

Client Authorization to Bind Coverage

After careful consideration of Gallagher's proposal dated 4/8/2020, we accept the following coverage(s). Please check the desired coverage(s) and note any coverage amendments below:

COVERAGE/CARRIER	
<input checked="" type="checkbox"/> Accept <input type="checkbox"/> Reject	Excess Liability Package
<input type="checkbox"/> Option # 1 <input type="checkbox"/> Accept <input type="checkbox"/> Reject <input checked="" type="checkbox"/> Option # 2 <input type="checkbox"/> Accept <input checked="" type="checkbox"/> Reject <input type="checkbox"/> Option # 3 <i>INCLUDED</i>	Argonaut Insurance Company - \$5M Limit <i>TRIA</i> Argonaut Insurance Company - \$6M Limit <i>TRIA</i> Travelers Indemnity Company <i>TRIA</i>
<input checked="" type="checkbox"/> Accept <input type="checkbox"/> Reject	Excess
<input type="checkbox"/> Option # 1 <input type="checkbox"/> Accept <input type="checkbox"/> Reject <input checked="" type="checkbox"/> Option # 2 <input type="checkbox"/> Accept <input checked="" type="checkbox"/> Reject	Allied World National Assurance Company \$5M x \$5M <i>TRIA</i> Allied World National Assurance Company \$5M x \$6M <i>TRIA</i>
<input type="checkbox"/> Accept <input checked="" type="checkbox"/> Reject	Umbrella
<i>INCLUDED</i>	Travelers Property Casualty Co of America <i>TRIA</i>
<input checked="" type="checkbox"/> Accept <input type="checkbox"/> Reject	Crime
<i>INCLUDED</i>	Hanover Insurance Company <i>TRIA</i>
<input checked="" type="checkbox"/> Accept <input type="checkbox"/> Reject	Cyber Liability
<input checked="" type="checkbox"/> Option # 1 <i>INCLUDED</i> <input type="checkbox"/> Option # 2 <i>INCLUDED</i>	ACE American Insurance Company - \$1M Limit <i>TRIA</i> ACE American Insurance Company - \$2M Limit <i>TRIA</i>

The above coverage may not necessarily represent the entirety of available insurance products. If you are interested in pursuing additional coverages other than those addressed in the coverage considerations included in this proposal, please list below:

Producer/ Insured Coverage Amendments and Notes:

Exposures and Values

We confirm the payroll, values, schedules, and other data contained in the proposal, and submitted to the underwriters, are compiled from our records and we acknowledge it is our responsibility to see that they are maintained accurately. If no updates were provided to Gallagher, the values, exposures and operations used were based on the expiring policies.

Provide Quotations or Additional Information on the Following Coverage Considerations:

Gallagher recommends that you purchase the following additional coverages for which you have exposure. By rejecting a quotation for this valuable coverage, you understand that there will be no coverage and agree to hold Gallagher harmless in the event of a loss.

Other Coverages to Consider

Yes No - Environmental Pollution Liability

Other Services to Consider

Yes No - CORE360™ Loss Control Portal
 Yes No - eRiskHub

Gallagher's liability to Client arising from any acts or omissions of Gallagher shall not exceed \$20 million in the aggregate. Gallagher shall only be liable for actual damages incurred by Client, and shall not be liable for any indirect, consequential or punitive damages or attorneys' fees. No claim or cause of action, regardless of form (tort, contract, statutory, or otherwise), arising out of, relating to or in any way connected with this Agreement or any Services provided hereunder may be brought by either party any later than two (2) years after the accrual of such claim or cause of action.

Gallagher has established security controls to protect Client confidential information from unauthorized use or disclosure. For additional information, please review Gallagher's Privacy Policy located at <https://www.ajg.com/privacy-policy/>.

I have read, understand and agree that the above-information is correct and has been disclosed to us prior to authorizing Gallagher to bind coverage and/or provide services to us.

By: MaryAnn Stalvey
Name
HR Director
Title
MaryAnn Stalvey
Signature
Date: 5/1/2020

POLICYHOLDER DISCLOSURE

NOTICE OF TERRORISM – INSURANCE COVERAGE

You are hereby notified that under the Terrorism Risk Insurance Act, as amended, that you have a right to purchase insurance coverage for losses resulting from acts of terrorism, as defined in Section 102(1) of the Act: The term “act of terrorism” means any act that is certified by the Secretary of the Treasury—in concurrence with the Secretary of State, and the Attorney General of the United States—to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

NOTE:

YOU SHOULD KNOW THAT WHERE COVERAGE IS PROVIDED BY THIS POLICY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM, SUCH LOSSES MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. HOWEVER, YOUR POLICY MAY CONTAIN OTHER EXCLUSIONS WHICH MIGHT AFFECT YOUR COVERAGE, SUCH AS EXCLUSION for nuclear events. UNDER THE FORMULA, THE UNITED STATES GOVERNMENT GENERALLY REIMBURSES 85% OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURANCE COMPANY PROVIDING THE COVERAGE. THE PREMIUM CHARGED FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS THAT MAY BE COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS A \$100 BILLION CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT AS WELL AS INSURERS' LIABILITY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM WHEN THE AMOUNT OF SUCH LOSSES IN ANY ONE CALENDAR YEAR EXCEEDS \$100 BILLION. IF THE AGGREGATE INSURED LOSSES FOR ALL INSURERS EXCEED \$100 BILLION, YOUR COVERAGE MAY BE REDUCED.

ACCEPTANCE OR REJECTION OF TERRORISM – CHECK ONE

<input type="checkbox"/>	I hereby elect to purchase terrorism coverage for a prospective premium of <u>\$972.</u>
<input checked="" type="checkbox"/>	I hereby decline to purchase terrorism coverage for certified acts of terrorism. I understand that I will have no coverage for losses resulting from certified acts of terrorism.

Mary Ann Stakeup

Policyholder/Applicant's Signature

Mary Ann Stakeup

Print Name

5/1/2020

Date

POLICYHOLDER DISCLOSURE STATEMENT

NOTICE OF TERRORISM

INSURANCE COVERAGE

The **insured** is hereby notified that under the federal Terrorism Risk Insurance Act, as amended, (the "Act"), the **insured** has a right to purchase insurance coverage for **losses** arising out of an Act of Terrorism, as defined in Section 102(1) of the Act. The term "act of terrorism" means any act certified by the Secretary of the Treasury, in consultation with the Secretary of Homeland Security and the Attorney General of the United States to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside of the United States in case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion. The **insured** should read the Act for a complete description of its coverage. The Secretary's decision to certify or not to certify an event as an Act of Terrorism covered by the Act is final and not subject to review.

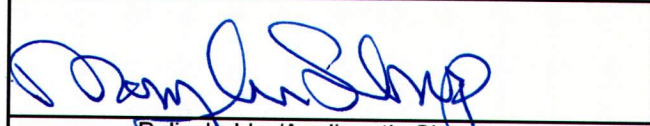

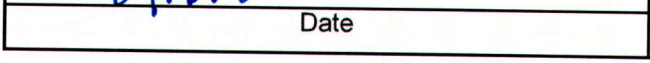
Coverage provided by this **policy** for **losses** caused by a Certified Act of Terrorism may be partially reimbursed by the United States Government under a formula established by federal law. However, the **insured's policy** may contain other exclusions that might affect coverage, such as an exclusion for nuclear events. Under the formula, the United States Government will generally reimburse 85% through 2015; 84% beginning on January 1, 2016; 83% beginning on January 1, 2017; 82% beginning on January 1, 2018; 81% beginning on January 1, 2019; and 80% beginning on January 1, 2020, of covered terrorism losses exceeding a statutorily established deductible that must be met by the **company**, and which deductible is based on a percentage of the **company's** direct earned premiums for the year preceding the Certified Act of Terrorism.

Be advised that the Terrorism Risk Insurance Act, as amended, contains a \$100 billion cap on all losses resulting from Certified Acts of Terrorism. If aggregate insured losses attributable to Certified Acts of Terrorism exceed \$100 billion in a calendar year, the United States Government shall not make any payment for any portion of the amount of such loss that exceeds \$100 billion. If aggregate insured losses attributable to Certified Acts of Terrorism exceed \$100 billion in a calendar year and the **company** has met its deductible under the Act, the **company** shall not be liable for payment of any portion of the losses that exceeds \$100 billion, and in such case, insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

Coverage for "insured losses" as defined in the Act is subject to the coverage terms, conditions, amounts and limits in this **policy** applicable to **losses** arising from events other than Certified Acts of Terrorism.

The **insured** should know that under federal law, the **insured** is not required to purchase coverage for **losses** caused by Certified Acts of Terrorism.

Acceptance or Rejection of Terrorism Insurance Coverage

	I hereby elect to purchase terrorism coverage for a prospective premium of \$265 .	
✓	I hereby decline to purchase terrorism coverage for certified acts of terrorism. I understand that I will have no coverage for losses resulting from certified acts of terrorism.	
	Allied World National Assurance Company	
Policyholder/Applicant's Signature	Insurance Company	
		
Print Name	Policy Number	
		
Date		

City of Peoria
Service Fee Agreement for Arthur J. Gallagher Risk Management Services, Inc.

Fee Agreement: In addition to commission received by Gallagher for the policy term reflected herein, effective 6/1/2020, Gallagher will receive a fee of \$12,360 for:

- placement of insurance coverage,
- maintenance and management of the account,
- issuance of insurance certificates,
- consulting services

This fee IS NOT refundable, is fully earned by signing below, and is due and payable within thirty (30) days of such signing. Any placements that require the payment of additional state or federal taxes and/or fees are the client's responsibility.

By accepting this fee agreement, we agree and understand that it reflects services to be provided that have been discussed with and fully disclosed to us, and the above fee is consistent with our understanding. This agreement and any disputes that arise out of this fee agreement shall be governed by the laws of the state of Illinois.

All Services provided by Gallagher, its employees and affiliated companies, are offered from an insurance/risk management perspective and do not constitute legal or tax advice. Client must consult with its own legal and financial advisors to become fully apprised of any legal or financial implications to its business.

Gallagher's liability to Client arising from any acts or omissions of Gallagher shall not exceed \$20 million in the aggregate. Gallagher shall only be liable for actual damages incurred by Client, and shall not be liable for any indirect, consequential or punitive damages or attorneys' fees. No claim or cause of action, regardless of form (tort, contract, statutory, or otherwise), arising out of, relating to or in any way connected with this Agreement or any Services provided hereunder may be brought by either party any later than two (2) years after the accrual of such claim or cause of action.

Gallagher has established security controls to protect Client confidential information from unauthorized use or disclosure. For additional information, please review Gallagher's Privacy Policy located at <https://www.ajg.com/privacy-policy/>.

I have read, understand and agree that the above-information is correct and has been disclosed to us prior to authorizing Gallagher to bind coverage and/or provide services to us.

By: Mary Ann Stalcup
Print Name (Specify Title)
City of Peoria
Company
Mary Ann Stalcup
Signature
Date: 5/1/2020

Cyber Crime (Only if applying for this coverage)

Does the Applicant accept funds transfer information from clients over the telephone email, text Yes No
message or similar method of communication?

Does the Applicant authenticate instructions by calling the customer at a predetermined phone number Yes No
or require receipt of a customer identity code?

Is approval by more than one person required to initiate a wire transfer? Yes No

Does the Applicant verify all vendor and supplier bank accounts by a direct call to the receiving bank, Yes No
prior to accounts being established in the accounts payable system?