January 1, 2012 to January 1, 2013
Insurance Proposal

Presented by:

Michael K. Gleason
Senior Vice President

The Horton Group
10320 Orland Parkway
Orland Park, IL 60467
Phone: 708-845-3000
Fax: 708-845-3001
www.thehortongroup.com

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Insurance Summary

All coverage information detailed in the preceding pages is subject to the terms, conditions, exclusions and limitations contained in the policies. Please read your policies for a complete explanation.

Coverage	Carrier	07-08	08-09	10-11	11-12	12-13
Property/Inland Marine	Chubb	$ 195,958	$ 183,003	$ 212,663	$ 213,093	$ 213,093
Auto Physical Damage	Chubb	$ 42,228	$ 43,242	$ 43,023	$ 43,023	$ 43,023
Public Entities Excess Liab/Auto/EPL/Public Official Liab/Law Enforement Liab	Lexington	$ 388,500	$ 353,147	$ 339,808	$ 339,808	$ 339,808
Excess Liability	Illinois National	$ 118,056	$ 101,977	$ 106,854	$ 106,854	$ 106,854
Crime	Great American	$ 6,525	$ 4,890	$ 4,890	$ 4,890	$ 4,890
TPA Claims Handling	CCMSI	$ 27,500	$ 25,000	$ 25,000	$ 25,000	$ 25,000
Excess Workers' Comp	Safety National	$ 62,874	$ 63,337	$ 67,370	$ 66,025	$ 69,411
Broker Service Fee	Horton	$ 65,000	$ 65,000	$ 65,000	$ 65,000	$ 65,000
Total:		**$ 906,641**	**$ 839,596**	**$ 864,608**	**$ 863,693**	**$ 867,079**

Notes:

1. SIR for “All Other Employees” on the Excess Workers Comp increased from $400,000 to $425,000. Premium up 5% due to NCCI base rate increases and medical inflation in Illinois (2nd highest in nation).
2. All premiums remain net of commission to The Horton Group.
3. Terrorism coverage is included in all the property and liability policies.
4. Premium for Claims Third Party Administrator Fee (CCMSI) is their minimum premium subject to year end claims counts.

Coverage Summary

General Liability and Auto Liability:

	Limit
Each Occurrence	$ 2,000,000
Aggregate where applicable	$ 2,000,000

Retentions: $100,000 Each & Every Occurrence – General Liability
$100,000 Each & Every Occurrence – Automobile Liability
No Aggregate Applies

Law Enforcement Liability

Limits (Occurrence)	
Each wrongful act	$ 2,000,000
Total Limit	$ 2,000,000
Insured Retention:	
Defense Expenses included in retention	$ 100,000

Public Officials Liability,

Limits:	
Each wrongful act	$ 2,000,000
Total Limit	$ 2,000,000
Insured Retention:	
Deductible	$ 100,000
Defense expenses are included in the retention	

Employment Practices Liability

Limits:	
Each wrongful act	$ 2,000,000
Total Limit	$ 2,000,000
Insured Retention:	
Defense expenses are included in the retention	$ 100,000

Umbrella Excess Liability:

Coverage	
Aggregate	$ 13,000,000
Self Insured Retention	$ 0

Excess over: General Liability, Auto Liability, Law Enforcement Liability, Public Officials Liability, Employment Practices Liability ($2 million)

Coverage Summary

Property

Blanket Building & Contents:	$155,809,609
Blanket EDP:	$ 3,341,600
Blanket Business Income/Extra Expense:	$ 1,500,000
Blanket Business Income-Loss of Utilities:	$ 500,000
Equipment Breakdown:	Included
Property Deductible:	$ 10,000
Business Income/Extra Expense Waiting Period:	24 Hours
Fire Hydrants	$ 13,330,000
Light Poles	$ 6,694,286
Traffic Lights	$ 1,355,456
Earthquake	$ 10,000,000
Earthquake Deductible	$ 50,000
Flood	$ 10,000,000
Flood Deductible	$ 50,000

Inland Marine

Scheduled Equipment:	$ 1,346,723
Deductible:	$ 5,000

Auto Physical Damage

Limit: Per Schedule of Autos on file with Company Valuation is ACV	$ 6,374,556
Physical Damage Deductibles for Private Passenger and Light Vehicles	
ACV Comprehensive Deductible	$ 10,000
ACV Collision Deductible	$ 10,000
Physical Damage Deductible on Law Enforcement Vehicles & Medium & Heavy Vehicles	
ACV Comprehensive Deductible	$ 10,000
ACV Collision Deductible	$ 10,000
Physical Damage Deductibles on Vehicles Valued $100,000 or Greater	
ACV Comprehensive Deductible	$ 25,000
ACV Collision Deductible	$ 25,000
Open Lot Coverage Deductible	$ 100,000

Coverage Summary

Crime

Employee Dishonesty	$ 1,000,000
Forgery and Alteration	$ 1,000,000
Theft Disappearance & Destruction	$ 1,000,000
Robbery/Safe Burglary	$ 1,000,000
Computer Fraud	$ 1,000,000
Deductible – Employee Dishonesty	$ 10,000
Deductible – all other listed above	$ 5,000

Excess Worker's Compensation

A. Workers' Compensation	Statutory
B. Employer's Liability	
Bodily Injury by Accident	$ 1,000,000
Bodily Injury by Disease (policy limit)	$ 1,000,000
Bodily Injury by Disease (each employee)	$ 1,000,000
SIR/Loss Limitation:	
All Other	$ 425,000
Police Officers	$ 500,000
USL&H	$ 600,000
Aggregate Excess Limit	$ 5,000,000

A.M Best Rating

Best's Insurance Reports, published annually by A.M. Best Company, Inc. Presents Comprehensive reports on the financial position, history, and transactions of insurance companies operating in the United States. Carriers are assigned a best's Rating which attempts to measure the comprehensive position of the company or association to industry average.

INSURER

Insurance Company:	Safety National	Chubb	Chartis
Best Rating:	A/XI	A++/XV	A/XV

Best Financial Strength Ratings

Rating	**Description**	
A++, A+	Superior	**Secure**
A, A-	Excellent	**Secure**
B++, B+	Very Good	**Secure**
B, B-	Fair	**Vulnerable**
C++, C+	Marginal	**Vulnerable**
C, C-	Weak	**Vulnerable**
D	Poor	**Vulnerable**
E	Under Regulatory Supervision	**Vulnerable**
F	In Liquidation	**Vulnerable**
S	Suspend	**Vulnerable**

Financial Size Categories (Reported Policyholders' Surplus Plus Conditional Reserve Funds)

Category	Adjusted Policyholders Surplus
I	Less than 1,000,000
II	1,000,000 to 2,000,000
III	2,000,000 to 5,000,000
IV	5,000,000 to 10,000,000
V	10,000,000 to 25,000,000
VI	25,000,000 to 50,000,000
VII	50,000,000 to 100,000,000
VIII	100,000,000 to 250,000,000
IX	250,000,000 to 500,000,000
X	500,000,000 to 750,000,000
XI	750,000,000 to 1,000,000,000
XII	1,000,000,000 to 1,250,000,000
XIII	1,250,000,000 to 1,500,000,000
XIV	1,500,000,000 to 2,000,000,000
XV	Greater than 2,000,000,000