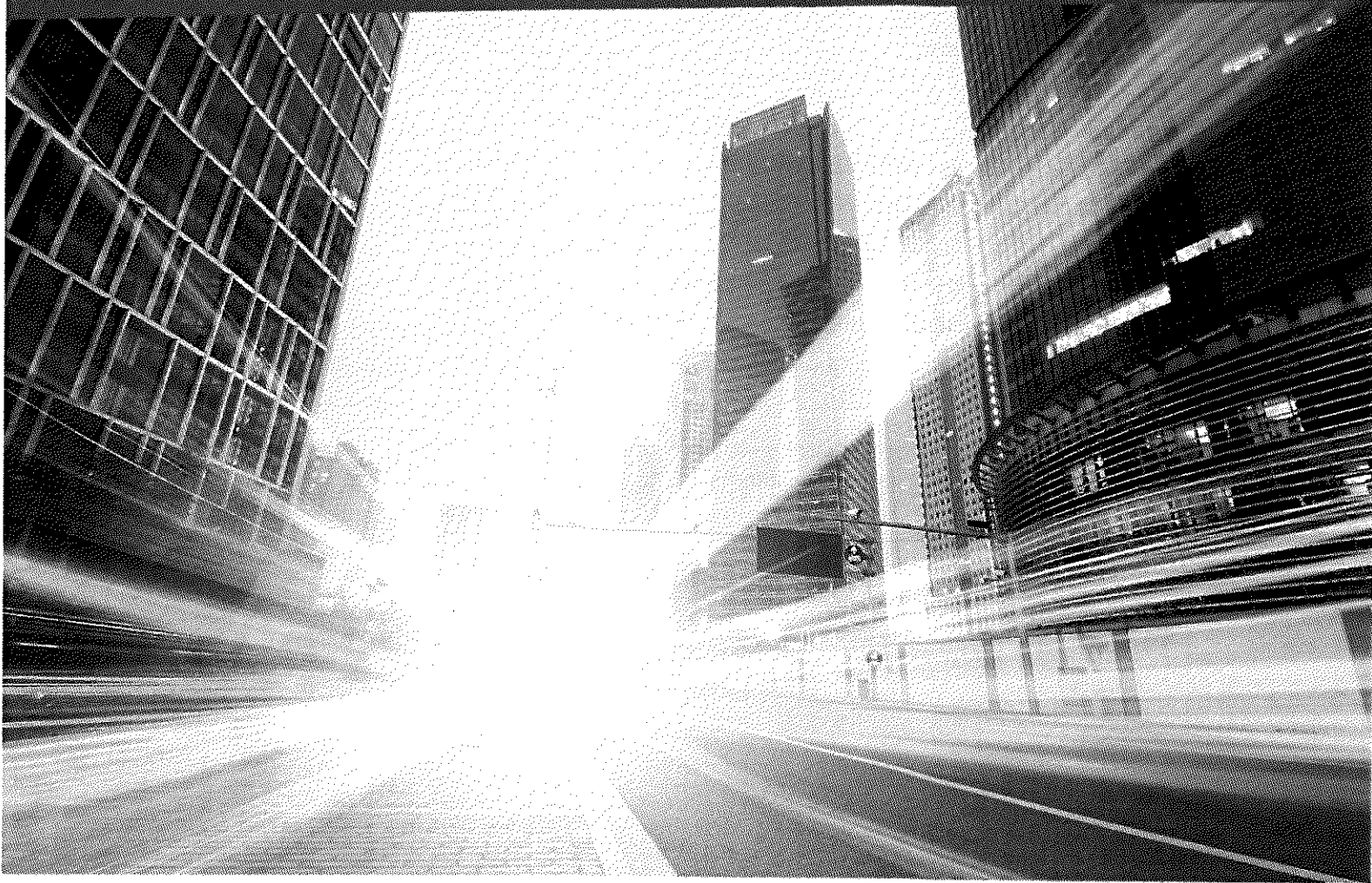


Village of Orland Park, Illinois



Prepared for:



Presented by:

Mike Gleason / Senior Vice President
mike.gleason@thehortongroup.com
Phone: 708-845-3326

David Bresnahan / Client Executive
david.bresnahan@thehortongroup.com
Phone: 708-845-3372

Effective Date: 01/01/16 to 01/01/17

Table of Contents

Cost Summary & Payment Terms3

Premium Comparison4

Exposure Analysis Summary5

Property & Inland Marine Quote, Terms & Conditions..... 6-7

Auto Physical Damage Quote, Terms & Conditions 8-9

Crime Quote10

Public Entity Excess Liability Quote, Terms & Conditions 11-12

IL Excess Workers' Compensation Quote, Terms & Conditions..... 13-14

Excess Liability Quote15

Cyber / Privacy Liability Quote.....16

AM Best Rating.....17

About Horton, Horton Services & Horton Disclaimers 18-20

Cost Summary

All coverage information detailed in the preceding pages is based on information provided by the insured and subject to the terms, conditions, exclusions and limitations contained in the policies. Please read your policies for a complete explanation. Property limits are flexible and chosen by the insured. Additional limits of liability may be available upon request.

Premium Summary

Coverage	Carrier	Premium
Property/B&M/Inland Marine/ Auto Physical Damage	Chubb	\$209,784
Crime	Great American	\$5,134
Public Entity – GL/Auto Liability/ E&O/EPLI/EBL	Lexington	\$326,655
IL Excess Workers' Compensation	Safety National	\$83,014
Excess Liability	Illinois National	\$110,000
Cyber Liability	Westchester	\$20,271
Annual Service Fee	The Horton Group	\$49,500
Claims Handling Fee	CCMIS	\$25,000
Total Premium		\$829,358

Payment Terms

Carrier	Line	Payment Plan
Chubb	Property/B&M/Inland Marine/Auto PD	Agency bill, annual
Great American	Crime	Agency bill, annual
Lexington	Public Entity	Agency bill, annual
Safety National	IL Excess Work. Comp.	Agency bill, annual
Illinois National	Excess Liability	Agency bill, annual
Westchester	Cyber Liability	Agency bill, annual
The Horton Group	Annual Service Fee	Agency bill, annual
CCMSI	Claims Handling Fee	Direct bill by CCMSI, quarterly payments of \$6,250

Premium Comparison

	2014-2015	2015-2016
Property/B&M/Inland Marine/ Auto Physical Damage	\$203,284	\$209,784
Crime	\$5,134	\$5,134
Public Entities Excess – GL/Auto Liability/ E&O/EPLI/EBL	\$326,655	\$326,655
IL Excess Workers' Compensation	\$79,226	\$83,014
Excess Liability	\$110,000	\$110,000
Cyber Liability	\$20,271	\$20,271
Annual Service Fee	\$49,500	\$49,500
Claims Handling Fee	\$25,000	\$25,000
TOTAL	\$819,070	\$829,358

Notes:

- Property & Inland Marine values are up \$18,284,007 or 11.4%, but rates are down 5.4%.
- Workers' Compensation rates are up 4.7% which is consistent with the current marketplace in this type of program

Exposure Analysis Summary

Property – Total Insured Value	2014-2015	2015-2016
Total Blanket Building & Contents Values	\$157,454,185	\$175,635,829

Inland Marine	2014-2015	2015-2016
Total Scheduled Equipment Values	\$1,591,760	\$1,694,123

Automobile	2014-2015	2015-2016
Total Auto Values	\$7,235,826	\$7,310,808

Workers' Compensation	2014-2015	2015-2016
Total Payroll Values	\$25,107,205	\$24,876,916

Property & Inland Marine

Named Insured

Village of Orland Park, Illinois

Insurer

Insurance Company: Federal Insurance Co. (Chubb)

Best Rating: A++ XV

Policy Term

Effective Date: 01/01/16

Expiration Date: 01/01/17

Conditions

Deductible: \$50,000 All Risk; \$10,000 Inland Marine; \$50,000 Flood & Earthquake (EQ Deductible Applies per location)

Cause of Loss: All Risk

Valuation: Replacement Cost; Agreed Value

Coinsurance: N/A

Waiting Period: 24 hours – Business Income; 96 hours – Dependent Business Income; 72 hours – Flood & Earthquake

Real Property & Inland Marine

Blanket Building & Personal Property	\$170,542,192
Machinery Breakdown	Included

Inland Marine Equipment	\$ 1,694,123
Leased/Rented/Borrowed Equipment	\$ 250,000

Business Income & Extra Expense	\$ 1,500,000
---------------------------------	--------------

Dependent Business Income & Extra Exp./OP Square Mall	\$ 10,000,000
Dependent Business Income & Extra Exp./OP Park Place Mall	\$ 2,000,000
Dependent Business Income & Extra Exp./Various Stores	\$ 500,000
Dependent Business Income & Extra Exp./Unnamed Loc.'s	\$ 500,000

Electronic Data	\$ 3,498,637
Fine Arts	\$ 95,000
Light Poles	\$ 6,694,286
Traffic Lights	\$ 1,355,456
Fire Hydrants	\$ 13,330,000
Valuable Papers	\$ 100,000

Earthquake	\$ 10,000,000
Flood	\$ 10,000,000
Note	No coverage in Flood Zone A or V

Property Inland Marine Terms & Conditions

Notable Coverages & Special Wording

- Special Policy Form- Subject to Policy Exclusions
- Terrorism Included
- Replacement Cost Valuation
- Agreed Value
- Blanket Building & Contents
- Business Income Included
- Extra Expense Included
- Building Ordinance or Law Included
- Flood Coverage
- Earthquake Coverage
- Leased/Rented Equipment
- Boiler and Machinery/Equipment Breakdown Included

Notable Exclusions

- Pollution
- Inventory Shortage
- Intentional Acts
- Artificially Generated Current
- Certain Computer Related Losses
- Mold, Mildew or Fungus
- Nuclear or Biological Acts
- War
- Vacancy or Un-Occupancy

Automobile Physical Damage

Named Insured

Village of Orland Park, Illinois

Insurer

Insurance Company: Federal Insurance Co. (Chubb)

Best Rating: A++ XV

Policy Term

Effective Date: 01/01/15

Expiration Date: 01/01/16

Coverages

\$7,310,808 per Auto schedule on file with Company; Valuation is ACV

Physical Damage Deductibles on all non law enforcement, law enforcement, private passenger, light, medium, and heavy vehicles:

ACV comprehensive deductible: \$10,000

ACV collision deductible: \$10,000

Physical Damage Deductibles on vehicles valued at \$100,000 or greater:

ACV comprehensive deductible: \$25,000

ACV collision deductible: \$25,000

Open Lot Coverage/Auto Physical Damage \$100,000 deductible

Automobile Physical Damage Terms & Conditions

Notable Coverages & Special Wording

- Hired Auto Physical Damage coverage is included

Notable Exclusions

- Expected or Intended Injury
- Asbestos
- Pollution
- Nuclear Hazard
- Handling of Property Except While Loading/Unloading from Covered Auto
- Movement of Property by Mechanical Device Other Than Hand Truck
- War
- Racing
- Nuclear Hazard

Crime

Named Insured

Village of Orland Park, Illinois

Insurer

Insurance Company: Great American
Best Rating: A+ XIII

Policy Term

Effective Date: 01/01/16
Expiration Date: 01/01/17

Limits

Coverage – Discovery Form	Limit	Deductible
Employee Dishonesty	\$1,000,000	\$10,000
Forgery or Alteration	\$1,000,000	\$ 5,000
Inside the Premises	\$1,000,000	\$ 5,000
Outside the Premises	\$1,000,000	\$ 5,000
Computer Fraud	\$1,000,000	\$ 5,000
Money Orders & Counterfeit Paper Currency	\$1,000,000	\$ 5,000
Funds Transfer Fraud	\$1,000,000	\$ 5,000

Endorsements

Includes the Chair & Members of Specified Committees as Employees

Includes Faithful Performance of Duty

Public Entity Excess Liability

Named Insured

Village of Orland Park, Illinois

Insurer

Insurance Company: Lexington Insurance

Best Rating: A XV

Policy Term

Effective Date: 01/01/16

Expiration Date: 01/01/17

Policy Form

Occurrence & Claims Made

Retained Limit

\$100,000

Limits

Bodily Injury, Property Damage, Personal & Advertising Injury Aggregate Limit & Each Occurrence Limit.....	\$	2,000,000
Each Occurrence Limit.....	\$	2,000,000
Automobile Liability Each Occurrence.....	\$	2,000,000
Error and Omissions Aggregate Limit.....	\$	2,000,000
Each Wrongful Act Limit.....	\$	2,000,000
Employment Practices Aggregate Limit.....	\$	2,000,000
Each Employment Practices Wrongful Act Limit.....	\$	2,000,000
Employment Benefit Aggregate Limit.....	\$	2,000,000
Each Employment Benefit Wrongful Act Limit.....	\$	2,000,000

Defense

Defense outside the policy limits and erodes the retained limit(s)

Claims Made Retro Date

04/30/89 – Errors and Omissions Liability

04/30/89 – Employment Practices Liability

N/A – Employment Benefit Liability

Discovery Option

1 year at 150% of the Annual Premium

Endorsements

Terrorism; Dam Exclusion Removed; Blanket Additional Insured w/ written contract; Defense Amendatory Endorsement

Public Entity Terms & Conditions

Notable Coverages & Special Wording

- Contractual liability is included on a limited basis
- Additional Insured coverage is blanket as required by contract
- Employee Benefits Liability

Notable Exclusions

- Expected or Intended Injury
- Pollution
- Lead
- Asbestos
- Nuclear Hazard
- War
- Silica
- Intellectual Property
- Breach of Contract
- Distribution of Material in Violation of Statutes
- Fungi or Bacteria
- Punitive Damages
- Impaired Property
- Faulty Workmanship

Risk Management Consideration

- Certificates of Insurance should be required for all raw material suppliers and contractors who perform work on your premises, naming YOU additional insured on a primary and non-contributory basis.
- All suppliers & contractors should be required to carry liability & workers compensation insurance at minimum limits deemed acceptable by your company.
- A risk transfer contract requiring the above and granting a hold harmless provision in favor of YOU should also be executed prior to the purchase order
- Any risk transfer contracts your clients are asked to sign should be reviewed by Horton prior to signing.
- Horton's Certificate Tracking system (HortonTrax) can assist you in the administration of your risk transfer program.

IL Excess Workers' Compensation

Named Insured
Village of Orland Park, Illinois

Insurer
Insurance Company: Safety National
Best Rating: A+ XIII

Policy Term
Effective Date: 01/01/16
Expiration Date: 01/01/17

Coverages

IL Excess Workers' Compensation.....	Statutory
Employer's Liability	
Per Occurrence.....	\$ 1,000,000

Extensions

Aggregate Excess Limit.....	\$ 5,000,000
Loss Limitation/All Other.....	\$ 600,000
Loss Limitation/Police Officers.....	\$ 600,000
Loss Limitation/USL&H.....	\$ 600,000

Premium Breakdown

Code	Class	Payroll
5506	Street Paving/Construction	\$ 1,344,238
7380	Drivers	\$ 90,275
7520	Waterworks Operations	\$ 1,145,836
7720	Police Officers	\$ 9,462,045
8380	Vehicle & Equipment	\$ 450,747
8810	Clerical	\$ 7,643,427
9102	Park NOC	\$ 3,362,412
9410	Municipal EES, NOC	\$ 1,377,936
	TOTAL PAYROLL	\$ 24,876,916

Workers' Compensation Terms & Conditions

Notable Coverages & Special Wording

- Employers Liability limits:
\$1,000,000/\$1,000,000/\$1,000,000

Notable Exclusions

- Contractual Liability
- Punitive Damages
- Expected or Intended Injury
- Employment in Violation of the Law

Excess Liability

Named Insured
Village of Orland Park, Illinois

Insurer

Insurance Company: Illinois National
Best Rating: A XV

Policy Term

Effective Date: 01/01/16
Expiration Date: 01/01/17

Coverages

Each Occurrence	\$13,000,000
Aggregate	\$13,000,000
Self Insured Retention	\$ 0

Underlying Schedule

- General Liability
- Auto Liability
- Law Enforcement Liability
- Public Officials Liability
- Employment Practices Liability
- Employee Benefits Liability
- Workers' Compensation Employers Liability

Cyber / Privacy Liability

Named Insured
Village of Orland Park, Illinois

Insurer

Insurance Company: Westchester Surplus
Best Rating: A++ XV

Policy Term

Effective Date: 01/01/16
Expiration Date: 01/01/17

Coverages

Cyber Privacy Liability	\$1,000,000
Data Breach Fund.....	\$1,000,000
Network Security Liability.....	\$1,000,000
Self Insured Retention	\$ 25,000

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: Federal; Gr. Am.; Lex.

Best Rating: A++ XV A+ XIII A XV

Insurance Company: IL Nat.; Safe.N.; West.

Best Rating: A XV A+ XIII A++XV

Best Financial Strength Ratings

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

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

About Horton

Our business is helping clients with complex needs and limited resources achieve a higher level of performance.

We specialize in helping clients turn costs and risk into competitive advantage. We're all aware of the risks of operating and growing an agency. However, not all brokerage firms understand enterprise risk to be both an opportunity and a threat. That's where we come in.

The Horton Group is an **insurance, employee benefits, and risk advisory firm.**

We lead the way for clients with complex needs and limited resources to focus on capturing opportunity today, and growing the business for tomorrow.

Our experts work closely with business owners, HR leaders, Finance leaders, Chief Operating Officers, and even Risk Advisors to look across their organization and assess risk, resources, and opportunities to help them improve performance, sales, and growth.

We prepare you for the present and the future.

The Horton Group has the people, the insight and innovation to get ahead of trends, and offer new ideas on critical challenges.

But we don't stop at the idea stage. We're there to assess and select the right solutions, coverage and carriers customized to your needs.

Our industry solutions and value-add services combine expert insight with execution excellence to ensure we're solving the right problem in the right way.

Experience business impact from our continuous improvement process.

We assess, plan and execute. Again and again. The continuous improvement process, accountability and service commitment that you experience when working with the Horton Group occurs every day, not just on renewal day.

It takes more than insurance expertise to drive higher levels of performance from your programs. Our people have the business and industry acumen to assess risk, resources, and opportunities. Then they put their experience and service obsession to use as they implement. And they remain accountable for their reliable, high quality service you expect from the Horton Group.

We work with you to drive down your costs, work and risk.

Insuring your organization is more than giving you peace of mind. We want to change your insurance, employee benefits and enterprise risk from cost to a competitive advantage. And we'll deliver on that promise by helping you drive down costs, workload and risk. How do we do it?

One way is to work on your behalf to accelerate efficiencies in program administration. Another way is to apply our business and industry insight to advise you on enterprise risk.

This holistic perspective helps us work with you to map a course that maximizes your goals, improves your performance, and increases your competitive advantage.

Horton Services

The Horton Group Services

As one of the largest privately-held insurance brokers in the country, The Horton Group offers a comprehensive portfolio of products and services for a wide-array of industries and niche markets. Your business will not outgrow the Horton Group.

Multiple Insurance Lines

- **Property & Casualty** – provides property, general liability, automobile, excess liability, workers' compensation, and directors and officers insurance.
- **Employee Benefits** – help employers achieve the right balance between cost management and employee satisfaction, through all types of options-insured, self-funded and consumer-directed alternatives. We partner with our clients to understand healthcare reform, support compliance, and also offer technology based private exchange solutions where appropriate.
- **Voluntary Benefits** – help companies improve morale and free up staff by offering well-designed, optional products such as individual life, short-term and long-term disability and supplemental vision, dental, critical illness and accident insurance.
- **Personal Lines** – help business owners, key executives and employees protect their homes, automobiles, watercraft and more. Services include detailed coverage reviews, annual coverage reviews and programs for high net worth individuals
- **International** – As one of 100+ privately-held Assurex Global Partners we have access to more than 500 offices in over 70 countries. Horton has the resources to deliver cost-effective risk management; insurance and employee benefit solutions anywhere in the world.

Consulting Services

- **Safety Consulting and Loss Control** – From employee orientation and training to jobsite inspections, Horton helps contractors and other commercial clients manage claims, facilitate appropriate return-to-work programs and incorporate safety into every aspect of their business operation.
- **Claims Advocacy** – our team of claims professionals offers years of experience and a hands-on approach to enable clients to navigate difficult situations with ease.
- **Surety Bonding** – industry-proven expertise, an excellent reputation throughout the surety and bond markets and a unique pre-executed license bond program help Horton clients save valuable time and money.
- **Alternative Risk** – specialized expertise has enabled Horton to create two successful group captive insurance companies with financial results that exceed industry standards.

Horton Disclosures & Disclaimers

Compensation

The Horton Group receives compensation for its services which may include one or a combination of standard agent and contingent/bonus commissions paid by insurance companies and fees paid by clients.

Commissions: The Horton Group receives standard agent commissions from insurance companies for placing insurance with them and the continued service of clients' insurance needs. Typically commissions are calculated as a percentage of earned policy premium. Each insurance company establishes the commission percentages that it pays on certain lines of insurance. Our commission is included in the insurance premium paid by you.

Contingency and Bonus Commissions: The Horton Group may receive additional compensation in the forms of, including but not limited to, contingent commission or bonus commission. Contingent or bonus commission is paid by the insurance companies based on a number of factors, all of which are determined by the insurance company. These factors include, but are not limited to: 1) the overall business The Horton Group has placed with an insurance company, which could include factors for retained business, growth or new business and 2) the profitability of that business. The overall commission paid depends on the size and performance of an entire group of accounts, as opposed to the profitability or placement of any particular policy. The Horton Group has agency agreements with insurance companies that pay contingent or bonus commission that outline the calculation for such contingent or bonus commission payment. During the past five years, The Horton Group's contingent/bonus income has averaged less than 1% of total premiums.

Fee-Based Income: The Horton Group may also receive compensation in the form of fees paid by clients. Under fee-based arrangements, the clients agree to pay a fee to The Horton Group net of, or in addition to, commission income. The Horton Group fully discloses all fees in the form of a Fee Agreement. These fees may cover policy services, loss control services, safety consulting and/or claims administration.

Exposure Evaluation

All terms of this proposal are based on the evaluation of material provided by you or your employees. The Horton Group expressly disclaims all liability for the content of such evaluation material, including but not limited to, any errors or omissions contained therein or arising therefrom. The terms of this proposal are subject to change if you provide new or revised evaluation material to The Horton Group.

Coverage Terms & Conditions

All coverage terms and conditions in the preceding pages are intended as a reference only. Actual policies will contain full coverage exclusions or limitations, terms and conditions, and other wordings that are not summarized herein.

Other

Agency Capital Group, LLC an affiliate of Amerisure Insurance, is a minority investor in The Horton Group

Insurance Cost Analysis

Named Insured:

Village of Orland Park

Policy Period:

1/1/2016 to 1/1/2017

11 Year Insurance Cost

	Chubb AIG Safety National	2005-2006	Chubb AIG Safety National	2006-2007	Chubb AIG Safety National	2007-2008	Chubb AIG Safety National	10/08 to 1/1/10	Chubb AIG Safety National	2010-2011	Chubb AIG Safety National	2011-2012	Chubb AIG Safety National	2012-2013	Chubb AIG Safety National	2013-2014	Chubb AIG Safety National	2014-2015	Chubb AIG Safety National	2015-2016	Chubb AIG Safety National	2016-2017
Premiums																						
- Property		\$198,789		\$191,033		\$195,958		\$226,425		\$255,686		\$256,116		\$256,116		\$256,116		\$223,610		\$203,284		\$209,784
- Crime		\$6,219		\$6,525		\$6,525		\$4,890		\$4,890		\$4,890		\$4,890		\$4,890		\$5,134		\$5,134		\$5,134
- Excess GL, Auto, EPLI & E&O		\$394,327		\$405,554		\$430,728		\$353,147		\$339,808		\$339,808		\$339,808		\$339,808		\$343,952		\$326,655		\$326,655
- Excess Work Comp		\$52,002		\$58,935		\$62,874		\$63,337		\$67,370		\$66,025		\$69,411		\$65,262		\$72,018		\$79,226		\$83,014
- Excess Liability		\$119,889		\$108,780		\$118,056		\$101,977		\$106,854		\$106,854		\$106,854		\$106,854		\$110,000		\$110,000		\$110,000
- Cyber Liability		No		Coverage		No		Coverage		No		Coverage		No		Coverage		NC		\$20,271		\$20,271
- CCMSI Claim Fee		\$30,500		\$30,500		\$36,060		\$36,060		\$25,000		\$25,000		\$25,000		\$25,000		\$25,000		\$25,000		\$25,000
- Horton Fee		\$65,000		\$65,000		\$65,000		\$65,000		\$65,000		\$65,000		\$65,000		\$59,500		\$54,900		\$49,500		\$49,500
Grand Total Net Cost		\$866,726		\$866,327		\$915,201		\$850,836		\$864,608		\$863,693		\$867,079		\$857,430		\$834,614		\$819,070		\$829,358

