

**INSURANCE PROPOSAL  
PREPARED FOR:**

**CITY OF BAY ST LOUIS**

P O Box 2550

Bay St. Louis MS 39521

**PRESENTED BY:**

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**BETZ ROSETTI**  
& ASSOCIATES

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**DISCLAIMER** - The abbreviated outlines of coverages used throughout this proposal are not intended to express any legal opinion as to the nature of coverage. They are only visuals to a basic understanding of coverages. This is only a summary and the terms and conditions of any policy issued will take precedence over the proposal.

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## LOCATION SCHEDULE

**Issuing Company:** National Union Fire Insurance Company of Pittsburgh, Pa.  
**Policy Term:** 01/20/26 – 01/20/27

**Loc # Bldg # Address**

1	1	543 Main Street Bay St. Louis MS 39520
2	1	9998 Hwy 603 Bay St. Louis MS 39520

## PROPERTY LIMITS

Loc #	Bldg #	Subject of Ins	Amount	Coins	Ded	Valuation	Wind Ded
1	1	Building	\$6,496,073	N/A	5,000	Replacement Cost	5% NS
1	1	Business Personal Property	\$46,825	N/A	5,000	Replacement Cost	5% NS
2	1	Building	\$3,515,868	N/A	5,000	Replacement Cost	5% NS
2	1	Business Personal Property	\$45,024	N/A	5,000	Replacement Cost	5% NS

## COMMERCIAL PROPERTY

Property insurance is any type of insurance that indemnifies an insured party who suffers a financial loss because property has been damaged or destroyed. Property is considered to be any item that has a value. Property can be classified as real property or personal property. Real property is land and the attachments to the land, such as buildings. Personal property is all property that is not real property. The Building and Personal Property coverage form is the form used to insure almost all types of commercial property. The insuring agreement in the Building and Personal Property coverage form promises to pay for direct physical loss or damage to covered property at the premises described in the policy when caused by or resulting from a covered cause of loss. The following is a brief outline of coverage and how they are used within the Commercial Building and Personal Property coverage form.

### **Buildings and Business Personal Property**

Coverage for the building includes the building and structures, completed additions to covered buildings, outdoor fixtures, permanently installed fixtures, machinery and equipment. The building material used to maintain and service the insured's premises is also insured. Business Personal Property owned by the insured and used in the insured's business is covered for direct loss or damage. The coverage includes furniture and fixtures, stock, and several other similar business property items when not specifically excluded from coverage. The policy is also designed to protect the insured against loss or damage to the personal property of others while in the insured's care, custody or control.

### **Coverage Extensions and Additional Coverage**

In addition to the limits stated in the Building and Personal Property coverage form, the policy has a coverage extensions section and an additional coverage section. The coverage extensions section provides limited coverage for newly acquired or constructed property, property of others, certain outdoor property, and the cost to research and reconstruct information on destroyed records. When coverage is placed on the all risk form, two additional extensions are added for property in transit and coverage for certain repair costs related to damage caused by water. The two additional extensions are covered by certain perils only. The additional coverage section provides coverage for indirect losses that result from a direct loss. The coverage applies to removal of debris, preservation of property, fire department service charges and pollutant cleanup and removal. The coverage extensions and the additional coverage have limitations and are subject to certain conditions.

#### **Limit of Insurance**

The most the insurer will pay for a loss or damage in any one occurrence is the limit of insurance stated in the policy declarations

#### **Deductible**

The standard deductible is \$250. However, other deductible amounts are available and the deductible applies only once per loss.

### **Causes of Loss**

The term peril is used when discussing losses. A peril is a cause of loss. Basic property insurance policies are written to cover the perils of fire, lightning, explosion, windstorm, hail, smoke, aircraft or vehicle damage, riot or civil commotion, vandalism, sprinkler leakage, sinkhole collapse, and volcanic action. Other property insurance policies, often referred to as the broad form policy, add coverage for water damage, weight of snow, ice or sleet, breakage of glass and coverage for falling objects. The broadest coverage is the special form, which is best known as the all risk form. All risk covers all causes of loss, except those specifically excluded from coverage. It is possible for a commercial property policy to have more than one cause of loss form.

## Replacement Cost and Actual Cash Value

Property can be valued in several different ways. Insurance companies commonly use two approaches to determine value, which also determines how a loss will be paid; the replacement cost method and the actual cash value method. Insurers consider replacement cost of a property item to be the cost to replace it with property of like kind. Actual cash value is replacement cost minus the accumulated depreciation for age and condition.

## Agreed Value

When the agreed value option is used the coinsurance requirement is removed and the insurer agrees to cover losses for its agreed value. When this option is used the insured and the insurance company agree on the value of the property before the policy is issued. As an example, the insured has property insured for \$100,000 and the agreed value is also \$100,000, if a loss occurs, any loss up to \$100,000 is covered at 100%. This option is usually assigned to one-of-a-kind property.

## COINSURANCE

The success of any Commercial Property program is measured by its effectiveness following an insured loss. Thus, in establishing adequate coverage, one must have firsthand information as to the insurable values at risk. Book values do not fulfill this purpose. Insurable values are present day replacement cost with proper allowance for depreciation. Since replacement costs fluctuate, it is necessary to keep a constant check on insurable values.

Most building and business personal property policies have a coinsurance clause which requires the insured to carry insurance equal to at least a specified percentage of the actual cash value of the property. If a loss occurs, and it is determined that the amount of insurance carried is less than the amount required a penalty could be placed on the insured.

The insurance applying in the following example is subject to the 90% Coinsurance Clause. Under the terms in this clause, you should insure the property at risk to the stipulated percentage of value. If you fail to do so, you will not be fully reimbursed for any loss that may occur. The manner in which the Coinsurance Clause would operate in the event of a partial loss is illustrated below and is merely a hypothetical example:

Insurable Interest	Insurance Carried	Insurance Required (90%)	Amount of Loss	Policy Pays	Insured Pays
\$100,000	\$60,000	\$90,000	\$10,000	\$6,667	\$3,333

The computation formula is 'did over should.' The insured carried \$60,000, but should have carried \$90,000. Therefore the insured carried two-thirds of what he should have carried and will receive payment for only two-thirds of his \$10,000 partial loss in spite of the fact the face amount of the policy was \$60,000.

The above is merely to show how Coinsurance works. If at any time you should substantially increase building values or contents values, you should notify us immediately to increase your coverage to avoid any Coinsurance penalties.

## Inflation Guard

An insured can insure a building for its full value at the beginning of the policy year, but, at the end of the year, it might not be covered for its full value. This problem can be corrected by adding inflation guard coverage. With inflation guard, the policy limit increases gradually during the policy term so that the total increase amounts to the desired percentage increase at the end of the policy term.

## Earthquake Coverage

This endorsement extends your causes of loss to include damage that results directly from an earthquake. Coverage is provided for replacement of buildings only. All earthquakes shocks that occur within a 168 hour period (one week) are considered to be a single occurrence. A separate deductible applies and is determined by the value of the insured property.

## EQUIPMENT FLOATER LIMITS

**Issuing Company:** National Union Fire Insurance Company of Pittsburgh, Pa.  
**Policy Term:** 01/20/26 – 01/20/27

### Coverage                      Deductible

Scheduled	Total Scheduled Amount: % Coinsurance: N/A
All risks	**See chart below
	Deductible: \$500

**\*\*B** = Blanket amount    **S** = Scheduled    **RISK** = All risks    **NAMED** = Named perils    **THEFT** = Named perils (including theft)  
**ACV** = Actual cash value    **REPL** = Replacement cost    **DI** = Disappearing    **FL** = Flat    **GR** = Graduated    **OT** = Other    **PC** = Percent

## BLANKET PORTABLE EQUIPMENT

Item #	Year/Model	Description	ID/Serial #	Amt of Ins
1		Portable Equipment		11,975
2		Portable Equipment - Misc Breathing		245,475

If Portable Equipment coverage is provided on a blanket basis, coverage is provided for all portable firefighting, ambulance and rescue related equipment owned or furnished for your regular use. Note that boats over 100 horsepower are not covered under blanket; they must be scheduled.

## EQUIPMENT FLOATER

The primary function of the ACORD Equipment Floater Application #146 is to collect underwriting and rating information for the Contractors Equipment Form. However, the application may be used for any other Inland Marine coverage that will fit into its structure. Since there are several Inland Marine Coverage Forms that fit into the structure of this application, this document will briefly explain the many kinds of inland marine policies that cover many kinds of loss exposures. Inland marine policies are divided into two categories: filed and non-filed. Filed policies are characterized by a large number of potential insureds and reasonably similar loss exposures. The rates and forms of filed policies must be filed with the state insurance department. Non-filed policies are characterized by a relatively small number of potential insureds, and diverse loss exposures or both. The rates and forms for non-filed policies are not filed with the state.

## FILED FORMS

### **Sign Coverage**

The sign coverage form is used to insure neon fluorescent, automatic or mechanical electric signs, and lamps. All covered signs must be written on a schedule with a limit of insurance shown for each item on the schedule.

### **Equipment Dealers Coverage Form**

The primary purpose of the equipment dealers coverage form is to insure the stock in trade of dealers in agriculture and construction equipment. Coverage is provided for customers' equipment in the care, custody or control of the named insured. The coverage can be written on a reporting basis or non-reporting basis.

### **Commercial Articles Coverage Form**

The commercial articles coverage form is used to cover photographic equipment and musical instruments used on a commercial basis. Coverage is provided for photographers, motion picture producers, professional musicians, and others. The form is not intended to provide coverage for dealers of these types of property. Coverage can be written on a schedule or blanket basis.

### **Mail Coverage Form**

The mail coverage form is written for banks, trust companies, insurance companies, investment brokers and similar firms that frequently ship securities by mail. The mail coverage form purpose is to cover securities and other negotiable instruments while in transit by first class mail, certified mail, express mail, or registered mail.

### **Jewelers Block Coverage Form**

This form was designed to meet the needs of retail jewelers. The form provides coverage for damage to the jeweler's stock of jewelry, precious and semi-precious stones, watches, precious metals and similar merchandise. Similar property of others in the insured's care, custody or control is also covered.

## NON-FILED FORMS

### **Contractors Equipment Floater**

The property covered on the contractors equipment floater might range from simple hand tools to very large cranes. Virtually any type of mobile equipment or tool can be insured. The equipment covered can be used in a wide variety of operations from home improvements to strip mining. It might be used to build roads, buildings, pipelines, or any other types of structures. The coverage provided is for direct physical loss to the equipment. Rental reimbursement coverage can be added by endorsement to cover the cost of renting substitute equipment. Rental reimbursement coverage can be added by endorsement to cover the cost of renting substitute equipment if covered property is out of service by a covered cause of loss.

### **Builders Risk/Installation**

The inland marine builders risk portion of the policy form covers structures being built, temporary structures at the building site, and building materials that have not yet become part of the building. The building materials are covered while on the insured location, in transit, or in storage at another location. Business income coverage can also be provided on the policy. The installation portion of the policy usually insures a contractor's interest in building supplies or in fixtures that the contractor has been hired to install.

### **Electronic Data Processing Equipment Form**

The inland marine electronic data processing policy is used to insure damage to data processing hardware, software, and media. The policy also covers the extra expense to continue data processing operations following a covered loss that resulted in damage to the system.

### **Bailee Policy**

Bailee policies are written to insure dry cleaners, repair shops, public warehouses, and several other types of businesses with large amounts of the customers' goods in the insured's possession. There are two major types of bailee policies. The Bailee Liability Policy covers damage to customer's goods only if the insured is legally liable for the damage. The Bailee's Customers Policy covers damage to customers' goods without regard to the bailee's liability.

## BUSINESS AUTOMOBILE LIMITS

**Issuing Company:** National Union Fire Insurance Company of Pittsburgh, Pa.  
**Policy Term:** 01/20/26 – 01/20/27

<b>Combined Single Limit – Bodily Injury and Property Damage</b>	\$1,000,000
<b>Uninsured Motorist (UM)</b>	\$75,000
<b>Underinsured Motorist (UIM)</b>	\$75,000

## PHYSICAL DAMAGE

<b>Comprehensive or Specified Cause of Loss</b>	See Schedule of Vehicles
<b>Collision</b>	See Schedule of Vehicles

## SCHEDULE OF VEHICLES

Year	Make/Model VIN	Liab	Med Pay	PIP	UM	UIM	Comprehensive or Specified Causes of Loss	Collision
1	2003 Kenworth / Tanker 2NKMHYBX74M053957	X	X		X	X	\$5,000 Comprehensive Deductible	\$5,000 Deductible
2	2006 Dodge / RAM 1500 1D7HU18N66J112758	X	X		X	X		
3	2005 Dodge / Durango ST 1D4HB38N55F624589	X	X		X	X		
4	2013 Ferrara / Quint LDH 44KFT4288DWZ22430	X	X		X	X	\$5,000 Comprehensive Deductible	\$5,000 Deductible
5	2016 Ferrara / Pumper 1F9454728GHI40412	X	X		X	X	\$5,000 Comprehensive Deductible	\$5,000 Deductible
6	2020 Ferrara / Rescue 1F945512XLHI40937	X	X		X	X	\$5,000 Comprehensive Deductible	\$5,000 Deductible
7	2021 Ford / F250 1FT7W2A61MED53514	X	X		X	X	\$5,000 Comprehensive Deductible	\$5,000 Deductible
8	2021 Ford / F250 1FT7W2A6XMED53513	X	X		X	X	\$5,000 Comprehensive Deductible	\$5,000 Deductible

## **BUSINESS AUTOMOBILE**

The liability coverage of the business auto policy provides protection against legal liability arising out of the ownership, maintenance, or use of any insured automobile. The insuring agreement agrees to pay damages for bodily injury or property damage for which the insured is legally responsible because of an automobile accident resulting from the ownership, maintenance, or use of a covered auto. The insuring agreement also states that in addition to the payment of damages for which the insured is legally liable, the insurer also agrees to defend the insured for all legal defense cost. The defense cost is in addition to the policy limits.

### **Medical Payments Coverage**

The insuring agreement states that the insurer will pay all reasonable and necessary medical and funeral expenses incurred by an insured because of bodily injury caused by an accident. The insured is the named insured, the insured's employees and guests, and any other person occupying a covered auto. These payments are made without regard to fault.

### **Uninsured/Underinsured Motorist Coverage**

#### **Uninsured Motorist**

This insuring agreement pays for bodily injury to an insured who is injured by an uninsured motorist, a hit-and-run driver, or a driver whose insurer becomes insolvent. These benefits are paid under the named insured's policy.

#### **Underinsured Motorist**

This coverage is added to supplement the Uninsured Motorist Coverage, the coverage applies only when the other driver has liability limits at the time of an accident, but the liability limits carried may be insufficient to pay for damages for which the driver is responsible. This is when the insured's underinsured motorist's coverage would apply and payment for the difference could be made. The two coverages are mutually exclusive and do not overlap or duplicate each other.

### **Any Automobile**

Coverage is provided for any auto, including autos owned by the insured, autos the named insured hires or borrows from others, and other non-owned autos used in the insured's business.

### **Owned Automobile**

Coverage is provided for all autos owned by the named insured. The owned auto symbol is used for liability insurance only.

### **Non-Owned Auto**

Coverage is provided only for autos not owned, leased, hired, or borrowed by the named insured. Coverage includes autos owned by the insured's employees or members of their households, but only while used in the named insured's business or personal affairs.

### **Hired Auto**

Coverage is provided only for autos leased, hired, rented, or borrowed for use in the named insured's business.

## PHYSICAL DAMAGE COVERAGE

### Collision Coverage

This coverage provides protection against loss or damage to a covered auto or a non-owned auto resulting from the impact with another vehicle or object. Collision losses are paid regardless of fault.

### Comprehensive Coverage

Comprehensive coverage provides protection against loss or damage to a covered auto resulting from loss other than a collision or upset. This coverage also provides for supplemental payments for transportation expenses in the event of total theft of a covered auto or a non-owned auto. Coverage begins forty-eight hours after the theft.

### Specified Cause of Loss

This provides coverage against loss from fire, lightning, or explosion; theft; windstorm, hail, or earthquake; flood; mischief or vandalism; and sinking, burning, collision or derailment of a conveyance transporting the covered auto.

## ENDORSEMENTS

### Rental Reimbursement

The business auto policy provides a coverage extension if an auto is insured for comprehensive or specified cause of loss coverage which insures against loss of use of a covered auto only if the auto is a private passenger type auto and is stolen. The coverage extension pays up to a daily limit of \$10 and a maximum limit of \$300. Payments begin 48 hours after the theft and ends when the insured auto is returned or when the insurer has paid the insured for the auto.

However, for broader coverage the insured can pay an additional premium for rental reimbursement coverage. Rental reimbursement pays the cost of renting a substitute auto for replacement of any covered auto that has suffered a covered loss. The daily and maximum limit for this coverage varies among insurers.

### Towing and Labor

When this coverage is added, the insurer pays for towing and labor costs each time a covered auto or non-owned auto is disabled, up to a stated amount.

### Personal Injury Protection

Personal Injury Protection (PIP) is an endorsement that adds no-fault benefits. No-Fault means that in the event of an automobile accident, each party collects from his or her own insurer regardless of fault. The PIP endorsement is only available in certain states with No-Fault Laws. The endorsement applies only to bodily injury and not to property damage. (The state of Michigan is the exception to property damage.) No-Fault Laws vary widely from state to state.

## SUMMARY

<b>COVERAGE</b>	<b>EXPIRING PREMIUM</b>	<b>RENEWAL PREMIUM</b>
Commercial Package *	\$ 129,713.00	\$ 141,595.00

**COMMERCIAL PACKAGE POLICY INCLUDES THE FOLLOWING COVERAGES:**

Property  
Portable Equipment  
Auto

**ARE YOU EXPOSED??? OTHER LINES OF COVERAGE TO CONSIDER:**

- **AUTO LIABILITY**
- **PROFESSIONAL LIABILITY**
- **EMPLOYMENT PRACTICES LIABILITY**
- **CYBER LIABILITY**

**DID YOU KNOW....** BETZ ROSETTI & ASSOCIATES NOW OFFER A FULL SUITE OF **PERSONAL LINES** COVERAGES FOR YOUR **HOME, AUTO, BOAT, AND PERSONAL LIABILITY**. LET US OFFER YOU A QUOTE TODAY.