

Property & Casualty Insurance Proposal
10-01-2022 to 10-01-2023

County of El Paso



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About USI Insurance Services

USI is a top 10 insurance brokerage and consulting firm, delivering property and casualty, employee benefits, personal risk and retirement solutions throughout the United States. Headquartered in Valhalla, New York, USI has over \$1.0 billion in revenue, more than 4,400 professionals and operates out of nearly 140 local offices serving every state. USI has become a premier middle market insurance brokerage firm by leveraging the USI ONE Advantage®, an interactive platform that integrates proprietary analytics, networked resources and enterprise planning to deliver customized solutions with positive, bottom line impact. The value of USI, and our ability to attract best-in-class industry talent while delivering superior solutions and services to our clients and our communities, is achieved through the collaboration and expertise of our local teams. For more information visit usi.com.

The USI ONE Advantage®

What truly distinguishes USI as a leading middle market insurance brokerage and consulting firm is the USI One Advantage, a game-changing value proposition that delivers clients a robust set of risk management and benefit solutions and exclusive resources with financial impact. USI ONE™ represents **Omni, Network, Enterprise**—the three key elements that create the USI ONE Advantage and set us apart from the competition.

Omni – USI’s Proprietary Analytics

Omni, which means “all,” is USI’s one-of-a-kind solutions platform—real time, interactive, dynamic and evolving, and customized for each client. Built in-house by USI subject matter experts, Omni captures the experience of more than 100,000 clients, thousands of professionals and over 100 years of business activity through our acquired agencies into targeted, actionable solutions.

Network – USI’s Local and National Resources

At USI we have made a very large investment in local resources and technical expertise, with more than 4,400 professionals networked nationally to build strong vertical capabilities and integrated account teams. Our local and regional experts ensure account team availability, hands-on service, and ongoing diligent follow-through so we can deliver on the solutions we customize for our clients.

Enterprise – USI’s Team Based Strategic Planning

USI’s enterprise planning is a disciplined, focused, analysis centered on our client’s issues and challenges. Highly consultative meetings integrate USI’s Omni analytics with our broad resource network to build a risk management strategy aligned with client business needs. Our enterprise process is a proven method for identifying, quantifying and minimizing client risk exposures.

The USI ONE Advantage—our **Omni** knowledge engine, with our **Network** of local and national resources, delivered to our clients through our **Enterprise** planning process gives USI fundamentally different solutions, the resources to deliver, and a process to bring superior results to our clients.



Service Team

USI Southwest, Inc.
303 N. Oregon, Ste. 310 El Paso, Texas 79901
(915) 544-3111 www.usi.com

Sales Executive

Your **Sales Executive** is *James E Brundage*

Direct Number: (915) 534-9457

E-Mail: James.Brundage@usi.com

Account Manager

Your **Lead Account Manager** is *Cristy Urquidi*

Direct Number: (915) 534-9456

E-Mail: Cristy.Urquidi@usi.com

Claims Department

Your **Claims Manager** is Mike Rogers at USI Insurance

USI Phone Number: (915) 534-9463

E-Mail: Mike.rogers@usi.com

Schedule of Named Insureds

Named Insureds
County of El Paso

Premium Summary

Coverage	Expiring Premium	Renewal Options Proposed Premium
Property*	\$226,073	\$277,755
Crime	\$7,449	\$7,503
Auto*	\$103,146	\$113,187
Special Event General Liability (includes taxes/fees)	\$7,426	\$8,004
Drone	\$1,334	\$1,335
Total Annual Premium	\$345,428	\$407,784

Binding Requirements:

- "Client Authorization to Bind" signed by the insured
- Signed final fleet schedule
- Signed Statement of Values
- Signed TRIA Forms

Property

TIV History

- 18-19 Total Insured Values \$347,552,246
- 19-20 Total Insured Values \$350,737,803
- 20-21 Total Insured Values \$354,025,803
- 21-22 Total Insured Values \$348,607,803
- 22-23 Total Insured Values \$362,852,998

Changes:

- Travelers advised that based on their risk control visit, the courthouse is underinsured by \$14M.
- Courthouse value was increased from \$61,603,763 to \$75,603,763
- Property* coverage is on a blanket basis, if the county does not accept the increase value of the courthouse, Travelers will take the courthouse out of the blanket limit and it will be insured by itself at the scheduled value of \$70,816,763. If the county chooses to not increase the value per Travelers the annual premium will be **\$267,734**.

Crime

- 2 Year Option \$\$14,255
- 3 Year Option \$21,383

Auto *

- Automatic coverage on vehicles acquired during policy term subject to annual self-audit
- All owned, hired and non-owned vehicles for liability, including vehicles under long term lease
- TPS quote is based on: 720 vehicles (as of 05-17-22 – premium subject to change)
- Final quote will be based on the total number of vehicles as of 09-13-22: Final premium will be determined in mid-September when the county has finished purchasing and deleting vehicles prior to 10/1.

Note:

In evaluating your exposure to loss, we have been dependent upon information provided by you. If there are other areas that need to be evaluated prior to binding of coverage, please bring these areas to our attention. Should any of your exposures change after coverage is bound, such as your beginning new operation, hiring employees in new states, buying additional property, etc., please let us know so proper coverage(s) can be discussed.

Higher limits may be available. Please contact us if you would like a quote for higher limits.

Insurance Coverages

TRAVELERS INSURANCE – PROPERTY		
Subject of Insurance	Limit	Deductible
Blanket Limit	\$362,852,998	\$500,000
- Building	\$332,493,851	
- Personal Property	\$30,359,147	
Extra Expense	\$4,515,000	
Valuation		Replacement Cost
Co-Insurance		80%
Total Insured Value	\$367,367,998	

TRAVELERS INSURANCE – CRIME		
Subject of Insurance	Limit	Deductible
Employee Theft – Per Loss	\$1,000,000	\$25,000
Claims Expense	\$5,000	\$0
On Premises	\$1,000,000	\$25,000
In Transit	\$1,000,000	\$25,000
Computer Fraud	\$1,000,000	\$25,000
Funds Transfer Fraud	\$1,000,000	\$25,000
Social Engineering Fraud	\$500,000	\$25,000
Telecommunication Fraud	\$100,00	\$25,000
Worldwide Coverage		Included

TEXAS POLITICAL SUBDIVISION - AUTO		
Subject of Insurance	Limit	Deductible
Liability		
Combined Single Limit Liability	\$400,000	\$50,000
Hired Auto Liability	Included	
Non-Owned Liability	Included	
Crisis Management Liability	Included	

EUCLID PUBLIC SECTOR - GENERAL LIABILITY – SPECIAL EVENT		
Subject of Insurance	Limit	Deductible
General Aggregate – Per Policy	\$2,000,000	None
Products and Completed Operations	Excluded	
Personal and Advertising Injury	Excluded	
Each Occurrence	\$1,000,000	
Premises Damage	\$100,000	
Medical Expense	\$5,000	

AIG – CYBER LIABILITY			
Subject of Insurance	Limit	Deductible	Continuity Date Retroactive Date
Security and Privacy Liability	\$3,000,000	\$150,000	10/01/18 Full Prior Acts
Network Interruption Insurance	\$3,000,000	\$150,000	n/a
Event Management Insurance	\$3,000,000	\$150,000	n/a
Cyber Extortion Insurance	\$3,000,000	\$150,000	n/a

Global AeroSpace – DRONES (UAS)			
Year-Make-Model	Flight Hours	Insured Value	Deductible
2016 DJI Innovations Matrice 100 EK171951481332	200	\$5,400	In Motion: 5% Not in Motion: 5%
2021 DJI Innovations Phantom 4 PRO V2.0 11USJ78R720297	200	\$3,000	In Motion: 5% Not in Motion: 5%
Coverages		Limits	
Liability Coverage		\$1,000,000	
Medical Expense		\$5,000	
Bail Bonds		\$5,000	
Fire Legal		\$100,000	
Contractual Liability		Policy Limit	
Product Liability arising out of sale of scheduled aircraft		Policy Limit	
Personal Injury		\$1,000,000	
Acts of Terrorism under the TRIPRA		Included	
Single Limit Bodily Injury and Property Damage Liability			
Also includes Liability arising from:			
- Occasioned by or in consequences for war, hi-jacking and other perils			
- The Operation of UAS you rent/lease/borrow for periods less than 30 days			
- UAS operated on your behalf by others			

Agency Bill Payment Options

We sincerely appreciate the opportunity to service your insurance needs. We believe good credit relationships are established by making our clients aware in advance of the terms of our payment procedures.

OUR BASIC PAYMENT PLAN IS THAT ALL PAYMENTS ARE DUE ON OR BEFORE THE EFFECTIVE DATE OF COVERAGE. THERE ARE THREE METHODS OF PAYMENT AVAILABLE:

-CASH ON EFFECTIVE DATE
-PREMIUM FINANCING BY A PREMIUM FINANCE COMPANY
-INSURANCE COMPANY PAYMENT PLAN, IF AVAILABLE

Please note that USI Insurance Services LLC and its subsidiaries and affiliates do not provide customer financing.

In some instances, you will receive invoices covering additions or changes to your coverage, endorsements. These invoices are payable upon receipt. You will receive a monthly statement of your account as a reminder as we realize that it is occasionally possible to miss a payment through oversight. Accounts with payments past due are subject to cancellation for non-payment. This is a serious situation as your insurer may refuse to reinstate coverage even if payment is made later. Accounts are subject, but not limited to, reasonable attorney fees, interest, collection fees and/or court costs incurred in connection with collection of past due balances.

PAYMENTS: Please remember to return the remittance copy of the invoice with your payment in the provided envelope. Otherwise, all payments will be applied to your oldest balance or left as unapplied if we cannot identify the applicable invoice being paid.

CREDITS: Credit invoices may be applied against other invoices due us. Please indicate in your remittance or contact us as to where to apply credit invoices on your account.

These payment procedures will apply for any and all policy renewals or future business written.

If you have any questions concerning our payment procedures or any other matters pertaining to account payments, please contact your insurance representative.

USI Disclosures

Direct Bill DISCLOSURE: The Insurance Company operates independently for the financing of your insurance premium. Your agreement to finance this premium is directly with the insurance company and not USI Insurance Services.

If payment is not received by the due date, the insurance company could cancel your insurance policy(s) for non-payment of premium. The insurance company has the right to honor the cancellation date and **NOT** offer reinstatement or rewrite the insurance coverage.

We are not in a position to make monthly reminders or verify that your payment was received. Please take the necessary action to avoid possible cancellation of your insurance policy(s) which you are paying directly to the insurance company.

Information Concerning Our Fees: As a licensed insurance producer, USI is authorized to confer with or advise our clients and prospective clients concerning substantive benefits, terms or conditions of insurance contracts, to sell insurance and to obtain insurance coverages for our clients. You have agreed to pay compensation to USI, for the placement of insurance, pursuant to a written agreement. We may also receive from insurers and insurance intermediaries (which may include USI affiliated companies) additional compensation (monetary and non-monetary) based in whole or in part on the insurance contract we sell, which is contingent on volume of business and/or profitability of insurance contracts we supply to them and/or other factors pursuant to agreements we may have with them relating to all or part of the business we place with those insurers or through those intermediaries. Some of these agreements with insurers and/or intermediaries include financial incentives for USI to grow its business or otherwise strengthen the distribution relationship with the insurer or intermediary. Such agreements may be in effect with one or more of the insurers with whom your insurance is placed, or with the insurance intermediary we use to place your insurance. You may obtain information about the nature and source of such compensation expected to be received by us, and, if applicable, compensation expected to be received on any alternative quotes pertinent to your placement upon your request.

Reviewing Client Contracts DISCLOSURE: As a service to our clients, upon their request, USI will review those portions of your contract regarding the insurance and indemnity requirements as they relate to your insurance program and provide comments and/or recommendations based upon such review. This service should not be taken as legal advice and it does not replace the need for review by the insured's own legal counsel.

USI Privacy Notice

Our Privacy Promise to You

USI provides this notice to you, our customer, so that you will know what we will do with the personal information, personal financial and health information (collectively referred to as the “protected information”) that we may receive from you directly or receive from your health care provider or receive from another source that you have authorized to send us your protected information. We at USI are concerned about your privacy and assure you that we will do what is required of us to safeguard your protected information.

What types of information will we be collecting?

USI collects information from you required both for our business and pursuant to regulatory requirements. Without it, we cannot provide our products and services for you. We will be collected protected information about you from:

- Applications or other forms, such as name, address, Social Security number, assets and income, employment status and dependent information;
- Your transactions with us or your transactions with others, such as account activity, payment history, and products and services purchased;
- Consumer reporting agencies, such as credit relationships and credit history. These agencies may retain their reports and share them with others who use their services;
- Other individuals, businesses and agencies, such as medical and demographic information; and
- Visitors to our websites, such as information from on-line forms, site visitorship data and on-line information collection devices, commonly called “cookies.”

What will we do with your protected information?

The information USI gathers is shared within our company to help us maximize the services we can provide to our customers. We will only disclose your protected information as is necessary for us to provide the insurance products and services you expect from us. USI does not sell your protected information to third parties, nor does it sell or share customer lists.

We may also disclose all of the information described above to third parties with which we contract for services. In addition, we may disclose your protected information to medical care institutions or medical professionals, insurance regulatory authorities, law enforcement or other government authorities, or to affiliated or nonaffiliated third parties as is reasonably necessary to conduct our business or as otherwise permitted by law.

Our Security Procedures

At USI, we have put in place the highest measures to ensure the security and confidentiality of customer information. We will handle the protected information we receive by restricting access to the protected information about you to those employees and agents of ours who need to know that information to provide you with our products or services or to otherwise conduct our business, including actuarial or research studies. Our computer database has multiple levels of security to protect against threats or hazards to the integrity of customer records, and to protect against unauthorized access to records that may harm or inconvenience our customers. We maintain physical, electronic, and procedural safeguards that comply with federal and state regulations to safeguard all of your protected information.

Our Legal Use of Information

We retain the right to use ideas, concepts, know-how, or techniques contained in any nonpublic personal information you provide to us for our own purposes, including developing and marketing products and services.

Your Right to Review Your Records

You have the right to review the protected information about you relating to any insurance or annuity product issued by us that we could reasonably locate and retrieve. You may also request that we correct, amend or delete any inaccurate information by writing to us at the above address.

A.M. Best JUA and Unrated Notification - TPS

The events of 2001 have brought many changes and challenges to the international insurance market. These changes in the market have affected the ability of all brokers to locate insurance coverage at a scope and cost of insurance placed in prior years. In addition, insurance carriers have suffered significant losses that may jeopardize their financial stability.

As a matter of policy, USI endeavors to obtain quotations and indications from insurance companies who meet or exceed the USI minimum guidelines for A.M. Best Ratings of companies. Due to the current insurance market conditions, USI has increased its minimum standard for insurers to A-. A.M. Best's current rating scale is attached.

USI bases its guidelines upon ratings issued by A.M. Best company ("Best"). Best is a recognized publisher of information concerning insurer financial conditions. It rates insurers based on many factors, including financial stability. An insurance company's financial condition, can of course, affect its ability to pay claims.

You are insured with TPS. However, TPS is not rated by Best. We are providing you with this information so you can make an informed buying decision as to whether you wish to place your coverage with State Fund.

Please sign below and return to us to acknowledge your agreement to placement with TPS.

If you would prefer to explore possible placement with another carrier, please contact our office immediately. Please be advised that another carrier may have more restrictive terms, increased premium, increased deductibles or other terms not present with your current carrier.

AGREED TO:

County Of El Paso

(Title – Must be Corporate Officer)

By: _____

Date: _____

A.M. Best Non-Admitted Carrier Notification - Euclid

Events of the past several years have brought many changes and challenges to the international insurance market. These changes in the market have affected the ability of all brokers to locate insurance coverage at a scope and cost of insurance placed in prior years. In addition, insurance carriers have suffered significant losses that may jeopardize their financial stability.

As a matter of policy, USI endeavors to obtain quotations and indications from insurance companies who meet or exceed the USI minimum guidelines for A. M. Best Ratings of companies. Due to the current insurance market conditions, USI has increased its minimum standard for insurers to A-

Certain of your insurance coverages are placed with Euclid Insurance. We placed these coverages for you with Euclid Insurance, which is not admitted to do business in the state of **Texas**, because the coverages could not be obtained through an insurer licensed to do business here. The Insurance Code permits placement of coverage with such non-admitted or surplus lines carriers, as long as it is in accordance with the conditions set forth in the insurance code for that state.

Surplus Lines insurers are not covered by the State's Guaranty Fund, which covers certain losses due to insolvency of insurance companies licensed to do business in our state. We are providing you with the above information so that you can make an informed decision as to whether you wish to continue your coverage with Euclid Insurance.

In the event you choose to stay with Euclid Insurance, please sign below and return this letter to our office. If we do not hear from you within 10 days, we will assume that you do not request any changes in your coverages. If you do need to request changes, please contact our office.

County of El Paso, has reviewed and acknowledged the above.

By: _____ Date: _____

Insurance Carrier Ratings

As a service to our clients, USI is furnishing an assessment by a financial rating service of the insurance companies included in our proposal. We are including the legends used by this service.

All ratings are subject to periodic review, therefore, it is important to obtain updated ratings from each service. Should you desire further information concerning the financial statements of any of the insurance companies being proposed, so that you can make your own assessment of the financial strength of the companies being offered, it is available from USI at your request.

USI has made no attempt to determine independently the financial capacity of the insurance companies that we are including in our proposal as we believe the nationally recognized services are better equipped to comment.

A. M. BEST RATINGS

A++ & A+	Superior	D	Poor
A & A-	Excellent	E	Under Regulatory Supervision
B++ & B+	Good	F	In Liquidation
B & B-	Fair	S	Rating Suspended
C++ & C+	Marginal	NR	Not Rated

FINANCIAL SIZE CATEGORY

(In \$ Thousands)

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

RATING "NOT ASSIGNED" CLASSIFICATIONS

NR-1 Insufficient Data

NR-3 Rating Procedure Inapplicable

NR-5 Not Formally Followed

NR-2 Insufficient Size and/or Operating Experience

NR-4 Company Request



Client Authorization to Bind

Important Information: Please keep in mind coverage cannot be bound when severe weather is threatening regardless of the expiration date.

After careful consideration of your proposal dated August 15, 2022, we accept your insurance program as presented with the following exceptions, changes, and/or recommendations:

Travelers Insurance – Property

- Blanket Property Please bind

Travelers Insurance – Crime

- Annual Option Please bind
- 2 Year Option Please bind
- 3 Year Option Please bind

TPS – Fleet Please bind

Euclid Insurance – Special Event GL Please bind

Global AeroSpace – Drone (UAS) Please bind

Safety National – XS Workers Compensation Please bind

Comments:

Client Signature

Date signed

County of El Paso

