



Giving every Galveston child the opportunity to soar

Moody Early Childhood Center Board of Directors
Special Called Board Meeting
Thursday, July 28, 2022 @ 3:00 p.m.
Moody Early Childhood Center
Virtual *
AGENDA

- A. Call to order
- B. Introduction and Welcome (Ms. Kinnear)
- C. Review Financial Committee recommendation for Insurance Policy
 - a. Overview of changes to policies from Finance Committee (Ms. Angela Brown)
 - b. Consideration for Approval of Financial Committee recommendation
 - c. Action Item for Vote
- D. Next Regular BOD meeting August 26, 2022, 1:00 p.m.- 3:00 p.m.
- E. Adjourn

BUSINESS INSURANCE PROPOSAL
FOR
MOODY EARLY CHILDHOOD CENTER

JULY 14, 2022

PRESENTED BY:



Please remember that the extent of any insurance provided to you is at all times governed by the complete terms and conditions of the issued policy itself.

This presentation is a summary only and does not constitute coverage. You must sign and return all required documentation along with payment for the premium amount due before a request for coverage can be made to the Insurance Company

From June through November insurance companies may stop binding coverage when a 'tropical disturbance' enters the Gulf of Mexico or Caribbean Sea. In these cases, coverage quoted in this proposal cannot be put in effect until the company lifts its binding restrictions



July 19, 2021

Moody Early Childhood Center
1110 21st Street
Galveston TX 77550

Re: Proposal for All Renewals
Proposed Effective 08/01/2022 to 08/01/2023

Dear Board Members:

THANK YOU FOR YOUR BUSINESS!

We are pleased to enclose a presentation for the above referenced policy or line(s) of coverage. We would like to point out that this presentation outlines a few of the coverage and/or limitation features of the coverage line(s) being presented, others may apply. We strongly encourage you to review the presentation closely and call us should you have any questions or concerns. *Please remember that the extent of any insurance provided to you is at all times governed by the complete terms and conditions of the issued policy itself. This presentation does not constitute coverage. You must sign and return all required documentation along with payment for the premium before a request for coverage can be made to the insurance company.*

We would also like to remind you that your exposure to a loss may exceed your current limits. Higher limits may be available.

GIA offers a full line of insurance products including Employee Benefits to help meet all your insurance needs.

If you have ANY questions concerning this presentation or any other insurance matter, please let us know.

Sincerely,

Monica L Brown

Monica L Brown

Enclosure



MOODY EARLY CHILDHOOD CENTER'S SERVICE PERSONNEL

Monica L Brown CIC, LRM, ACSR

Account Manager

Phone: (409)740-1251

Fax: (409)740-0513

Email: monica.brown@gia-tx.com

Monica L Brown CIC, LRM, ACSR is responsible for the daily servicing of your account including endorsements, certificate requests, client services, program design, accounting, quality assurance and market relationships.

Please feel free to contact us if you have any questions or concerns regarding your insurance program.



PROPERTY SECTION

I N S U R A N C E

Company:	Great American Insurance Company		
AM Best Rating:	A+ XV		
Policy Term:	08/01/2022-08/01/2023		
Premium:	\$5,014.00	Rates are not guaranteed. They are set by the company and subject to change	

1110 Moody Ave, Galveston, TX 77550

Property On Site – Playgrounds & Fences	Contents	Business Income with Extra Expense
\$105,000	\$650,000	\$450,000 at 1/6 Monthly Indemnity With Extended Period of Indemnity 90 days

Deductible \$1,000 per Occurrence and 72 Hours per Occurrence for Business Income with Extra Expense

COVERAGE:	Fire, Extended Coverage Special Extended Coverage Excluding Theft Actual Cash Value For All item (including roofs and roof surfaces) 80% Coinsurance Clause Applies
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Additional Coverages Included

Included Coverages For Buildings & Personal Property (unless otherwise noted):

- Improvements & Betterments Included
- Back Up of Sewers & Drains Included
- Signs Included
- Stock Included
- Leased Personal Property Included (if you have a contractual responsibility)
- Glass Included
- Vegetative Roof Included

If Business Income & Extra Expense are included in the schedule of locations and coverages above, then these are included (unless otherwise noted):

- Payroll Included
- Continuing Normal Operating Expenses Incurred Included
- Rental Value Included
- Extended Business Income Included

Not at a Described Location

Coverage	Newly Acquired or Constructed Locations	At Any Other Location	In Transit, or on any one conveyance unit
Building	\$ 500,000	\$ 50,000	Not Covered
Business Personal Property	\$ 250,000	\$ 50,000	\$ 5,000
Business Income	\$ 100,000	\$ 20,000	Not Covered
Extra Expense	\$ 10,000	\$ 10,000	Not Covered

Coverage: Fire, Extended Coverage
 Special Extended Coverage including theft
 Actual Cash Value Valuation
 No Co-insurance



I N S U R A N C E

Supplementary Declarations

Limits of Insurance

Select Business Policy Plus - Supplementary Declarations

A. The Limits of Insurance shown below are provided for the Coverages listed and apply separately at each of your locations. If you purchase additional limits for any of these coverages at a specific location, the Limits of Insurance shown at that location will reflect your total limits, including the Limits of Insurance shown below. If there is no separate deductible indicated, the Property Deductible will apply.

Accounts Receivable	\$ 25,000
Brands and Labels Expense	\$ 5,000
Claims Data Preparation Expense	\$ 5,000
Consequential Loss	\$ 2,500
Debris Removal	\$ 10,000
Electronic Data Processing	
Equipment	\$ 25,000
Data, Programs, Media	\$ 25,000
Extra Expense	\$ 5,000
Extra Expense	\$ 25,000
Fine Arts	\$ 25,000
Fire Department Service Charge	\$ 5,000
Fire Protection Device Recharge	\$ 2,500
Ordinance or Law - Coverage A	Included
Ordinance or Law - Coverage B	\$ 100,000
Ordinance or Law - Coverage C	\$ 100,000
Personal Effects	\$ 5,000
Pollutant Clean Up and Removal	\$ 10,000
Reward Payment	\$ 5,000
Valuable Papers	\$ 10,000

B. When Business Income Coverages is included in the Declarations, the following Limits of Insurance below are provided for the Coverages listed and apply separately at each of your premises:

Civil Authority	4 Weeks
Dependent Property Business Income	\$ 100,000
Extended Business Income	90 Days
Ordinance or Law - Increased Period of Restoration	Included
Unfinished Stock in Transit	\$ 100,000

C. When Business Income Coverage is included in the Declarations, the following coverage is provided. The Limit of Insurance is the most we will pay in any one occurrence for loss arising out of a Covered Cause of Loss, regardless of the number of locations covered under this policy. Payment under this coverage does not increase the applicable Limit of Insurance shown in the Declarations.

Utility Services (including Overhead Power Transmission Lines)	\$ 10,000
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I N S U R A N C E

Optional Coverages Quoted

Data Compromise Coverage

Response Expenses Only

Includes expenses for Legal & Forensic IT review (up to 10% of Data Compromise Annual Aggregate Limit for each), Named Malware (up to \$50,000), PR Services (up to \$5,000), and Notification Expenses and Services to Affected Individuals. Limit is annual aggregate.

Data Compromise Annual Aggregate Limit: \$ 50,000

Equipment Breakdown Coverages

Limits of Insurance

Equipment Breakdown	\$	1,205,000
Property Damage	\$	755,000
Off Premises Property Damage	\$	50,000
Business Income	\$	450,000
Extra Expense	\$	50,000
Service Interruption	\$	50,000
Contingent Business Income	\$	50,000
Perishable Goods	\$	50,000
Data Restoration	\$	50,000
Demolition	\$	50,000
Ordinance or Law	\$	50,000
Expediting Expense	\$	50,000
Hazardous Substance	\$	50,000
Newly Acquired Locations	\$	50,000
Green		EXCLUDED
Mold	\$	15,000
Civil Authority		INCLUDED
Public Relations	\$	5,000

Equipment Breakdown Other Conditions

Extended Period of Restoration Days	60
Newly Acquired Location Days	90
Service Interruption Deductible Hours	72
Coinsurance – Property Damage	NONE
Coinsurance – Business Income	ML 1/6

Deductible(s)

Building and Business Personal Property:	\$	1,000	All Other
	\$	1,000	In Transit
Business Income:		72	Waiting Period # Hours
Data Compromise Deductible:	\$	2,500	Any One Personal Data Compromise

Equipment Breakdown Deductible(s)

Deductible	\$	1,000
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I N S U R A N C E

Important Exclusions: Windstorm, Hail, Flood, Earthquake, Terrorism, Loss Due to Virus or Bacteria,
(Others May Apply) Marijuana,

Special Conditions: Your policy contains exclusions that apply when any portion of the covered property is vacant for longer than 60 days. Please contact our agency should any portion of your property become vacant. It may be necessary to arrange appropriate additional coverage

25% Minimum Earned Premium Applies
\$400.00 Non-Refundable Policy Fee is Included

*** Notice regarding values:** We are pleased to assist you with your own final determination of the values you decide to insure. Please refer to the policy for specific terms, conditions, limitations, and exclusions.



GENERAL LIABILITY SECTION

I N S U R A N C E

Company:	Philadelphia Insurance Company
AM Best Rating:	A++ XV
Policy Term:	08/01/2022 – 8/01/2023
Premium:	\$10,872.00 <i>Rates are not guaranteed. They are set by the company and subject to change.</i>

Location(s) of premises:	1110 Moody Ave, Galveston, TX 77550
Description of operations:	Daycare Center (Non Profit)

Limits **	
\$ 1,000,000	Each Occurrence Limit
\$ 2,000,000	Products/Completed Operations Aggregate
\$ 1,000,000	Personal Injury/Advertising Liability
\$ 2,000,000	General Liability Aggregate
\$ 100,000	Fire Damage Legal Liability
\$ 5,000	Medical Expenses
\$ 1,000,000	Hired and Non Owned Auto
Deductible:	\$0 Bodily Injury, Property Damage, Personal Injury & Advertising Injury <i>Applies separately per claim, including loss adjustment expense</i>
Subject to:	Final Audit Adjustment of the Premium Basis listed below that was used to determine the annual estimated premium for this presentation.
Premium Basis:	Non profit Day Care Center – Number of Children = 273 @ 5.714 Each Rate Playgrounds/ Parks = 2 Appreciation Event (annual) = 1 Additional Insured = KaBoom! And Blue Cross Blue Shield
Special Conditions:	<i>25% Minimum Earned Premium clause</i> <i>100% Earned – Additional Insured / Waiver of Subrogation Premiums</i> GL coverage is premises-driven. All applicable locations MUST be listed.
Important Exclusions: (Others May Apply)	Nuclear Energy Liability, Asbestos, Lead, Abuse or Molestation, Access or Disclosure with Limited Bodily Injury Exception, Fungi or Bacteria, Cap on Losses from Certified Acts of Terrorism, Medical Payments to Children Day Care Center, Employment Related Practices, Binding Arbitration, and Professional Liability, Communicable Disease, Cyber Liability and Electronic excl, Designated Ongoing Operations. .
Contingent upon:	Singed UM/UIM Form, Terrorism form ,and Premiums
***POLICY EXTENSIONS ARE LISTED ON FOLLOWING PAGE ***	

**** Notice regarding higher liability limits:** Your exposure to a liability loss may exceed your limits and even those quoted here. Higher liability limits may be available. Please let us know if you would like additional information or a quote.



I N S U R A N C E

X _____ Initials

GENERAL LIABILITY DELUXE ENDORSEMENT: DAY CARE ORGANIZATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE

It is understood and agreed that the following extensions only apply in the event that no other specific coverage for the indicated loss exposure is provided under this policy. If such specific coverage applies, the terms, conditions and limits of that coverage are the sole and exclusive coverage applicable under this policy, unless otherwise noted on this endorsement. The following is a summary of the Limits of Insurance and additional coverages provided by this endorsement. For complete details on specific coverages, consult the policy contract wording.

Coverage Applicable	Limit of Insurance	Page #
Damage to Premises Rented to You	\$1,000,000	2
Extended Property Damage	included	2
Non-Owned Watercraft	Less than 58 feet	2
Medical Payments	\$20,000	2
Medical Payments – Extended Reporting Period	3 years	3
Athletic Activities	Amended	3
Supplementary Payments – Bail Bonds	\$2,500	3
Supplementary Payment – Loss of Earnings	\$500 per day	3
Employee Indemnification Defense Coverage for Employee	\$25,000	3
Additional Insured – Managers and Supervisors	Included	3
Additional Insured – Broadened Named Insured	Included	4
Additional Insured – Managers, Landlords, or Lessors of Premises	Included	4
Additional Insured - Lessor of Leased Equipment – Automatic Status When Required in Lease Agreement With You	Included	4
Additional Insured – Grantor of Permits	Included	4
Damage to Property You Own, Rent, or Occupy	\$30,000 limit	4
Transfer of Rights of Recovery Against Others To Us	Clarification	5
Duties in the Event of Occurrence, Claim or Suit	Included	5
Unintentional Failure to Disclose Hazards	Included	5
Liberalization	Included	5
Bodily Injury – includes Mental Anguish	Included	5
Personal and Advertising Injury – includes Abuse of Process, Discrimination	Included	6



I N S U R A N C E

EMPLOYEE BENEFITS LIABILITY – CLAIMS MADE

Occurrence Limit: \$1,000,000
 Aggregate Limit: \$1,000,000
 Retroactive Date: 08/22/2016
 Estimated 33 Employees

PROFESSIONAL & VICARIOUS LIABILITY

Each Professional Incident: \$1,000,000
 Aggregate Limit: \$2,000,000
 Professional Activities covered: Day Care

ABUSIVE CONDUCT COVERAGE

Each Abusive Conduct Limit: \$500,000
 Aggregate Limit: \$1,000,0000
 Deductible: \$250
 New Definition of “abusive conduct” issued in new form

KIDNAP EXPENSE ENHANCEMENT

Additional Declarations

Subject to the Limits of Liability of this coverage form, the following is added to the Declarations:

\$ <u>50,000</u>	per “Abduction”
\$ <u>50,000</u>	in the aggregate
\$ <u>5,000</u>	deductible per “Abduction”

NOTE: Insured must agree to run Motor Vehicle Records and verify that employees or volunteers have personal auto insurance for any that will operate their own vehicles on your behalf.

Exclusions and Limitations: Prior and Pending Litigation and Known Circumstances Exclusion Applies to Professional Liability, Nuclear Liability, Nuclear/Chemical/Biological Terrorism applies to Auto, Binding Arbitration, Professional Policy Excludes Abuse and Molestation.



X _____ Initials

WINDSTORM & HAIL

I N S U R A N C E

Company:	Texas Windstorm Insurance Association (TWIA)	
Policy Term:	08/01/2022 – 08/01/2023	
Premium:	\$8,971.00	90-day Minimum Premium Applies - Business Income Premium is NOT refundable.
<i>Rates are not guaranteed. They are set by the company and subject to change.</i>		

1110 Moody Ave, Galveston, TX 77550		
	<u>Limit</u>	<u>Premium</u>
Building:	\$0	\$0
Contents:	\$650,000	\$7,176.00
Business Income w/EE:	\$1,000 per day for 90 days	\$1,795.00
Current ICC (_ 0%)	\$0	\$0
	<i>Total</i>	\$ 8,971.00
Deductible(s):	Contents @ 1% (\$6,500) Business Income 168 hours	

Higher Deductibles Available for Building & Contents

Covers: Direct damage from Windstorm & Hail 80% Coinsurance applies
Replacement Cost Valuation

Please refer to the policy for specific terms, conditions, limitations, and exclusions.

***ICC: Increased Cost of Construction** – When covered structure is wind/hail damaged and when required by enforcement of any ordinance & laws, pays increased costs incurred to:

- Demolish, rebuild or repair wind/hail damaged part of structure to current building codes;
- Demolish and rebuild undamaged part of covered structure if required due to wind/hail damage of structure;
- Remove or replace portion of undamaged part of structure necessary to repair or replace damaged part.
- Increased Cost of Construction to meet current windstorm building codes needed to maintain wind insurance through TWIA.

*** Wind-Driven Rain coverage is not provided for commercial buildings.**

*** Certain structures such as signs, fencing, flag poles, light poles or outbuildings are not covered unless specifically listed and premium paid.**

**** Notice regarding values:** We are pleased to assist you with your own final determination of the values you decide to insure.

Texas Windstorm Insurance Association (TWIA) / National Flood Insurance Program (NFIP) - State & Federal programs with uniform rates. Differences in premiums from different agents indicate a difference in coverage and/or rating information. Contact us for an explanation.



FLOOD

X _____ Initials

I N S U R A N C E

Company:	Wright National Flood Insurance Company		
Policy Term:	08/31/2022 – 08/31/2023		
Premium:	\$6,323.00	<i>Rates are not guaranteed. They are set by the company and subject to change.</i>	

1110 Moody Ave, Galveston, TX 77550				
Building Value	Building Deductible	Contents Value	Contents Deductible	Premium
\$0	\$0	\$500,000	\$1,500	\$6,323

Covers: Flood...Rising water
 Actual Cash Value Basis
 Deductibles Apply Separately to building & its contents
 A separate policy is required for each building or structure

Important Limitations & Exclusions:

Coverage for building and personal property below the lowest elevated floor of an elevated structure is *limited* for structures built or substantially improved after December 31, 1974 (Post-Firm).

*Coverage for Business Interruption is not provided by the National Flood Insurance Program (NFIP).

*Separate policies are required for each Building and Structure.

Included Federal Policy Service Fee is Not Refundable.

30 Day Waiting Period (from date of application & payment to company) for policy to become effective if flood insurance is not required by Mortgage Company

*** Notice regarding values:** We are pleased to assist you with your own final determination of the values you decide to insure. Please refer to the policy for specific terms, conditions, limitations, and exclusions.

Texas Windstorm Insurance Association (TWIA) / National Flood Insurance Program (NFIP) - State & Federal programs with uniform rates. Differences in premiums from different agents indicate a difference in coverage and/or rating information. Contact us for an explanation.



UMBRELLA LIABILITY

I N S U R A N C E

Company:	Philadelphia Insurance Company
AM Best Rating:	A++ XV
Policy Term:	08/01/2022 – 08/01/2023
Premium:	\$1,533.00 <i>Rates are not guaranteed. They are set by the company and subject to change.</i>

Limit of Liability:	\$1,000,000
Personal & Advertising Injury:	\$1,000,000 <i>(any one person or organization)</i>
Products and Completed Ops:	\$1,000,000
General Liability Aggregate:	\$1,000,000 <i>(except with respects to Auto or Products and Completed operations)</i>

Self-Insured Retention: \$10,000

Important Exclusions: (others may apply) Asbestos, Lead, Directors and Officers, Employers Liability Stop Gap, Abuse or Molestation, Watercraft, Fungi or Bacteria, Medical Professional Liability, Access or Disclosure of Private or Personal Information, Recording and Distribution of Material Info, Professional / Auto/ Employee Benefits are all Following form, Cyber Excl;, Per Loc Aggregate Excl, Limit of insurance Excl Clause.

UNDERLYING COVERAGE REQUIREMENTS:

General Liability:

- \$ 1,000,000 Each Occurrence
- \$ 2,000,000 General Aggregate (Other than Products & Completed Operations)
- \$ 2,000,000 Products & Completed Operations Aggregate
- \$ 1,000,000 Personal & Advertising Injury Limit

Employee Benefits Liability:

- \$ 1,000,000 Each Claim
- \$ 1,000,000 Aggregate

Professional Liability (per occurrence):

- \$ 1,000,000 Each Claim
- \$ 1,000,000 Aggregate

Business Automobile: HNO Auto Only

- \$ 1,000,000 Combined Single Limit of bodily Injury & Property Damage Liability

Notice of Additional Available Limits:

This proposal includes a quote for Umbrella Liability Coverage. This is excess and additional coverage over your Automobile, General Liability, and Employer's Liability underlying policies (if carried). Umbrella coverage begins at \$1 Million and may be purchased in any limit of coverage in excess of \$1 Million.

Only you know your real exposures. You should consult with your attorney and determine your potential liability exposure and request a quote for coverage that will cover this exposure. GIA cannot and does not make policy limit recommendations.



ACCIDENT COVERAGE

I N S U R A N C E

Company:	Hartford Insurance Company
AM Best Rating:	A XIV
Policy Term:	08/01/2022 – 08/01/2023
Premium:	\$1,326.00 <i>Rates are not guaranteed. They are set by the company and subject to change.</i>

INSURED PERSON means any person who is:

- (1) a registered full-time student of the Policyholder; or
- (2) a registered part-time student of the Policyholder; or
- (3) a teacher of the Policyholder; or
- (4) a supervisor of the Policyholder or of activities sponsored by the Policyholder.

COVERED ACTIVITIES means

This policy covers each Insured Person during the policy period while he or she is:

- (a) supervising or participating in childcare / preschool sponsored by the Policyholder while on the Policyholder's premises or premises designated by the Policyholder and under the direct supervision of the Policyholder; or
- (b) traveling with a group in connection with such activities under the direct supervision of the Policyholder; or
- (c) traveling directly to or from the activities and his or her home or lodging place.

BENEFITS AND AMOUNTS

Accidental Death Benefit	Principal Sum:	\$5,000.00
Accidental Dismemberment Benefit	Principal Sum:	\$10,000.00
Paralysis and Coma Benefit	Principal Sum:	\$35,000.00
Accident Medical Expense Benefit	Maximum Benefit:	\$25,000.00
	Deductible Amount:	\$0.00
	Maximum Dental Limit:	\$1,000.00

PLEASE NOTE – Each policy is different. Please refer to the policy for specific terms, conditions, limitations, and exclusions.



DIRECTORS AND OFFICERS
LIABILITY

I N S U R A N C E

Company:	Great American Insurance Company
AM Best Rating:	A XV
Policy Term:	08/01/2022 – 08/01/2023
Premium:	Per Choice
<i>Rates are not guaranteed. They are set by the company and subject to change.</i>	

Quote Options

<u>D&O Limit</u>	<u>EPL Limit</u>	<u>Fiduciary Limit</u>	<u>Retentions (D&O / EPL)</u>	<u>Fiduciary Type</u>	<u>Annual Premium</u>
\$2,000,000	\$2,000,000		\$2,500		\$3,944
\$2,000,000	\$2,000,000		\$5,000		\$3,779
\$2,000,000	\$2,000,000		\$10,000		\$3,587
\$2,000,000	\$2,000,000		\$15,000		\$3,533

ADDITIONAL PREMIUM OPTIONS

\$100,000 Workplace Violence Option	Included
\$100,000 Cyber Option	Included
\$50,000 Social Engineering Option (requires the additional purchase of the Cyber option above)	Included
\$100,000 Shared Crime Limit Option	N/A

NON-PROFIT COVERAGE LIMITS /SUBLIMITS OF LIABILITY

FLSA Defense Sublimit	\$500,000
Donor Data Loss Crisis Fund Sublimit	\$10,000
Additional A-side Limit	\$250,000
Terrorism Travel Reimbursement Funds	\$50,000
Workplace Violence Counseling Fund	\$50,000
Incident Crisis Fund	\$50,000
Telephone Consumer Protection Act Sublimit	\$100,000

PRIOR AND PENDING LITIGATION DATES

D&O	6/20/2016
EPL	6/20/2016
Fiduciary	T.B.D.



INSURANCE

ENDORSEMENTS

D0046TX	POLICYHOLDER NOTICE TEXAS POLICYHOLDER NOTICE TEXAS
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D16047TX	TEXAS AMENDATORY ENDORSEMENT This is an endorsement which the state of Texas requires us to include. The bodily injury, property damage exclusion intro is changed to read it applies to any Claim made against "the" Insured versus "any" Insured. Also, the endorsement notes that we must give you 10 days notice prior to canceling a policy due to nonpayment of premium and notes that if we do not give you at least 60 days notice for non-renewal then the policy terms will remain in effect until the 61st days after we do give you notice.
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D16548	SUBLIMIT OF COVERAGE FOR TELEPHONE CONSUMER PROTECTION ACT CLAIMS Law firms are increasingly using the Telephone Consumer Protection Act to target the fundraising activities of nonprofits. We are providing a \$100,000 sublimit of coverage for Claims related to this act. The sublimit includes coverage for Costs of Defense and assessed penalties, where insurable.
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D16712 (12)	COVERAGE FOR FRAUDULENTLY INDUCED TRANSFERS COVERAGE FOR FRAUDULENTLY INDUCED TRANSFERS
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D16712 (13)	GREAT AMERICAN NONPROFIT EAGLE ENDORSEMENT Congratulations! You qualified to receive the Great American Eagle Endorsement. This endorsement seeks to address exposures that are relevant in an unstable world. Coverage includes 1. Additional A-side Limit. 2. Assistance with Emergency Travel Expenses for a Director or Officer in the event of a terror act. 3. Counseling for employees in the event of a workplace violence act. 4. Reimbursement to pay for a public relations firm in the event of an accident that causes the serious injury or death of 3 or more people. 5. Costs of Defense sub-limit for breach of employment contract claims. 6. 100% Costs of Defense allocation. In addition to other features, this endorsement also makes the Employment Practices coverage (if purchased) primary if another insurer also provides you with such coverage..
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D16714TX (6)	MOLESTATION AND ABUSE EXCLUSION Excludes claims involving physical abuse or molestation, as well as allegations of negligent hiring, retention or reporting relating to such abuse or molestation.
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D16734	WORKPLACE VIOLENCE In connection with a workplace violence act, a sublimit is provided for business interruption, public image restoration, security services, counseling, and forensic analysis expenses.
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D16740 (4)	CYBER RISK AND CYBER LIABILITY COVERAGE ENDORSEMENT If your data is hacked, a sublimit is available to pay public relations expenses for the purpose of reducing damages to your organization, regulatory fines and penalties, notification costs, and identity restoration. Additionally, the sublimit provides costs of defense coverage for lawsuits related to the loss of private data.
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INSURANCE

CONDITIONS

This quotation is subject to the following conditions:

1. Subject to a properly completed, signed and dated Great American Insurance Company renewal application (application must be signed and dated)

OPTIONS

1 Please Note: Premium increase due to capped rates in TX, claim activity and growth in organization's salary expenses since we last looked at the Insureds financials

PLEASE NOTE – There are options to add Workplace Violence, Cyber Liability, Social Engineering, or Crime coverage into this quote, but we must add it before renewal. Let me know if you want to add these terms!

Special Note: Sample Policy Form is included. Please review it carefully to determine if this coverage is right for you.

\$75.00 Non-Refundable Policy Fee is Included

***** Notice regarding higher liability limits:*** Your exposure to a liability loss may exceed your limits and even those quoted here. Higher liability limits may be available. Please let us know if you would like additional information or a quote.



PREMIUM COMPARISON

I N S U R A N C E

Rates are not guaranteed. They are set by the company and subject to change

Coverage	Proposed Annual Premium	Expiring Premium
Property	\$5,014.00	\$5,887.34
Liability Package	\$10,872.00	\$9,239.00
Windstorm & Hail	\$8,971.00	\$8,545.00
Flood	\$6,323.00	\$11,814.00
Student Accident	\$1,326.00	\$1,326.00
Umbrella	\$1,533.00	\$1,317.00
Directors and Officers	\$3,607.00	\$3,152.00
TOTAL ESTIMATED ANNUAL PREMIUM	\$37,646.00	\$41,280.34

Payment Terms: Per Invoice Attached

**Premiums quotes shown are based on information provided by you or by others on your behalf. Any changes to exposures, limits or coverages may result in a change in rates.*

This presentation does not constitute coverage. You must sign and return all required documentation along with payment for the premium amount due before a request for coverage can be made to the Insurance Company.



INVOICE

All premiums payable on or
before effective date of policy.

ACCOUNT NO. / DATE
00028468 / July 19, 2021

Moody Early Childhood Center
1110 21st Street
Galveston, TX 77550

\$ _____
PAYMENT ENCLOSED

PROPOSED EFFECTIVE DATE	PROPOSED EXPIRATION DATE	QUOTE / POLICY	DESCRIPTION	AMOUNT
08/01/2021	08/01/2022	TBD	<u>Directors and Officers</u>	TBD
08/01/2021	08/01/2022	TBD	<u>Commercial Property</u>	\$5,014.00
08/01/2021	08/01/2022	TBD	<u>Windstorm & Hail</u>	\$8,971.00
Finance Agreement Down Payment 10 Months at \$				\$
08/01/2021	08/01/2022	TBD	<u>Liability Package</u>	\$10,872.00
08/01/2021	08/01/2022	TBD	<u>Umbrella</u> • Down Payment Invoice = 25% then 9 monthly payments from the carrier.	\$1,533.00 \$3,101.25
08/31/2021	08/31/2022	TBD	<u>Flood - DIRECTLY PAY TO FLOOD</u>	\$6,323.00
08/31/2021	08/31/2022	TBD	<u>Student Accident - DIRECTLY PAY TO CARRIER</u>	\$1,326.00
PAYMENT DUE BY 07/30/2022 TO AVOID A LAPSE IN COVERAGE.				
<i>Payment and signed documents must be returned to GIA before a request for coverage can be made to the Insurance Company</i>				
			TOTAL ESTIMATED AMOUNT DUE	

Thank you for your payment. We greatly appreciate your business!

6025 Heards Lane, Galveston TX 77551 • P O Box 16767, Galveston TX 77552
409-740-1251 • FAX 409-740-0513
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CARRIER RATINGS

INSURANCE

A.M. BEST FINANCIAL STRENGTH RATING

Best's Rating consists of Rating Classification and Financial Size Category. The Rating Classification assesses Company's overall performance and ability to meet its respective policyholder and other contractual obligations. The Rating Classifications are shown below:

<i>Rating Classification</i>	<i>Ability</i>	<i>"Not Assigned" Classification</i>	<i>Explanations</i>
A++, A+	Superior	NA - 1	Special Data Filing
A, A-	Excellent	NA - 2	Less than Minimum Size
B++, B+	Very Good	NA - 3	Insufficient Operating Experience
B, B-	Adequate	NA - 4	Rating Procedure Inapplicable
C++, C+	Fair	NA - 5	Significant Change
C, C-	Marginal	NA - 6	Reinsurance by Unrated Reinsurer
D	Very Vulnerable	NA - 8	Incomplete Financial Information
E	State Supervision	NA - 9	Company Request
F	In Liquidation	NA - 11	Rating Suspended

The Financial Size Category of Best's Rating examines the Company's financial strength. The financial Size Category accounts for the Company's equity, or Policyholder Surplus available to meet policy holder obligations. The categories are as follows:

<i>Class</i>	<i>Range in 000's</i>	<i>Class</i>	<i>Range in 000'S</i>
I	Up to 1,000	IX	250,000 to 500,000
II	1,000 to 2,000	X	500,000 to 750,000
III	2,000 to 5,000	XI	750,000 to 1,000,000
IV	5,000 to 10,000	XII	1,000,000 to 1,250,000
V	10,000 to 25,000	XIII	1,250,000 to 1,500,000
VI	25,000 to 50,000	XIV	1,500,000 to 2,000,000
VII	50,000 to 100,000	XV	2,000,000+
VIII	100,000 to 250,000		



COINSURANCE

I N S U R A N C E

WHAT DOES CO-INSURANCE MEAN?

A policy may contain a co-insurance provision requiring that the limits of insurance be a minimum percentage (usually 80%) of the insurable value of your property. If the limits of your policy are less than what is required by this provision, then any claim payment made to you may be reduced by the same percentage as the deficiency.

EXAMPLE

Property Value	=	\$ 100,000
Insurance Required	=	\$ 80,000
Insurance Carried	=	\$ 60,000
Amount of Loss	=	\$ 10,000

Since the amount of insurance carried is 25% less than the amount required (\$80,000 as shown above), then any loss paid to you by the insurance carrier would be reduced by 25%. Below is an example of how the amount paid would be calculated.

CO-INSURANCE CALCULATION

$$\frac{\text{Insurance Carried } (\$60,000)}{\text{Insurance Required } (\$80,000)} = .750 \text{ (percentage of the loss to be paid)}$$

Amount of Loss = (\$10,000) X .750 (the percentage paid) = \$7,500.

Based on the above example, you would be paid **\$7,500 minus any deductible** that applies.

*****Notify your agent immediately when you have a substantial increase in the value of your building or contents in order to avoid any possible co-insurance penalties.***



ABOUT US

GIA is the oldest Independent Insurance Agency in Galveston county, servicing Texas since 1892.

As an Independent Insurance Agency, GIA represents a multitude of insurance companies and brokers. We shop the market in order to offer you the best combination of coverage with premium savings in mind.

GIA's Home Office is on Galveston Island and the Agency has survived every hurricane by providing reliable, professional service before and after each storm.

Currently, GIA has offices in Galveston and Friendswood.

We are a proud partner of the Insuror's Group, ranking 9th in the US in privately-held Independent Property and Casualty agencies.

GIA is a Full Service Independent Insurance Agency with the following departments:

Commercial Lines

- Property
- General Liability
- Windstorm
- Flood
- Worker's Compensation
- Business Auto
- Excess Liability
- Data Breach
- Bonding
- Directors & Officers Liability
- Professional Liability
- Cyber Liability / Data Breach

Personal Lines

- High Value Homeowner Program
- Homeowners
- Windstorm
- Flood
- Auto
- Umbrella Liability
- Boats/Yachts
- Valuable Property
- Identity Theft

Benefits

- Individual/Family
- Large Group
- Small Group
- Employer Sponsored Health Plans
- Dental
- Vision



To our Valued Clients:

Hurricane Season begins June 1 and ends November 30. Although we are never ready to experience a major storm, we must all be prepared. Please review your insurance policies and contact us if you have any questions or need to make any changes. We ask that you do this as soon as possible. When there is a named storm within specified coordinates, insurance companies will not write new nor increase current property coverage in certain areas.

Hurricanes Ike and Harvey taught us many lessons. Most importantly that both windstorm and flood insurance are needed by everyone in our area and all residents and business owners should have a current inventory of their contents.

As your insurance agent, we are committed to being here for you after a storm, any storm. GIA has developed a full Catastrophe plan that begins with evacuation for our employees so that once the storm has passed, regardless of the conditions, we will be available to handle claims as well as normal account activities.

Based upon our Hurricane Ike evacuation experience, we will close early to help our employees avoid major traffic congestion. However, we will not close until we can no longer bind new insurance coverage or make changes due to the proximity of the hurricane.

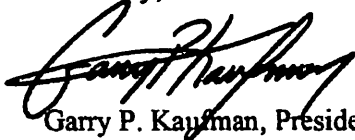
After the storm, depending on the damage, we will be taking claims from our Galveston and/or Friendswood offices. Regardless of our location, we can be contacted at our regular phone numbers. Just as during Hurricanes Ike and Harvey, we will be available for our clients to contact us before, during & after the storm. These procedures will apply to non-hurricane related catastrophes that affect our office and island as well.

For all property claims, especially after a significant hurricane hits our area, please take the following steps:

- Contact us direct to report your claim
- Make temporary repairs only and keep all receipts
- Take pictures of the damage
- Make sure you leave us your cell phone number if you leave a message
- You must obtain a WPI-8 form from your contractor for all structural repairs to Coastal properties

We are proud to be your insurance agent and we know that the time you will count on us the most will be when you have a claim. At GIA, we have worked hard to be here for you, *Before and After* the storm!

Sincerely,



Garry P. Kaufman, President

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