

# charterSAFE

Insurance, Risk Management & Employee Benefits  
for Charter Schools

[www.chartersafe.net](http://www.chartersafe.net)

## NEA Community Learning Center LLC 2014-2015 Insurance Proposal

**Prepared By:**

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**DISCLOSURE:**

*This proposal is an outline of the coverages proposed by California Charter Schools Joint Powers Authority (CCSJPA), based on the information provided by your school. It does not include all of the terms, coverages, exclusions, limitation and conditions of the actual contract language. The policies themselves must be read for those details. Policy forms for your reference will be made available upon the school's request to the California Charter Schools JPA. As set forth in this document, CCSJPA DBA CharterSAFE shall be referred to as CharterSAFE.*

# INTRODUCTION

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Dear NEA Community Learning Center LLC,

CharterSAFE is pleased to present your renewal proposal for the 2014-15 school year. Please review this document, which includes:

- 2014-2015 Proposal Summary
- Named Member
- Exposures
- Schedule of Locations
- Business & Management Indemnity
- General Liability
- Business Auto Liability and Physical Damage
- Excess Liability
- Property
- Crime
- Claims Reporting Instructions
- Proposed Carrier Ratings & Admitted Status

Please note, all of our complimentary member services are still in effect for the 2014-2015 policy period. Member services include access to online staff training, human resources advice, risk management and loss control advise and site inspections, and contract review of insurance and indemnity provision. Please contact your CharterSAFE representative for more information.

## **Required Signatures:**

To complete this document, you must sign in one place:

1. The proposal acceptance at the end of the Proposal Summary

Once these signature are in place, please return the signed document to Thuy Ly at [tly@chartersafe.net](mailto:tly@chartersafe.net) or fax to 530-236-9569.

Thank you,  
The CharterSAFE Team

# PROPOSAL SUMMARY

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## NEA Community Learning Center LLC

### Proposal Summary 2014-2015

**This Proposal includes the following Coverages:**

- Business and Management Indemnity
  - Directors and Officers Liability (D&O)
- General Liability
- Business Auto Liability and Property Damage
- Excess Liability
- Property
- Crime

**Package Premium:** **\$3,655.19**

**Total Estimated Annual Premium:** **\$3,655.19**

<b>Choose one payment option:</b>	<b>Payment In Full</b>	<b>\$3,655.19</b>	<b>Due Now</b>
	<b>Installment Plan:</b>		
	<b>Deposit (25%)</b>	<b>\$913.80</b>	<b>Due Now</b>
	<b>Monthly</b>		
	<b>Installment:</b>	<b>\$304.60</b>	<b>August 1, 2014</b>
	8 additional installments due the 1st of every month		

\*Please refer to the CharterSAFE Invoice for instructions on payment by ACH Debits

***Invoices shall become delinquent thirty (30) calendar days from installment due date.  
Insurance policies are subject to cancellation for any invoice over ninety (90) days past due.***

### Proposal Acceptance:

*By signing below, I, representing the named member in this proposal, agree to join CCSJPA as a member for a required minimum of two (2) years.*

Print Name \_\_\_\_\_

Date \_\_\_\_\_

Signature \_\_\_\_\_

Title \_\_\_\_\_

# NAMED MEMBER

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## NEA Community Learning Center LLC

**NAMED MEMBER** means the charter school listed in Item I on the Declarations page of the 2014-2015 California Charter Schools Joint Powers Authority Memorandum of Coverage. **NAMED MEMBER** also includes the **CCS JPA** approved subsidiaries, affiliates, supporting organizations and charter management organizations of the charter school listed on the Declarations page of the 2014-2015 California Charter Schools Joint Powers Authority Memorandum of Coverage, but only to the extent such entities are performing operations by or on behalf of a **NAMED MEMBER** charter school pursuant to a written contract.

## ASSESSABILITY DISCLAIMER

The California Charter Schools Joint Powers Authority pays for up to the scheduled amount as per member exposure reporting for each property claim and \$10,000,000 of each liability claim from the pooled (or joint) loss fund. Money for the pooled (or joint) loss fund comes from members' annual contributions or premiums. Article XI, Section 3 of the pool's bylaws state that the pool allows assessments. Members may be assessed for additional premium if the California Charter Schools Joint Powers Authority Board determines that additional funds are needed to pay pool claims and expenses. It is important that members understand that California Charter Schools Joint Powers Authority is not an insurance company; the JPA operates as a cooperative risk sharing organization.

# EXPOSURES

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The premiums are calculated based on the following exposures on schedule:

Building Value - replacement cost	\$0
Content Value - replacement cost	\$0
Electronic Data Processing (EDP) - Replacement Cost	\$0
Total Insured Value (Building + Content + EDP Values)	\$0
No. Vehicles	0

## **Continuity and Retroactive Dates:**

### **Directors & Officers Continuity Date:**

# SCHEDULE OF LOCATIONS

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Each of the addresses listed below are covered for all lines of coverage presented in this proposal:

	<u>ID</u>
<i>Policyholder Mailing Address:</i> 1900 Third Street Alameda, CA 94501	13515
NEA Community Learning Center LLC: 1900 Third Street 1900 Third Street Alameda, CA 94501	13516

# BUSINESS & MANAGEMENT INDEMNITY

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**COVERAGE IS ON A Claims Made Basis**

**Coverage Provided by:** Scottsdale Insurance Company, reinsurance and excess carriers, and CharterSAFE

**Policy Period:** September 1, 2014 to June 30, 2015

**Retention:**

**Directors and Officers and Company Liability (D&O):** \$2,500 per **claim**

**Coverage Includes:**

- Directors and Officers and Company Liability
- IEP Sublimit under D&O
- Employment Practices Liability
- Defense inside the limits with additional \$1,000,000 in coverage for D&O and EPL
- Fiduciary Liability
- Defense outside the limits for Fiduciary

**Layer 1 Limits, provided by Scottsdale Insurance Company:**

**Directors and Officers and Company Liability:** \$ 1,000,000 aggregate for all **loss**

**Layer 2 Limits\*, provided by CharterSAFE and reinsurers:**

**Directors and Officers and Company Liability:** \$ 4,000,000 per **claim**  
\$ 4,000,000 per member aggregate

**\*Coverage under layer 2 limits include General Liability, Law Enforcement Liability, Sexual Abuse Liability, Employee Benefits Liability, Educator’s Legal Liability, Auto Liability, Directors and Officers Liability, and Employment Practices Liability**

**Claims Made Policy Definition:**

The Employment Practices, Directors and Officers and Company and Fiduciary coverage sections of this policy, whichever are applicable, cover only claims first made against the Insured during the policy period or, if elected, the extended period and reported to the Insurer pursuant to the terms of the relevant coverage section.

**Definitions of Claim and Notification:**

The definition of claims and directions for reporting wrongful acts which may reasonably give rise to a future claim, applicable to the lines of coverage in the Professional Liability section:

- **Directors & Officers and Company Liability**
- **Employment Practices Liability**
- **Fiduciary Liability**

are located within the 2014-2015 California Charter Schools Joint Powers Authority Memorandum of Coverage, Addendum A, Sec. E

**Claim and Incident Reporting Provisions:**

Claim and incident reporting provisions are defined in the 2014-2015 California Charter Schools Joint Powers Authority Memorandum of Coverage, Addendum A, Sec. E

**Discovery Period:**

A Basic Extended Reporting Period is automatically provided without additional charge. This period starts with the end of the Period of Insurance, and lasts for sixty (60) days.

Rights to purchase a **Discovery Period** shall terminate unless written notice, together with full payment of the premium for the **Discovery Period**, is received by **Insurer** within thirty (30) days after the effective date of cancellation, or, in the event of a refusal to renew, within thirty (30) days after the **Policy** expiration date. If such notice and premium payment is not so given to **Insurer**, there shall be no right to purchase the **Discovery Period**.

**Discovery Period Options:**

- 1 year at 100% additional premium
- 2 years at 125% additional premium
- 3 years at 150% additional premium



# GENERAL LIABILITY

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<b>Coverage Provided by:</b>	CharterSAFE and Reinsurers		
<b>Policy Period:</b>	September 1, 2014 to June 30, 2015		
<b>Coverage Includes:</b>	<ul style="list-style-type: none"><li>• Comprehensive General Liability<ul style="list-style-type: none"><li>○ Personal Injury</li><li>○ Bodily Injury</li><li>○ Property Damage</li></ul></li><li>• Employee Benefits Liability<ul style="list-style-type: none"><li>○ Negligent Act</li><li>○ Errors and Omissions</li></ul></li><li>• Premises Medical Payments</li></ul>		
<b>Policy Form:</b>	Occurrence		
<b>Deductibles:</b>	\$	0	for all coverages listed in the General Liability section
<b>Layer 1 Limits:</b>			
<b>Bodily Injury, Property Damage:</b>	\$	1,000,000	per occurrence
<b>Employee Benefits Liability:</b>	\$	1,000,000	per occurrence
<b>Medical Payments:</b>	\$	10,000	per person
	\$	50,000	per occurrence
<b>Products and Completed Operations</b>	\$	1,000,000	per occurrence

\* Layer 1 Limits do not have aggregates

## Layer 2 Limits\*:

<b>Bodily Injury, Property Damage:</b>	\$	4,000,000	per occurrence
	\$	4,000,000	per member aggregate
<b>Employee Benefits Liability:</b>	\$	4,000,000	per occurrence
	\$	4,000,000	per member aggregate

\*Coverage under layer 2 limits include General Liability, Law Enforcement Liability, Sexual Abuse Liability, Employee Benefits Liability, Educator's Legal Liability, Auto Liability,

Directors and Officers Liability, and Employment Practices Liability

**Significant Exclusions:  
(including but not limited to)**

- Asbestos Liability
- Pollution Liability EXCEPT smoke resulting from hostile fire
- Lead Liability
- Aircraft and Aircraft Products Liability
- Watercraft Liability
- War and Nuclear War or Attack
- Products and Completed Operations coverage is only provided for renovation projects up to \$200,000 and excludes ground-up construction

# AUTO LIABILITY & PHYSICAL DAMAGE

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**Coverage Provided by:** CharterSAFE and Reinsurers

**Policy Period:** September 1, 2014 to June 30, 2015

**Layer 1 Limits:**

<b>Owned Auto Liability (if applicable):</b>	\$	1,000,000	per occurrence
<b>Auto Physical Damage:</b>	\$	1,000,000	per occurrence
<b>Non-Owned Auto Liability:</b>	\$	1,000,000	per occurrence
<b>Hired Auto Liability:</b>	\$	1,000,000	per occurrence

\*Layer 1 Limits do not have aggregates

**Layer 2 Limits\*:**

<b>Owned Auto Liability (if applicable):</b>	\$	4,000,000	per occurrence
	\$	4,000,000	per member aggregate

<b>Non-Owned Auto Liability:</b>	\$	4,000,000	per occurrence
	\$	4,000,000	per member aggregate

<b>Hired Auto Liability:</b>	\$	4,000,000	per occurrence
	\$	4,000,000	per member aggregate

\*Coverage under layer 2 limits include General Liability, Law Enforcement Liability, Sexual Abuse Liability, Employee Benefits Liability, Educator's Legal Liability, Auto Liability, Directors and Officers Liability, and Employment Practices Liability

**Please note:**

Coverage for this section is excess of drivers' personal auto insurance for non-owned vehicles

Owned Auto Liability coverage only applies if member's owned autos are scheduled with CharterSAFE

**Significant Exclusions:  
(including but not limited to)**

- Workers' Compensation
- Pollution Liability
- Professional or Organized Racing or Demolition Contest

# EXCESS LIABILITY

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**Coverage Provided by:** Lexington Insurance Company

**Policy Period:** September 1, 2014 to June 30, 2015

**Coverage:** Excess Liability

**Excess over underlying:**

General Liability  
Auto Liability  
Employee Benefits Liability  
Directors and Officers and Company Liability  
Employment Practices Liability

**Limits:**

\$	25,000,000	per occurrence
\$	25,000,000	per member aggregate

**Defense Limitations:** Following form over applicable underlying coverages

**Significant Exclusions:  
(including but not limited to)**

- Neurodegenerative Injury Exclusion
- Fiduciary Liability, Workplace Violence, Internet Liability, Workers Compensation, Employers Liability, Crime
- Terrorism Exclusion

# PROPERTY

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<b>Coverage Provided by:</b>	CharterSAFE and excess carriers
<b>Policy Period:</b>	September 1, 2014 to June 30, 2015
<b>Perils Include:</b>	Direct Physical Loss
<b>Valuation:</b>	Replacement Cost on schedule with CharterSAFE, see "Exposures" page above
<b>Deductible:</b>	\$ 1,000 per occurrence
<b>Building Value:</b>	See "Exposures" page above
<b>Contents Value:</b>	See "Exposures" page above
<b>Electronic Data Processing Equipment and Computer Value:</b>	See "Exposures" page above
<b>Total Insured Value reported to and on file with CharterSAFE:</b>	See "Exposures" page above
<b>Limits:</b>	
<b>Property:</b>	See "Exposures" page above
<b>Boiler &amp; Machinery Property Damage:</b>	\$ 50,000,000 per occurrence
<b>Sublimits:</b>	
<b>Ordinance or Law:</b> (Loss to undamaged portion, demolition)	Included
<b>Demolition:</b>	\$2,500,000 per occurrence
<b>Increased Cost of Construction:</b>	\$2,500,000 per occurrence
<b>Newly Constructed or Acquired Property</b>	\$5,000,000 per building / occurrence (120 days reporting clause)
<b>Builders Risk:</b>	\$ 2,500,000 maximum
<b>Errors &amp; Omission:</b>	\$ 1,000,000 per occurrence
<b>Covered Property in Transit:</b>	\$ 1,000,000 per occurrence
<b>Outdoor Property including Debris Removal:</b>	\$ 1,000,000 per occurrence

<b>Outdoor Property including Debris Removal:</b>	\$	1,000,000	per occurrence
<b>Electronic Data Processing Equipment, Data and Media:</b>	\$	1,000,000	per occurrence
<b>Business Income:</b>	\$	1,000,000	per occurrence
<b>Extra Expense:</b>	\$	1,000,000	per occurrence
<b>Covered Property at Undescribed Premises:</b>	\$	1,000,000	per occurrence
<b>Valuable Papers:</b>	\$	1,000,000	per occurrence
<b>Accounts Receivables:</b>	\$	1,000,000	per occurrence
<b>Utility Services Direct Damage, including Boiler &amp; Machinery:</b>	\$	500,000	per occurrence
<b>Personal Effects of Officers and Employees of the Insured:</b>	\$	250,000	per occurrence
<b>Pollutant Cleanup and Removal:</b>	\$	100,000	aggregate
<b>Claim Data Expense:</b>	\$	25,000	per occurrence
<b>Flood (limited to certain flood zones)</b>	\$	1,000,000	aggregate
<b>Significant Exclusions: (including but not limited to)</b>			<ul style="list-style-type: none"> <li>• Earth Movement, including Earthquake</li> <li>• Governmental Action</li> <li>• Nuclear Hazard</li> <li>• War and Military Action</li> <li>• Computer Virus</li> <li>• Programming Errors &amp; Omissions</li> <li>• Terrorism</li> <li>• Pathogenic or Poisonous Biological or Chemical Material Exclusion</li> <li>• Virus or Bacteria</li> <li>• Flood for specific flood zones</li> </ul>

# CRIME

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<b>Coverage Provided by:</b>	CharterSAFE and reinsurer
<b>Policy Period:</b>	September 1, 2014 to June 30, 2015
<b>Deductible:</b>	\$ 0
<b>Limits:</b>	
<b>Money and Securities:</b>	\$ 1,000,000 per occurrence
<b>Forgery or Alteration:</b>	Included
<b>Employee Dishonestly:</b>	Included
<b>Significant Exclusions: (including but not limited to)</b>	<ul style="list-style-type: none"><li>• Surrendering of Property</li><li>• Accounting or Arithmetical Errors or Omissions</li></ul>

# CLAIMS REPORTING

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**FOR ALL BUSINESS & MANAGEMENT INDEMNITY (*Directors & Officers, Employment Practices Liability, Discrimination/Civil Rights*) including lawsuits, demand letters, regulatory agency notifications, PLEASE REPORT CLAIMS IMMEDIATELY TO:**

**CharterSAFE Risk and Claims Manager**

**Phone: (855) 394-5939**

**Fax: (916) 720-0324**

**Email: [SBedard@chartersafe.net](mailto:SBedard@chartersafe.net)**

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**FOR ALL CRISIS COMMUNICATIONS MANAGEMENT including Public Relations Officers, Incident Response, Psychological Counseling, PLEASE REPORT CLAIMS IMMEDIATELY TO:**

**Crisis Management Resources** are provided by Jackson Spalding 24 hours a day, seven days a week. In the event of an **INCIDENT**, please notify the following persons, on the below list, within 24 hours of the Risk Manager/s or Senior Official/s being made aware of the **INCIDENT**. Please contact the office numbers during business hours (9am ET – 5pm ET) and ask for the name of any person on the below list. If it is after business hours, please contact one of the mobile numbers. An individual is always on call.

- |                  |                     |                     |
|------------------|---------------------|---------------------|
| • Blair Meeks    | 404-214-2271 office | 404-402-9651 mobile |
| • Trudy Kremer   | 404-724-2518 office | 404-277-3418 mobile |
| • Rachel Tobin   | 404-724-2501 office | 404-290-1787 mobile |
| • Glen Jackson   | 404-724-2505 office | 404-944-6491 mobile |
| • Bo Spalding    | 404-724-2510 office | 404-375-9371 mobile |
| • Brian Brodrick | 404-724-2513 office | 404-983-4384 mobile |

Main Office in Atlanta - 404-724-2500

[www.jacksonspalding.com](http://www.jacksonspalding.com)

**FOR ALL OTHER TYPES OF CLAIMS, PLEASE REPORT AS INSTRUCTED BELOW**

## **Step 1.**

**Employee, student or guest incidents:** First and foremost, show that you care! In emergency situations, notify appropriate emergency response service providers. Communicate with injured employee, student/parents, or guest, and ensure that the injured party has access to prompt and appropriate medical attention.

**Property theft or damage incidents:** Take necessary steps to prevent further damage, if possible. If damage is due to an injury-vehicle accident or criminal act, notify the police right away. Have police take a report and conduct an investigation; gather all materials (bills, receipts, invoices, serial numbers, proof of purchase documentation).

## **Step 2:**

**All claim types:** Speak with the employee, student, parent(s) of injured student, or guest; or the person involved with damage to the site (property damage or theft/liability) to obtain all necessary information to report the claim accurately.

Use this information to complete the proper form for the type of incident that occurred:

- Employee injury (Workers' Compensation) – Employee Incident Investigation Form; DWC-1 must be provided to injured worker within 24 hours of being notified of the injury
- Liability (Alleged injury to a third party) - Liability Incident Investigation Report form.
- Property loss (buildings, contents, vehicle accident, embezzlement) – Property/Vehicle Loss Incident Investigation Report form
- Student injury (Student Accident Insurance) – Student Accident Investigation Report form



Forms can be accessed from the CharterSAFE Web Portal ([www.chartersafe.net](http://www.chartersafe.net)), or via the Claim Manager at (855) 394-5939.

***Fax or email the above form(s) along with all other documentation (proof of purchase docs, etc.) directly to (916) 720-0324 within one working day.***

**Step 3: Call the reporting hotline (877) 263-9904** This step will ensure that a claim adjuster is assigned to handle the claim; *it is not required for student injury incidents that did not require professional medical treatment.*

**Step 4:** Once you call the hotline, CharterSAFE receives an electronic first report of incident within minutes. You will be contacted to gather any additional information that may be necessary to process the claim. If you are not able to respond right away, please get back to CharterSAFE within one working day to ensure timely processing of the claim. Workers' Compensation claim handling is tightly regulated and failure to comply with instructions may result in fines and penalties. Witness information is very important to the claim process. Take photographs of property damage and safely store and save evidence of conditions/items that caused an injury until the claim adjuster can view it.

# PROPOSED CARRIER RATINGS AND ADMITTED STATUS

Proposed Carriers	A.M. Best's Rating	Admitted/Non-Admitted
Indian Harbor Insurance Company	A; XV	Non-Admitted
Lexington Insurance Company	A; XV	Non-Admitted
Lloyds of London / Brit	A; XV	Non-Admitted
Scottsdale Insurance Company		Non-Admitted
Selective Way Insurance Company	A+;XV	Admitted
The Travelers Property Casualty Company of America	A; XIII A+; XV	Admitted

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.

The above A.M. Best rating was verified on the date the proposal document was created

## Guide to Best Ratings Rating Levels and Categories

Level	Category	Level	Category	Level	Category
A++, A+	Superior	B, B-	Fair	D	Poor
A, A-	Excellent	C++, C+	Marginal	E	Under Regulatory Supervision
B++, B+	Very Good	C, C-	Weak	F	In Liquidation
				S	Rating Suspended

## Financial Size Categories

(In \$000 of Reported Policyholders' Surplus Plus Conditional Reserve Funds)

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

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 and Canada. Companies licensed to do business in the United States are assigned a Best's Rating which attempts to measure the comparative position of the company or association against industry averages.

A Best's Financial Strength Rating opinion addresses the relative ability of an insurer to meet its ongoing insurance obligations. It is not a warranty of a company's financial strength and ability to meet its obligations to policyholders. View the A.M. Best Important Notice: Best's Credit Ratings for a disclaimer notice and complete details at <http://www.ambest.com/ratings/notice>

Best's Credit Ratings are under continuous review and subject to change and/or affirmation. For the latest Best's Credit Ratings and Best Credit Reports (which include Best Ratings), visit the A.M. Best website at <http://www.ambest.com>. See Guide to Best's Credit Ratings for explanation of use and charges. Copies of the Best's Insurance Reports for carriers listed above are also available upon request of your Gallagher representative

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Copies of the Best's Insurance Reports on the insurance companies are available upon your request.

The California Charter School JPA use A.M. Best Company's rating services to evaluate the financial condition of insurers whose policies we propose to deliver. The California Charter School JPA makes no representations and warranties concerning the solvency of any carrier, nor does it make any representation or warranty concerning the rating of the carrier which may change.

**IMPORTANT: THIS PROPOSAL IS AN OUTLINE OF THE COVERAGES PROPOSED BY THE INSURERS, BASED ON THE INFORMATION PROVIDED BY YOUR SCHOOL. IT DOES NOT INCLUDE ALL OF THE TERMS, COVERAGES, EXCLUSIONS, LIMITATIONS, AND CONDITIONS OF THE ACTUAL CONTRACT LANGUAGE. THE POLICIES THEMSELVES MUST BE READ FOR THOSE DETAILS. POLICY FORMS FOR YOUR REFERENCE WILL BE MADE AVAILABLE UPON REQUEST.**

**REVIEW OF CONTRACTS, LEASES & OTHER LEGAL DOCUMENTS**

ANY CORRESPONDENCE RELATING TO A REVIEW OF A LEGAL DOCUMENT IS ONLY AN INSURANCE/RISK MANAGEMENT PROSPECTIVE AND IS NOT LEGAL ADVICE. WE DO NOT PROVIDE LEGAL ADVICE AS WE ARE NOT QUALIFIED TO DO SO. WE HIGHLY RECOMMEND THAT YOU SEEK THE ADVICE OF LEGAL COUNSEL IN ORDER TO BECOME FULLY APPRISED ON ANY LEGAL IMPLICATIONS RELATED TO THESE ISSUES.

## GUIDE TO BEST'S FINANCIAL STRENGTH RATINGS – INSURER

A Best's Financial Strength Rating is an independent opinion of an insurer's financial strength and ability to meet its ongoing insurance policy and contract obligations. The rating is based on a comprehensive quantitative and qualitative evaluation of a company's balance sheet strength, operating performance and business profile.

### Financial Strength Ratings – Insurer

	Rating	Descriptor	Definition
<b>Secure</b>	A++, A+	Superior	Assigned to companies that have, in our opinion, a superior ability to meet their ongoing insurance obligations.
	A, A-	Excellent	Assigned to companies that have, in our opinion, an excellent ability to meet their ongoing insurance obligations.
	B++, B+	Good	Assigned to companies that have, in our opinion, a good ability to meet their ongoing insurance obligations.
<b>Vulnerable</b>	B, B-	Fair	Assigned to companies that have, in our opinion, a fair ability to meet their ongoing insurance obligations. Financial strength is vulnerable to adverse changes in underwriting and economic conditions.
	C++, C+	Marginal	Assigned to companies that have, in our opinion, a marginal ability to meet their ongoing insurance obligations. Financial strength is vulnerable to adverse changes in underwriting and economic conditions.
	C, C-	Weak	Assigned to companies that have, in our opinion, a weak ability to meet their ongoing insurance obligations. Financial strength is very vulnerable to adverse changes in underwriting and economic conditions.
	D	Poor	Assigned to companies that have, in our opinion, a poor ability to meet their ongoing insurance obligations. Financial strength is extremely vulnerable to adverse changes in underwriting and economic conditions.
	E	Under Regulatory Supervision	Assigned to companies (and possibly their subsidiaries/affiliates) placed under a significant form of regulatory supervision, control or restraint - including cease and desist orders, conservatorship or rehabilitation, but not liquidation - that prevents conduct of normal, ongoing insurance operations.
	F	In Liquidation	Assigned to companies placed in liquidation by a court of law or by a forced liquidation.
	S	Suspended	Assigned to rated companies when sudden and significant events affect their balance sheet strength or operating performance and rating implications cannot be evaluated due to a lack of timely or adequate information.

### Rating Outlooks

Assigned to an interactive Financial Strength Rating to indicate its potential direction over an intermediate term, generally defined as 12 to 36 months.

Positive	Indicates possible rating upgrade due to favorable financial/market trends relative to the current rating level.
Negative	Indicates possible rating downgrade due to unfavorable financial/market trends relative to the current rating level.
Stable	Indicates low likelihood of a rating change due to stable financial/market trends.

### Rating Modifiers

Modifier	Descriptor	Definition
u	Under Review	Indicates the rating may change in the near term, typically within six months. Generally is event driven, with positive, negative or developing implications.
pd	Public Data	Indicates rating assigned to insurer that chose not to participate in A.M. Best's interactive rating process.
s	Syndicate	Indicates rating assigned to a Lloyd's syndicate.

### Affiliation Codes

Indicates rating is based on a type of affiliation with other insurers.

g	Group	p	Pooled	r	Reinsured
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### Not Rated Categories

Assigned to companies reported on by A.M. Best, but not assigned a Best's Rating.

NR-1: Insufficient Data.	NR-2: Insufficient Size and/or Operating Experience.	NR-3: Rating Procedure Inapplicable.
NR-4: Company Request.	NR-5: Not Formally Followed.	

### Rating Disclosure

A Best's Financial Strength Rating opinion addresses the relative ability of an insurer to meet its ongoing insurance obligations. The ratings are not assigned to specific insurance policies or contracts and do not address any other risk, including, but not limited to, an insurer's claims-payment policies or procedures; the ability of the insurer to dispute or deny claims payment on grounds of misrepresentation or fraud; or any specific liability contractually borne by the policy or contract holder. A Best's Financial Strength Rating is not a recommendation to purchase, hold or terminate any insurance policy, contract or any other financial obligation issued by an insurer, nor does it address the suitability of any particular policy or contract for a specific purpose or purchaser. In arriving at a rating decision, A.M. Best relies on third-party audited financial data and/or other information provided to it. While this information is believed to be reliable, A.M. Best does not independently verify the accuracy or reliability of the information. For additional details, see A.M. Best's *Terms of Use* at [www.ambest.com](http://www.ambest.com).

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