



2022 / 2023

COMMERCIAL INSURANCE PROPOSAL

11/7/2022 - Final Proposal

RAILBELT RELIABILITY COUNCIL

Mission Statement

“ We guide our clients to make informed risk management decisions and develop innovative insurance, surety and employee benefits solutions uniquely suited to their needs. ”

800.457.0220

www.psfinc.com

An Assurex Global Partner

INSURANCE PROGRAM OVERVIEW

11/5/2022 to 11/5/2023 PREMIUM

COVERAGE	2022-2023 PROGRAM	
General Liability - Alaska National Ins. Co.	(A X) AM Best Rating Admitted	
Liability Limits		
Each Occurrence	\$	1,000,000
General Aggregate	\$	2,000,000
Products/Completed Operations Aggregate	\$	2,000,000
Personal and Advertising Injury	\$	1,000,000
Damage to Premises Rented to You	\$	10,000
Medical Expense	\$	5,000
Rating Basis		Payroll, estimated at \$36,400
Subject to Audit		Yes
Estimated Annual Premium	\$	298.00
Automobile - Alaska National Ins. Co.	(A X) AM Best Rating Admitted	
Liability Limits	\$	1,000,000
Liability Coverage		Hired and Non Owned Only
Subject to Audit		No
Estimated Annual Premium	\$	433.00
Excess Liability - Alaska National Ins. Co.	XV	(A X) AM Best Rating Admitted
Each Occurrence Limit	\$	2,000,000
Personal & Advertising Injury Limit (any one person or organization)	\$	2,000,000
Aggregate Limit	\$	2,000,000
Retention	\$	10,000
Underlying Policies		
General Liability		Included
Automobile Liability		Included
Employers Liability		Excluded
Estimated Annual Premium	\$	1,750.00

INSURANCE PROGRAM OVERVIEW

11/5/2022 to 11/5/2023 PREMIUM

COVERAGE	2022-2023 PROGRAM	
Cyber Liability - Alaska National Ins. Co.	(A X) AM Best Rating Admitted	
<i>Data Compromise Responses Expenses</i>		
Annual Aggregate Limit	\$	100,000
Deductible Per Occurrence	\$	1,000
Sublimits Per Occurrence		
Forensic IT Review	\$	50,000
Legal Review	\$	50,000
Public Relations	\$	5,000
Regulatory Fines and Penalties	\$	50,000
PCI Fines an Penalties	\$	50,000
<i>Computer Attack</i>		
Annual Aggregate Limit	\$	100,000
Deductible Per Occurrence	\$	1,000
Sublimits Per Occurrence		
Loss of Business	\$	50,000
Public Relations	\$	5,000
Cyber Extortion	\$	10,000
Misdirected Payment Fraud	\$	10,000
Computer Fraud	\$	10,000
<i>Data Compromise Liability</i>		
Defense and Liability Annual Aggregate Limit	\$	100,000
Deductible Per Occurrence	\$	1,000
<i>Network Security Liability</i>		
Defense and Liability Annual Aggregate Limit	\$	100,000
Deductible Per Occurrence	\$	1,000
<i>Electronic Media Liability</i>		
Defense and Liability Annual Aggregate Limit	\$	100,000
Deductible Per Occurrence	\$	1,000
Estimated Annual Premium	\$	311.00
Management Liability - Homeland Ins. Co. of New York	(A+ XV) AM Best Rating Non-Admitted	
Directors & Officers Liability	\$	1,000,000
Employment Practices Liability including Third Party	\$	1,000,000
Crime	\$	50,000
Deductible/SIR		
Directors & Officers - Clause A	\$	-
Directors & Officers - Clause B	\$	25,000
Directors & Officers - Clause C	\$	25,000
Employment Practices Liability including Third Party	\$	25,000
Crime	\$	10,000
Retroactive Date(s)		Inception
Estimated Annual Premium	\$	27,637.93
TOTAL PREMIUM	\$	30,429.93

INSURANCE PROGRAM OVERVIEW
11/5/2022 to 11/5/2023 PREMIUM

COVERAGE

**2022-2023
PROGRAM**

PAYMENT TERMS:

General Liability, Auto and Excess policies will be invoiced directly by Alaska National
Directors & Officers, Employment Practices Liability and Crime policy will be invoiced by Parker, Smith & Feek

SUBJECTIVITIES:

Signed and Dated Management Liability application, Signed and Dated Broker Fee Acknowledgement

The following lines of coverage are Surplus Line placements for the state of : **Alaska**

Management Liability

We are required by the Alaska Insurance Statute (AS 21.34) to advise you that this company is not licensed in the State of Alaska and is not subject to its supervision. In the event of insolvency of this insurer, losses will not be paid by the Alaska Insurance Guaranty Association Act (AS 21.80).

IMPORTANT INFORMATION & DISCLOSURE

PLEASE KEEP THE FOLLOWING POINTS IN MIND AS YOU REVIEW YOUR INSURANCE AND CALL US SHOULD YOU WISH TO FURTHER DISCUSS.

- **Property values** (real, personal, loss of income), exposure basis (e.g., payroll, receipts, etc.), other schedules, lists, and all other values used are those determined by you, presented and authorized by you, and should be carefully reviewed for accuracy and updated to reflect your current values for your insurance program.
- This proposal was based on **exposures to loss** that currently exist, were made known to us, and for which insurance is being considered. All changes to these exposures must be reported by you in order that proper coverage may be effected.
- **Higher** limits may be available.
- This proposal may or may not represent all forms of coverage or insurable exposures that may exist. It does reflect those exposures and coverages in which you have expressed an interest. We welcome and encourage any discussion or review of loss exposures and other coverage areas in which you have any concern or interest.
- Not all terms and conditions are set forth in this proposal.

This is an executive coverage overview for convenience, not a legal contract. Please refer to the actual policies quoted for specific terms, conditions, limitations, and exclusions that will govern in the event of a loss. Specimen copies of these coverage forms are available for your review prior to the binding of coverage.

DISCLOSURE:

PS&F maintains agreements with some insurance carriers whereby we are eligible to receive future additional compensation through what is commonly known as contingency or profit sharing agreements. The formulas are typically complex in nature and are generally based on calendar year factors such as the total eligible premium volume of business placed with an insurer, the overall loss ratio of the business placed with that insurer, and the aggregate amount of business that was retained from one year to the next and so forth.

We have no effective way of identifying specifically how much of any alternate compensation we receive might be attributable to the placement of your particular insurance with one of these companies.

PS&F's revenue from alternate compensation for the last three calendar years was less than 2% of the total Property and Casualty premium volume.

We will gladly furnish you any further specific information you might require to properly analyze the placement of your insurance.

PARKER, SMITH & FEEK PREMIUM PAYMENT & RECORD RETENTION POLICY

Parker, Smith & Feek's objective is to provide you with superior insurance brokerage and risk management services. An aspect of our commitment to service is to make available to you premium payment options. As your account management team has explained to you, there are several means by which you may pay premiums. These include:

- **Agency Bill:** PS&F is billed by the insurance carrier for premiums due. We then have the responsibility to collect the premiums from the policyholder and pay the carrier by the premium due date to avoid cancellation. Payment terms vary according to premium size and the insurance carrier. If Agency Bill is your method of premium payment, Parker, Smith & Feek will provide you with a premium invoice that is due and payable upon receipt. Certain carriers may offer low interest or no interest installment billing options.
- **Premium Financing:** PS&F will provide you with a quotation from a premium finance company if requested. A down payment is required, with the remainder paid in a series of installments over the policy term. Interest rates vary depending upon the size of the amount financed and market conditions. Premiums are paid directly to the premium finance company by the policyholder. An administrative charge could be associated with this service.
- **Direct Bill:** The insurance carrier bills the policyholder directly for down payments and installments. All payments are made by the policyholder to the carrier.

As always, our staff is ready and willing to assist in designing the appropriate premium payment options to meet your needs.

Record Retention

We protect, maintain, and dispose of client records in accordance with our Record Retention and Destruction Policy. Our retention policy ensures that client records and documents are protected and maintained and then properly disposed of when they are no longer needed. The record retention periods vary by document type to comply with best practices and applicable local, state, and federal laws. If you have any questions about our retention policy, please contact your Parker Smith & Feek Insurance, LLC representative.

Privacy Notice for California Residents

In compliance with the California Consumer Privacy Act of 2018 (CCPA), the Parker, Smith & Feek Insurance, LLC privacy notice can be found by visiting our website at <https://www.psfinc.com/parker-smith-feek-inc-privacy-notice-for-california-residents/>

Dated: 11/4/2022

CURRENT GUIDE TO BEST'S RATINGS

For a complete explanation of Best's ratings, please refer to <http://www.ambest.com/> Best's ratings reflect their independent opinion, but are not a warranty of a company's ability to meet its obligations to policyholders.

BEST'S RATINGS & BEST'S FINANCIAL PERFORMANCE RATINGS (FPR)

A.M. Best assigns two types of rating opinions, Best's Ratings (letter scale) and Best's FPR (numerical scale). Both ratings involve a quantitative and qualitative evaluation of a company's financial strength, operating performance and market profile. The analysis performed for assigning a Best's FPR is not as rigorous as it is for assigning a Best's Rating. The FPR is assigned to small or new companies which do not meet the criteria required for Best's Rating. Both ratings provide an overall opinion of an insurance company's ability to meet its obligations to policyholders. For additional information, refer to the Preface.

Secure Best's Ratings		Secure FPR Ratings	
A++ and A+	Superior	FPR 9	Very
A and A-	Excellent	FPR 8 and 7	Strong
B++ and B+	Very Good	FPR 6 and 5	Good
Vulnerable Best's Ratings		Vulnerable FPR Ratings	
B and B-	Fair	FPR 4	Fair
C++ and C+	Marginal	FPR 3	Marginal
C and C-	Weak	FPR 2	Weak
D	Poor	FPR 1	Poor
E	Under Regulatory Supervision		
F	In Liquidation		
S	Rating Suspended		

RATING MODIFIERS

Rating Modifiers are added to Best's Ratings and Best's FPRs to identify companies whose assigned ratings are based on an affiliation with other insurers (modifiers g, p, r); or to identify ratings that are Under Review and may be subject to near term change (modifier u). For additional information, refer to the Preface.

Rating Modifiers	
g – Group	r – Reinsured
p – Pooled	u – Under Review

NOT RATED (NR) CATEGORIES

Companies not assigned either a Best's Rating or FPR opinion are assigned to one of five NR categories. The NR category identifies the primary reason a rating opinion was not assigned to the company. For additional information, refer to the Preface.

NR-1	Insufficient Data	NR-4	Company
NR-2	Insufficient Size and/or Operating Experience	NR-5	Request
NR-3	Rating Procedure Inapplicable		Followed

FINANCIAL SIZE CATEGORY (FSC)

Assigned to all companies and reflects their size based on their capital, surplus and conditional reserve funds in millions of U.S. dollars, using the scale below. For additional information, refer to the Preface.

FSC I	less than 1	FSC V	10 to 25	FSC IX	250 to 500	FSC XIII	1,250 to 1,500
FSC II	1 to 2	FSC VI	25 to 50	FSC X	500 to 750	FSC XIV	1,500 to 2,000
FSC III	2 to 5	FSC VII	50 to 100	FSC XI	750 to 1,000	FSC XV	greater than 2,000
FSC IV	5 to 10	FSC VIII	100 to 250	FSC XII	1,000 to 1,250		

"Non-Admitted" means that the contract of insurance is procured and delivered as a surplus line coverage and is not covered or protected by the State Guaranty Fund.

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