



Arthur J. Gallagher  
Risk Management Services

Underground Storage Tanks  
Insurance Proposal  
for

**CITY OF MENASHA**



Presented By:

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*February 11, 2011*

**IMPORTANT:** The proposal is an outline of certain of the terms and conditions of the insurance proposed by the insurers, based on the information provided by your company. It does not include all the terms, coverages, exclusions, limitations, conditions of the actual policy contract language. The insurance policies themselves must be read for those details. Policy forms for your reference will be made available upon request.

## Marketing Recap

Insurance Carrier	Coverages	Best's Rating [Edition Date]	Surplus Lines (Yes/No)	Carrier's Position (Quoted/Declined & Reason)
ACE American Insurance Company	Underground Storage Tanks		No	Premium Indication for the Limits of \$1MM / \$2MM with a \$10,000 deductible for \$5,515 annual premium.
Commerce & Industry – via Chambers	Underground Storage Tanks		No	Quoted. Limits \$1MM / \$1MM with a \$25,000 deductible for \$3,646 annual premium.
Liberty Surplus Insurance Corporation	Underground Storage Tanks		Yes	Quoted. Limits \$1MM / \$1MM with a \$25,000 deductible for \$5,128.43 annual premium including Surplus Lines Tax & Fees.
Zurich Insurance Company	Underground Storage Tanks		No	Declined – due to Marinas exposure.

**Note:** If the above indicates coverage is placed with a Non-Admitted Carrier, the carrier is doing business in the state as a surplus lines or non-admitted carrier. As such, this carrier is not subject to the same regulations which apply to an admitted carrier nor do they participate in any insurance guarantee fund applicable in that state.



CITY OF MENASHA  
SUMMARY OF UST QUOTATIONS  
2011 - 2012

	2010-2011	2010-2011	2010-2011
Carriers	C&I <i>(via Chartis)</i>	ACE	Liberty Suprlus Ins. Corp.
	Admitted	Admitted	Non-Admitted
Best's Rating	A XV	A+ XV	A XV
Policy Form	Claims-made	Claims-made	Claims-made
Number of Tanks	4	4	4
Limit of Liability			
Each Accident	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
Aggregate Limit	\$ 1,000,000	\$ 2,000,000	\$ 1,000,000
Aggregate Claims Expense Limit	Unlimited	\$ 1,000,000	\$ 250,000
Deductible - Each Accident	\$ 25,000	\$ 10,000	\$ 25,000
Retroactive Date	2/15/11	3/1/11	Policy Inception
Annual Premium	\$ 3,646.00	\$ 5,515.00	\$ 4,967.00
Surplus Lines Tax (3%)	N/A	N/A	\$ 149.01
Stamping Fees (.250%)	N/A	N/A	\$ 12.42
<b>Total Annual Premium</b>	<b>\$ 3,646.00</b>	<b>\$ 5,515.00</b>	<b>\$ 5,128.43</b>
TRIA Premium - <i>optional</i>	\$ 90	Included	149
<i>Commission to Gallagher</i>	12.5%	15%	13%

POLICYHOLDER DISCLOSURE STATEMENT UNDER  
TERRORISM RISK INSURANCE ACT OF 2002

You are hereby notified that under the federal Terrorism Risk Insurance Act of 2002 (the "Act") effective November 26, 2002, you now have a right to purchase insurance coverage for losses arising out of an Act of Terrorism, which is defined in the Act as an act certified by the Secretary of the Treasury (i) to be an act of terrorism, (ii) to be a violent act or an act that is dangerous to (A) human life; (B) property or (C) infrastructure, (iii) to have resulted in damage within the United States, or outside of the United States in case of an air carrier or vessel or the premises of a U.S. mission and (iv) to have been committed by an individual or individuals acting on behalf of any foreign person or foreign interest, 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. You 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 and thus covered by this law is final and not subject to review. There is a \$100 billion dollar annual cap on all losses resulting from Acts of Terrorism above which no coverage will be provided under this policy and under the Act unless Congress makes some other determination.

For your information, coverage provided by this policy for losses caused by an Act of Terrorism may be partially reimbursed by the United States under a formula established by the Act. Under this formula the United States pays 90% of terrorism losses covered by this law exceeding a statutorily established deductible that must be met by the insurer, and which deductible is based on a percentage of the insurer's direct earned premiums for the year preceeding the Act of Terrorism.

Unless you sign this form and return it to us rejecting Terrorism Coverage under the Federal Act, you will be covered for Terrorism as defined in the Act and your premium for that coverage is based upon which coverage option you choose (Coverage options setting forth limits, policy term, etc. are set forth in the attached letter of indication).

Option 1 Terrorism Act Premium: \$90

COMMERCE & INDUSTRY INS CO

Return to: Chamber Insurance Agency  
Services LLC

NAMED INSURED:

City of Menasha

Quote#: 106478

\_\_\_\_\_  
Signature of Insured

\_\_\_\_\_  
Print Name/Title

\_\_\_\_\_  
Date