites, transportation, and business interruption.

Tank Coverage: provides coverage for third-party claims and first-party remediation costs for a storage tank incident from a scheduled tank; coverage can be used to satisfy the insured's obligation to demonstrate financial responsibility under State Tank Financial Requirements.

Coverage Recommendations - Continued

PRIVACY LIABILITY AND NETWORK SECURITY LIABILITY COVERAGE:

Privacy Liability coverage is one of the fastest growing areas of Commercial Insurance, with Insurers now providing far more comprehensive coverage than they have in the past. Network Security coverage (or “Cyber Liability”), while still being a valid form of coverage, is simply inadequate on its own to fully protect a company’s exposures under Privacy Legislation enacted in the last few years. Virtually every company has some form of Privacy Liability exposure and policies can be structured to provide the following:

- **Privacy Liability:**
 - Covers loss arising out of the organization’s failure to protect sensitive personal or corporate information *in any format*.
 - Provides coverage for regulatory proceedings brought by a government agency alleging the violation of any state, federal, or foreign identity theft or privacy protection legislation.
- **Privacy Claim Expenses Coverage:**
 - Covers expenses to retain a computer forensics firm to determine the scope of a breach, to comply with privacy regulations, to notify and provide credit monitoring services to affected individuals, and to obtain legal, public relations or crisis management services to restore the company’s reputation.
- **Network Security Liability:**
 - Covers any liability of the organization arising out of the failure of network security, including unauthorized access or unauthorized use of corporate systems, a denial of service attack, or transmission of malicious code.
- **Internet Media Liability:**
 - Covers infringement of copyright or trade mark, invasion of privacy, libel, slander, plagiarism, or negligence arising out of the content on the organization’s internet website.
- **Network Extortion:**
 - Covers extortion monies and associated expenses arising out of a criminal threat to release sensitive information or bring down a network unless consideration is made.
- **Network Business Interruption:**
 - Covers for Business Interruption Losses as a result of an interruption of computer systems caused by the failure of computer security systems to prevent:
 - a virus being introduced into the computer system, or
 - unauthorized access to the computer system.
- **Contingent Business Interruption:**
 - An extension to the Network BI Cover to provide cover for losses due to the impairment of the Insured company’s business operations following a disruption to an IT Provider’s system.
- **Professional Liability:**
 - For companies providing professional services to their clients, Privacy Liability policies can also be arranged to include a company’s Professional Liability exposures in the technology field (which requires a specific insuring clause) or in providing non-technology services.

Compensation Disclosure and Limitation of Liability

Marsh & McLennan Agency LLC (“MMA”) prides itself on being an industry leader in the area of transparency and compensation disclosure. We believe you should understand how we are paid for the services we are providing to you. We are committed to compensation transparency and to disclosing to you information that will assist you in evaluating potential conflicts of interest.

As a professional insurance producer, MMA and its subsidiaries facilitate the placement of insurance coverage on behalf of our clients. As an independent insurance agent, MMA may have authority to obligate an insurance company on behalf of our clients and as a result, we may be required to act within the scope of the authority granted to us under our contract with the insurer. In accordance with industry custom, we are compensated either through commissions that are calculated as a percentage of the insurance premiums charged by insurers, or fees agreed to with our clients.

MMA engages with clients on behalf of itself and in some cases as agent on behalf of its non-US affiliates with respect to the services we may provide. For a list of our non-US affiliates, please visit: <https://mma.marshmma.com/non-us-affiliates>. In those instances, MMA will bill and collect on behalf of the non-US Affiliates amounts payable to them for placements made by them on your behalf and remit to them any such amounts collected on their behalf;

MMA receives compensation through one or a combination of the following methods:

- **Retail Commissions** – A retail commission is paid to MMA by the insurer (or wholesale broker) as a percentage of the premium charged to the insured for the policy. The amount of commission may vary depending on several factors, including the type of insurance product sold and the insurer selected by the client.
- **Client Fees** – Some clients may negotiate a fee for MMA’s services in lieu of, or in addition to, retail commissions paid by insurance companies. Fee agreements are in writing, typically pursuant to a Client Service Agreement, which sets forth the services to be provided by MMA, the compensation to be paid to MMA, and the terms of MMA’s engagement. The fee may be collected in whole, or in part, through the crediting of retail commissions collected by MMA for the client’s placements.
- **Contingent Commissions** – Many insurers agree to pay contingent commissions to insurance producers who meet set goals for all or some of the policies the insurance producers place with the insurer during the current year. The set goals may include volume, profitability, retention and/or growth thresholds. Because the amount of contingent commission earned may vary depending on factors relating to an entire book of business over the course of a year, the amount of contingent commission attributable to any given policy typically will not be known at the time of placement.
- **Supplemental Commissions** – Certain insurers and wholesalers agree to pay supplemental commissions, which are based on an insurance producer’s performance during the prior year. Supplemental commissions are paid as a percentage of premium that is set at the beginning of the calendar year. This percentage remains fixed for all eligible policies written by the insurer during the ensuing year. Unlike contingent commissions, the amount of supplemental commission is known at the time of insurance placement. Like contingent commissions, they may be based on volume, profitability, retention and/or growth.
- **Wholesale Broking Commissions** – Sometimes MMA acts as a wholesale insurance broker. In these placements, MMA is engaged by a retail agent that has the direct relationship with the insured. As the wholesaler, MMA may have specialized expertise, access to surplus lines markets, or access to specialized insurance facilities that the retail agent does not have. In these transactions, the insurer typically pays a commission that is divided between the retail and wholesale broker pursuant to arrangements made between them.

- **Medallion Program and Sponsorships** – Pursuant to MMA's Medallion Program, participating carriers sponsor educational programs, MMA events and other initiatives. Depending on their sponsorship levels, participating carriers are invited to attend meetings and events with MMA executives, have the opportunity to provide education and training to MMA colleagues and receive data reports from MMA. Insurers may also sponsor other national and regional programs and events.
- **Other Compensation & Sponsorships** – From time to time, MMA may be compensated by insurers for providing administrative services to clients on behalf of those insurers. Such amounts are typically calculated as a percentage of premium or are based on the number of insureds. Additionally, insurers may sponsor MMA training programs and events.

We will be pleased to provide you additional information about our compensation and information about alternative quotes upon your request. For more detailed information about the forms of compensation we receive please refer to our Marsh & McLennan Agency Compensation Guide at <https://www.marshmma.com/us/compensation-guide.html>.

MMA's aggregate liability arising out of or relating to any services on your account shall not exceed ten million dollars (\$10,000,000), and in no event shall we be liable for any indirect, special, incidental, consequential or punitive damages or for any lost profits or other economic loss arising out of or relating to such services. In addition, you agree to waive your right to a jury trial in any action or legal proceeding arising out of or relating to such services. The foregoing limitation of liability and jury waiver shall apply to the fullest extent permitted by law.

Rev: September 8, 2022

Minimum Earned & Deposit Premiums

Minimum Deposit

Minimum and deposit is the amount of premium due at inception. Although the policy is “ratable”, subject to adjustment based on a rate per exposure unit, under no circumstances will the annual earned premium be less than the minimum deposit premium. The policy may generate an additional premium on audit, but will not result in a return. If such a policy is cancelled mid-term, the earned premium is the greater of the annual minimum multiplied by the short rate or pro-rate factor, or the actual earned as determined by audit, subject to a short rate penalty if applicable.

Minimum Earned Premium

A minimum earned premium endorsement can be attached to either a flat charge policy or an adjustable policy. In either case, this amount is the least that will be retained by the carrier once the policy goes into effect. The amount retained would be the greater of the actual earned premium whether calculated on a pro-rate or short-rate basis, or the minimum earned premium.

Flat Cancellations

Surplus lines carriers typically do not allow flat cancellations. Once the policy is in effect, some premium will be earned, and the amount or percentage is outlined in the policy.

Direct Bill Policies

Notices you receive from your insurer regarding past due premiums or cancellation due to non-payment of premium shall be considered notice from Marsh & McLennan Agency LLC (MMA). As a matter of general practice, MMA does not provide notice of a potential lapse of coverage due to non-payment of premium to clients where coverage is written on a direct bill basis.

Proposal Disclaimer

Marsh & McLennan Agency LLC (“MMA”) thanks you for the opportunity to discuss your insurance and risk management program. No coverage is provided by this summary. Coverage conditions are highlights only and are subject to exclusions and additional terms as stated within the policy. Not all exclusions, terms and conditions are shown. If there are any differences between the policy and the proposal, the policy prevails. For details of coverage, refer to policy forms, terms and conditions.

We have evaluated your exposures to loss and developed this proposal based upon the information that you have provided to us. If you are aware of other areas of potential exposure that need to be evaluated or of additional information of which we should be aware prior to binding of coverage, please bring the other areas or additional information to our attention as soon as possible. Should any of your exposures change after coverage is bound, please notify us immediately.

Client Contracts

In the event that you enter into a contract that has specific insurance requirements, MMA will review your contract, but only in regards to the insurance requirements of the contract. The scope of our review will be to determine if the current insurance program which you have placed through our agency addresses the types and amounts of insurance coverage referenced by the contract. We will identify the significant insurance obligations and will provide a summary of the changes required in your current insurance program to meet the requirements of the contract. Upon your authorization, we will make the necessary changes in your insurance program. We will also be available to discuss any insurance requirements of the contract with your attorney, if desired.

In performing a contract review, MMA is not providing legal advice or a legal opinion concerning any portion of the contract. In addition, MMA is not undertaking to identify all potential liabilities that may arise under any such contracts. A contract review is provided solely for your information and should not be relied upon by third parties. Any descriptions of the insurance coverages are subject to the terms, conditions, exclusions, and other provisions of the contract and of the insurance policies and applicable regulations, rating rules or plans.

Credit Policy

Marsh & McLennan Agency (MMA) strives to offer the highest quality of service at the most competitive price possible. Accordingly, we have the following credit policy in place to assure that your coverage is not interrupted during the policy term.

All premiums are due on the invoice date or effective date of the insurance, whichever is later. Always submit the remittance copy with your payment. If a remittance copy is not submitted, we will apply the cash to the oldest items on the account. Also, credit memos that cannot be applied against the original invoice will be applied to the oldest items on the account unless you direct us otherwise.

If installment payments are available and provided under insurance policy terms, you will receive an invoice for each installment. Installments are due on the effective date of the invoice. MMA does not finance annual or installment premiums. However, should you wish to finance your premium, we can place your financing with an approved insurance premium finance company.

Your Account Manager maintains on-line access to all of your coverage, premium and accounting detail and will be able to answer most billing questions. Any other questions will be referred directly to our accounting department for immediate response. We thank you for your support and business.

Did you know Marsh & McLennan Agency offers two options to pay your bill online, using a valid checking/savings account or via credit card? Our system is safe and secure and is an easy tool to pay your invoices online.

Pay Your Bill Online

Direct Link to Payment via Checking/Savings Account: <https://serviceapi.securfee.com/marshmma>

Direct Link to Payment via Credit Card: <https://serviceapi.securfee.com/marshmma>

Frequently Asked Questions

- You can pay any invoice using a valid Checking or Savings account or Credit Card.
- Both payment gateways seamlessly integrate with our existing website and can securely accept multiple payment options.
- Credit Card payments require a Policy Number, Named Insured & Address
- There will be a 3.5% fee charged to the cardholder by Secure.
- Checking/Savings payments require a Client Code/Bill to Code, Invoice #, Invoice Amount, Email Address, Policy Number, Named Insured & Address
- There is no additional fee for payments via valid Checking/Savings Account.

AM Best Rating Scale

GUIDE TO BEST'S FINANCIAL STRENGTH RATINGS – (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 very 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 extremely vulnerable to adverse changes in underwriting and economic conditions.

* Each Best's Financial Strength Rating Category from "A+" to "C" includes a Rating Notch to reflect a gradation of financial strength within the category. A Rating Notch is expressed with either a second plus "+" or a minus "-".

Financial Strength Non-Rating Designations

Designation Symbols	Designation Definitions
E	Status assigned to insurers that are publicly placed, via court order into conservation or rehabilitation, or the international equivalent, or in the absence of a court order, clear regulatory action has been taken to delay or otherwise limit policyholder payments.
F	Status assigned to insurers that are publicly placed via court order into liquidation after a finding of insolvency, or the international equivalent.
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 a 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 or insurance companies that have never been rated by AM 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.

For the most current version, visit www.ambest.com/ratings/index.html. BCRs are distributed via the AM Best website at 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 "Guide to 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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Version 121719

Client Authorization to Bind Coverage

LINES OF COVERAGE TO BIND

Coverage Description	Effective Dates
PROPERTY	3/20/2025 – 3/20/2026

(Please initial)

_____ Bind as Proposed

_____ Bind with the following changes

Authorized Signature _____

Title/Position _____

Date _____

No coverage is provided by this summary. Coverage conditions are highlights only and are subject to exclusions and additional terms as stated within the policy. Not all exclusions, terms and conditions are shown. If there are any differences between the policy and the proposal, the policy prevails. For details of coverage, refer to policy forms, terms and conditions.

Payments

MINIMUM EARNED PREMIUMS

A minimum earned premium endorsement can be attached to either a flat charge policy or an adjustable policy. In either case, this amount is the least that will be retained by the carrier once the policy goes into effect. The amount retained would be the greater of the actual earned premium whether calculated on a pro-rate or short-rate basis, or the minimum earned premium. Surplus lines carriers almost never allow flat cancellations. Once the policy is in effect, some premium will be earned.

PAYMENT POLICY

Marsh McLennan Agency strives to offer the highest quality of service. Accordingly, we have the following payment policy in place to assure that your coverage is not interrupted during the policy term.

- For agency bill policies: All premiums are due on the invoice date or effective date of the insurance, whichever is later. Always submit the remittance copy with your payment. If a remittance copy is not submitted, we will apply the cash to the oldest item on the account. Also, credit memos that cannot be applied against the original invoice will be applied to the oldest items on the account unless you direct us otherwise. Your Service Team maintains the on-line access to all of your coverage, premium and accounting detail and will be able to answer most billing questions. Any other questions will be referred directly to our accounting department for immediate response.
- For direct bill policies: You will receive notices from your insurer regarding past due premiums or cancellations due to non-payment of premium. As a matter of general practice, MMA does not provide notice of potential lapse of coverage due to non-payment of premium to clients where coverage is written on a direct bill basis.
- If installment payments are available and provided under insurance policy terms, you will receive an invoice for each installment. Installments are due on the effective date of the invoice. Marsh & McLennan Agency does not finance annual or installment premiums. However, should you wish to finance your premium, we can place your financing with an approved insurance premium finance company.

We thank you for your support and business.

Pay Your Bill Online

Direct Link to Payment via Checking/Savings Account: <https://serviceapi.securfee.com/marshmma>

Direct Link to Payment via Credit Card: <https://serviceapi.securfee.com/marshmma>

Frequently Asked Questions

- You can pay any invoice using a valid Checking or Savings account or Credit Card.
- Both payment gateways seamlessly integrate with our existing website and can securely accept multiple payment options.
- Credit Card payments require a Policy Number, Invoice Number, First & Last Name, Email Address, Named Insured on Policy & Address
- There will be a 3.5% fee charged to the cardholder by SecureFee for Credit Card Payments.
- Checking/Savings payments require a Policy Number, Invoice Number, First & Last Name, Email Address, Named Insured on Policy & Address.
- There will be a non-refundable \$4.00 security and delivery fee charged by SecurFee for ACH/Checking payment transactions.