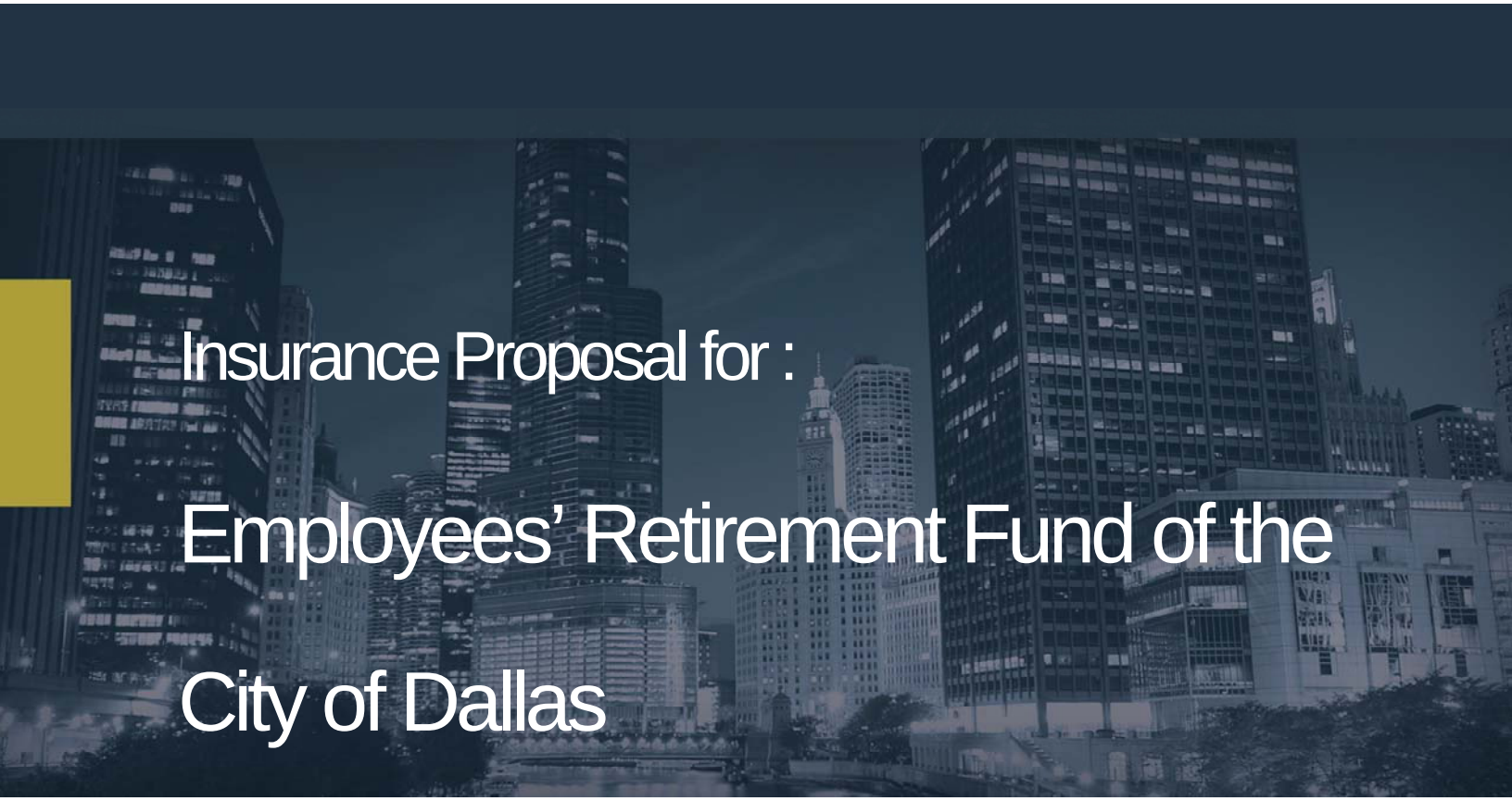

Insurance Proposal for :

Employees' Retirement Fund of the City of Dallas

Fiduciary Liability & Commercial Property

Effective 01/13/2017

Prepared By:

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Renewal Option Comparison

	Expiring $10m FID: Chubb $10m XS FID: Travelers PROP: Chubb		$20m Option1 $10m FID: Chubb $10m XS FID: Euclid PROP: Chubb		% Change
Premiums					
**Fiduciary Liability*	$	110,236.00	$	98,794.00	-10.38%
**Excess Fiduciary Liability*	$	60,000.00	$	49,397.00	-17.67%
**Property*	$	2,991.00	$	2,986.00	-0.17%
Total Insurance Cost	**$**	**173,227.00**	**$**	**151,177.00**	**-12.73%**

	Expiring $10m FID: Chubb $10m XS FID: Travelers PROP: Chubb		$20m Option2 $20m FID: Chubb PROP: Chubb		% Change
Premiums					
**Fiduciary Liability*	$	110,236.00	$	151,091.00	-11.25%
**Excess Fiduciary Liability*	$	60,000.00		N/A	See Above
**Property*	$	2,991.00	$	2,986.00	-0.17%
Total Insurance Cost	**$**	**173,227.00**	**$**	**154,077.00**	**-11.05%**

	Expiring $10m FID: Chubb $10m XS FID: Travelers PROP: Chubb		$25m Option $20m FID: Chubb $5m XS FID: Euclid PROP: Chubb		% Change
Premiums					
**Fiduciary Liability*	$	110,236.00	$	151,091.00	37.06%
**Excess Fiduciary Liability*	$	60,000.00	$	18,886.00	-68.52%
**Property*	$	2,991.00	$	2,986.00	-0.17%
Total Insurance Cost	**$**	**173,227.00**	**$**	**172,963.00**	**-0.15%**

	Expiring $10m FID: Chubb $10m XS FID: Travelers PROP: Chubb		$30m Option $20m FID: Chubb $10m XS FID: Euclid PROP: Chubb		% Change
Premiums					
**Fiduciary Liability*	$	110,236.00	$	151,091.00	37.06%
**Excess Fiduciary Liability*	$	60,000.00	$	37,773.00	-37.05%
**Property*	$	2,991.00	$	2,986.00	-0.17%
Total Insurance Cost	**$**	**173,227.00**	**$**	**191,850.00**	**10.75%**

Fiduciary Liability Overview

Named Insured	**Employees' Retirement Fund of the City of Dallas**
Form Type	**Claims Made; Duty of Insurer to Defend**
Coverage Descriptions	**Fiduciary Liability:** Coverage for the organization and the employees acting as fiduciaries of your welfare, defined contribution and defined benefit plans for a breach of duty, negligent act, error or omission or any other matter claimed by reason of their service to the corporation as a fiduciary.

THIS PROPOSAL CONTAINS ONLY A SUMMARY OF YOUR INSURANCE COVERAGE AND POLICY. IT IS YOUR RESPONSIBILITY TO CAREFULLY AND COMPLETELY REVIEW THE ENTIRE POLICY FOR ITS ACTUAL TERMS, LIMITS AND CONDITIONS. IN THE EVENT OF ANY INCONSISTENCY BETWEEN THE TERMS OF THE POLICY AND THE PROVISIONS OF THIS PROPOSAL, THE TERMS OF THE POLICY WILL GOVERN AND CONTROL.

Primary Fiduciary Liability: Chubb

Carrier: **Federal Insurance Company (Chubb)**

Best Rating: **A++ XV**

Form Type **Chubb Labor Management Trust Fiduciary Liability Policy Form**
Claims Made

Limits of Liability and Retentions

Fiduciary Liability Limit	**$10,000,000**
HIPAA fines / penalties sublimit	**$1,500,000** (expiring $100,000)
ERISA 502c penalties sublimit	**$250,000 (NEW)**
PPACA civil penalties sublimit	**$250,000 (NEW)**
PPA penalties sublimit	**$250,000 (NEW)**
IRS Section 4975 penalties sublimit	**$250,000 (NEW)**
Voluntary Settlement Program fee coverage sublimit	**$250,000 (NEW)**
Benefit Overpayment Coverage sublimit	**$100,000 (NEW)**
Other Fines, Taxes or Penalties Coverage sublimit	**$250,000 (NEW)**
Section 203 of Bipartisan Budget Act Sublimit	**$250,000 (NEW)**
Retention – Per Fiduciary Claim	**$50,000**

Premiums

$10m Primary Option: $98,794 (expiring $110,236)
$20m Primary Option: $151,091 (expiring $170,236)

Prior and Pending Litigation Dates 01/13/2009

Key Endorsements and/or Enhancements

- Waiver of Retention for No Liability
- Severability of Cooperation
- Pollution Exclusion deleted
- No deductible applies to the first $25K of Defense Costs incurred for E-Discovery Specialist Service as a result of a Claim
- Notice of Claim is amended to 180 days after the policy expires, if it is renewed with Chubb; if coverage is not renewed with Chubb a claim must be reported no later than 60 days after policy expiration
- Definition of Administration is amended to include counseling or failing to provide proper or timely notice to participants
- Greatly enhanced definition of Claim
- Definition of Insured includes any Committee

Excess Fiduciary Liability: Euclid

Carrier:	**Hudson Insurance Company**
Best Rating:	**A XV**
Form Type	**Excess Fiduciary Liability Insurance Following Form Policy** **Claims Made**
Limits of Liability	**Excess Fiduciary Liability Limit** — **$10,000,000 excess $10,000,000** **Additional Limit Options:** **Excess Fiduciary Liability Limit** — **$5,000,000 excess $20,000,000 (NEW)** **Excess Fiduciary Liability Limit** — **$10,000,000 excess $20,000,000 (NEW)**
Premiums	**$10m x $10m Excess Option: $49,397** (expiring $60,000) **$5m x $20m Excess Option: $18,886** **$10m x $20m Excess Option: $37,773**
Prior and Pending Litigation Dates	01/13/2009 for $10m x $10m 01/13/2017 for additional $5m x $20m or $10m x $20m options

Key Endorsements and/or Enhancements	· Dropdown Coverage for Multiple Sublimits Endorsement:
	  · PPA (Pension Protection Act of 2006) Penalty $250K sublimit
	  · PPACA (Patient Protection and Affordable Care Act) $250K sublimit
	  · Section 4975 $250K sublimit
	  · HIPAA $250K sublimit
	  · 502(C) $250K sublimit
	  · Voluntary Settlement $250K sublimit
	  · Other Fines Taxes or Penalties $250K sublimit
	· Enhanced Exhaustion of Underlying Insurance Endorsement

Commercial Property Overview

Named Insured	**Employees' Retirement Fund of the City of Dallas**
Form Type	**Occurrence; Special Form; Replacement Cost**
Coverage Descriptions	**Commercial Property:** Coverage for the Named Insured(s) for physical loss or damage to real and personal property. Special Form expands the coverage from named perils to insuring against all perils that are not specifically excluded. Replacement Cost provides coverage to repair or replace property with like kind & quality and does not factor in depreciation.

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Commercial Property: Chubb

Carrier: **Federal Insurance Company (Chubb)**

Best Rating: **A++ XV**

Form Type **Chubb Customarq Series Financial Institutions Policy Form**

Occurrence

Limits and Deductibles

Business Personal Property Limit	**$676,086**
Electronic Data Processing Property Limit	**$750,000**
Deductible – Per Occurrence	**$1,000**

Premium **$2,986** (expiring $2,991)

Key Endorsements and/or Enhancements

- Covered Premises $250K Blanket Limit of Insurance
  - Covered Premises $250K Blanket Limit of Insurance
    - Applies to Accounts Receivable, EDP Property, Fine Arts, Leasehold Interest, Non-Owned Detached Trailers, Outdoor Trees/Shrubs/Plants/Lawn, Personal Property of Employees, Property Damage Extortion, Public Safety Service Charges, Rental Income and Valuable Papers
    - Any Other Location limit of $100K
    - In Transit limit of $100K
    - Newly Acquired Premises: Building limit of $2.5m
    - Newly Acquired Premises: Personal Property limit of $1m
    - Newly Acquired Premises: Personal Property at Existing Premises limit of $100K
    - Newly Acquired Premises: Electronic Data limit of $50K
  - Prohibition of Access sublimit of $50K per occurrence and $100K annual aggregate

A.M. Best Carrier Rating

A.M. Best Company is the leading provider of ratings, news and financial data for the insurance industry worldwide. Their Best Financial strength rating is an independent option of the insurer' financial strength and ability to meet its ongoing insurance policy and contract obligations. The rating is based on a comprehensive and qualitative evaluation of a company's balance sheet, strength, operating performance and business profile.

As professional agents it has long been our established policy to make every effort to deal only with companies having a Best's Rating of A++, A+, A or A-, which are the four highest ratings available, and a minimum of $50 million in Policyholders' Surplus. **It must be noted that neither HUB International nor any affiliated company guarantees the financial solvency of any insurance carrier.** The following list outlines the A. M. Best Company rating scale and associated descriptions.

Financial Strength Ratings: An A.M. Best's Financial Strength Rating is an opinion of an insurer's ability to meet its obligation to policyholders.

A.M. Best Rating			
A++, A+	Superior	C, C-	Weak
A, A-	Excellent	D	Poor
B++, B+	Very Good	E	Under Regulatory Supervision
B, B-	Good	F	In Liquidation
C++, C+	Marginal		

Financial Size Categories: A.M. Best assigns each letter rated insurance company a Financial Size Category. This is designed to provide a convenient indicator of the size of a company in terms of its statutory surplus and related accounts.

Financial Size Categories (In millions of U.S. dollars)			
Class I	Up to 1	Class IX	250 to 500
Class II	1 to 2	Class X	500 to 750
Class III	2 to 5	Class XI	750 to 1,000
Class IV	5 to 10	Class XII	1,000 to 1,250
Class V	10 to 25	Class XIII	1,250 to 1,500
Class VI	25 to 50	Class XIV	1,500 to 2,000
Class VII	50 to 100	Class XV	Greater than 2,000
Class VIII	100 to 250		

Confirmation to Bind

Confirmation to Bind Agreement

I, _____, on behalf of Employees' Retirement Fund of the City of Dallas, hereby acknowledge that we have reviewed the enclosed proposal and confirm HUB's acknowledgment to bind the programs described within, except:

_____ As Proposed

_____ Changes as Follows:

_____

_____

_____

_____

_____

Accepted by: _____ _____

Signature Date

_____ _____

Name Title