

## Client Authorization to Bind Coverage

After careful consideration of Gallagher's proposal dated 5/26/2022, we accept the following coverage(s). Please check the desired coverage(s) and note any coverage amendments below:

	COVERAGE/CARRIER
<input checked="" type="checkbox"/> Accept <input type="checkbox"/> Reject	<b>Property</b>
	Fireman's Fund Insurance Company
<input type="checkbox"/> Accept <input type="checkbox"/> Reject	<i>TRIA (Rejected Last Year) Quote Contemplates Rejection This Year</i>
<input checked="" type="checkbox"/> Accept <input type="checkbox"/> Reject	<b>General Liability</b>
	Safety National Casualty Corporation
<input checked="" type="checkbox"/> Accept <input type="checkbox"/> Reject	<i>TRIA (Accepted Last Year)</i>
<input checked="" type="checkbox"/> Accept <input type="checkbox"/> Reject	<b>Automobile- Liability &amp; Physical Damage</b>
	Safety National Casualty Corporation
<input checked="" type="checkbox"/> Accept <input type="checkbox"/> Reject	<b>Crime</b>
	Travelers Casualty and Surety Co of America
<input checked="" type="checkbox"/> Accept <input type="checkbox"/> Reject	<b>Terrorism &amp; Sabotage</b>
<input checked="" type="checkbox"/> Option # 1	\$100M Terrorism & Sabotage Per expiring
<input type="checkbox"/> Option # 2	Add Optional \$1M Terrorism and Liability Sublimit -\$5,000 Additional Premium
<input type="checkbox"/> Option # 3	Add Optional \$1M - Active Assailant Sublimit - \$5,000 Additional Premium
<input checked="" type="checkbox"/> Accept <input type="checkbox"/> Reject	<b>Excess Liability</b>
	Safety National Casualty Corporation
<input checked="" type="checkbox"/> Accept <input type="checkbox"/> Reject	<i>TRIA (Accepted Last Year)</i>
<input checked="" type="checkbox"/> Accept <input type="checkbox"/> Reject	<b>Public Officials Liability</b>
	Safety Specialty Insurance Company
<input checked="" type="checkbox"/> Accept <input type="checkbox"/> Reject	<b>Law Enforcement Liability</b>
	Safety Specialty Insurance Company
<input checked="" type="checkbox"/> Accept <input type="checkbox"/> Reject	<b>Law Enforcement Liability - Off Duty</b>
	QBE Specialty Insurance Company
<input checked="" type="checkbox"/> Accept <input type="checkbox"/> Reject	<b>Cyber Liability</b>
	Berkley Assurance Company
<input checked="" type="checkbox"/> Accept <input type="checkbox"/> Reject	<b>Aviation</b>
	American Alternative Insurance Corp, American Commerce Insurance Company, National Indemnity Company, Tokio Marine America Insurance Company
<input checked="" type="checkbox"/> Accept <input type="checkbox"/> Reject	<i>TRIA</i>



	COVERAGE/CARRIER
<input checked="" type="checkbox"/> Accept <input type="checkbox"/> Reject	Accidental Death & Dismemberment
	Zurich American Insurance Company
<input checked="" type="checkbox"/> Accept <input type="checkbox"/> Reject	GB Claims TPA Fees
<input checked="" type="checkbox"/> Accept <input type="checkbox"/> Reject	GB Property Appraisals *New Optional Service
<input checked="" type="checkbox"/> Accept <input type="checkbox"/> Reject	AJG Risk Management Fee
<input checked="" type="checkbox"/> Accept <input type="checkbox"/> Reject	Gallagher/Amy Hoffman Actuarial Services - Casualty and Work Comp Lines

**Additional Recommended Coverages**

Gallagher recommends that you purchase the following additional coverages for which you have exposure. By checking the box(es) below, you are requesting that Gallagher provide you with a Proposal for this coverage. By not requesting a Proposal for this coverage, you assume the risk of any uncovered loss.

**Other Coverages to Consider**

- Pollution Liability
- Excess Liability

The above coverage(s) does not necessarily represent the entirety of available insurance products. If you are interested in pursuing additional coverages other than those listed in the Additional Recommended Coverages, please list below:

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**Coverage Amendments and Notes:**

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**Exposures and Values**

You confirm the payroll, values, schedules, and any other information pertaining to your operations, and submitted to the underwriters, were compiled from information provided by you. If no updates were provided to Gallagher, the values, exposures and operations used were based on the expiring policies. You acknowledge it is your responsibility to notify Gallagher of any material change in your operations or exposures.

**Fee Agreement:** *In addition to* commission received by Gallagher for the policy term reflected herein, Gallagher will receive a fee of: **\$20,000.00** for:

- placement of insurance coverage
- maintenance and management of the account
- loss/risk control services
- claim advocacy services
- risk management consulting services
- data analytics program studies
- umbrella limits analysis -
- pool administration

- program administration
- Risk Purchasing Group or Risk Retention Group program administration fees, and/or
- other \_\_\_\_\_

This fee IS NOT refundable, is fully earned by signing below, and is due and payable within thirty (30) days of such signing. Any placements that require the payment of additional state or federal taxes and/or fees are the client's responsibility.

By accepting this fee agreement, we agree and understand that it reflects services to be provided that have been discussed with and fully disclosed to us, and the above fee is consistent with our understanding. This agreement and any disputes that arise out of this fee agreement shall be governed by the laws of the state of Illinois.

**Additional Terms and Disclosures**

Gallagher is not an expert in all aspects of your business. Gallagher's Proposals for insurance are based upon the information concerning your business that was provided to Gallagher by you. Gallagher expects the information you provide is true, correct and complete in all material respects. Gallagher assumes no responsibility to independently investigate the risks that may be facing your business, but rather have relied upon the information you provide to Gallagher in making our insurance Proposals.

Gallagher's liability to you arising from any of Gallagher's acts or omissions will not exceed \$20 million in the aggregate. The parties each will only be liable for actual damages incurred by the other party, and will not be liable for any indirect, special, exemplary, consequential, reliance or punitive damages. No claim or cause of action, regardless of form (tort, contract, statutory, or otherwise), arising out of, relating to or in any way connected with the Proposal, any of Gallagher's services or your relationship with Gallagher may be brought by either party any later than two (2) years after the accrual of the claim or cause of action.

Gallagher has established security controls to protect Client confidential information from unauthorized use or disclosure. For additional information, please review Gallagher's Privacy Policy located at <https://www.ajg.com/privacy-policy/>.

You have read, understand and agree that the information contained in the Proposal and all documents attached to and incorporated into the Proposal, is correct and has been disclosed to you prior to authorizing Gallagher to bind coverage and/or provide services to you. By signing below, or authorizing Gallagher to bind your insurance coverage through email when allowed, you acknowledge you have reviewed and agree with terms, conditions and disclosures contained in the Proposal.

By: \_\_\_\_\_  
Print Name (Specify Title)

\_\_\_\_\_  
Company

\_\_\_\_\_  
Signature

Date: \_\_\_\_\_



<b>FLAT FEE- LIFE OF PARTNERSHIP</b>		<b>Est. Claim Frequency</b>	<b>Projected Service Fee</b>
<b>Liability</b>			
Auto Liability/Bodily Injury		14	Included
Auto Liability/Property Damage		32	Included
Auto/Physical Damage		61	Included
General Liability/Bodily Injury		8	Included
General Liability/Property Damage		38	Included
Professional Liability		3	Included
Incidents - Liability		29	Included
<b>Total Liability Flat Fee</b>			<b>\$82,421</b>
<b>Property</b>			
Property		3	Included
Incidents - Property		0	Included
<b>Total Property Flat Fee</b>			<b>\$2,190</b>

<b>ADMINISTRATIVE SERVICES</b>	<b>Quantity</b>	<b>Rate</b>	<b>Estimated Annual Fee</b>
<b>Administrative Services</b>			
Administration / Data Management			\$11,249
RMIS - 2 Users Full Access			Included
<b>Total Administrative Services</b>			<b>\$11,249</b>
<b>TOTAL</b>			<b>\$95,860</b>

If the claim counts for the 2022/2023 contract are 15% higher than the annual forecast by individual coverage type (the overage would not be calculated by a global overage, but instead by bodily injury, property damage, auto physical damage, property, or professional), then GB reserves the right to bill for the overage on a per-claim basis at the below rates:

Auto and General Liability Bodily Injury - \$881  
 Auto and General Liability Property Damage - \$406  
 Auto Physical Damage - \$276  
 Property - \$730  
 Professional - \$2,136

**OTHER SERVICES**

<b>SERVICES</b>	<b>CHARGES</b>
RMIS Additional Users (RMIS Standard License includes a set number of Full Access Users outlined under Administrative Services, and unlimited use of GB standard scheduled training classes)	RMIS View-only User, \$500 annually per user
	RMIS Full Access User, \$1,000 annually per user
Loss control	\$140 per hour
OSHA Reporting	\$6,000, OSHA platform to produce compliant OSHA 301 Report, 300 and 300a Logs, and electronic data file. Oversight and accuracy of all OSHA data is responsibility of the employer prior to posting or submitting any OSHA log.
Subrogation and Recovery	20% of net recovery amount less legal and collections expense based on recovery date  Recoveries include subrogation, credits, lien waivers, file transfer (based on lien to date at time of transfer), and contribution or coverage handled in a separate action.  Applies to all coverage types
<b>Gallagher Bassett Investigative Services (GBIS)</b>	
Special Fraud Investigations - SIU, Outside Field Investigations, Surveillance Investigations, Targeted Field Investigations	Prevailing hourly rate plus expenses
Targeted Database Searches, Self Service Database Searches	Prevailing rate per report
<b>Gallagher Bassett Litigation Management Program (GBLMP)</b>	
Invoice and Matter Management platform for adjusters/ counsel	If utilized, 2% of net legal invoice (invoice net of disbursements and invoice review savings). Charged as discount off total payment remitted to counsel and will be reflected as an allocated expense on the claim file.
5 client licenses for Legal Analytics platform	
Attorney-led legal bill review	
<b>Gallagher Bassett Compliance Services (GBCS)</b>	
Medicare Set-Aside Services: Allocation, CMS Submission, Medicare Eligibility Inquiry (MEI), SSDI Verification, Medical Cost Projection (MCP)	Prevailing rate per each service Rush fees apply for MSA completed within 5 business days MSA Revision fees apply
Medicare Secondary Payer Services: BCRC Notification, Conditional Payment Research (CPR), Conditional Payment Negotiations (CPN), Conditional Payment Notice Evaluation, Conditional Payment Dispute, Securing Final Demand for Settlement (SFD), Release / Settlement Agreement Review, Lien Research and Resolution (Advantage Plan, Medicaid, Part D)	Prevailing rate per each service
<b>Taxes</b>	
Taxes	All applicable taxes will be added to the service fees where required



**PROGRAM SPECIFIC TERMS AND CONDITIONS**

**1. Claim Count Reconciliation:**

There will be one claim count reconciliation 18 months after the inception of the service period, to bill for any claims beyond the 15% threshold above the annual forecast.

**2. Billing and Payment Terms:** Fees will be billed quarterly during the service period.

**3. Claim Pricing Terms:**

**Life of Partnership:**

Claims will be handled for the life of the partnership with no additional per claim fees. If the client decides to non-renew all or a portion of the program, all open files will be handled in one of the following two ways:

- GB will return the files to the client (contingent upon Carrier approval) at the client's expense.
- GB will continue to handle the open files at our prevailing annual rate per year open.

**Additional Charges:**

There will be additional charges for ongoing Data Management (RISX-FACS®), RMIS users, Administration, Banking fees and monthly reports for as long as GB handles claims.

**4. Account Administration includes the following:**

- Client Services
- Client Accessible Dashboards & Reports via GB's RMIS & Analytics Platform
- 2 Telephonic Claim Strategy Meeting(s)
- 2 Standard Meeting(s) Included
- Detailed Status Reports All Lines of Business @ \$50,000
- Settlement Consultation All Lines of Business @ \$10,000
- Loss Fund /Banking Services (SIMMS)
- Claim Reporting
- Data Transfer to Carrier(s)
- Acknowledgement Letter to Claimant Liab

5. Claim Charges: Claim and incident fees will be assessed on a per occurrence, per claimant, per line of coverage basis.
6. This material is the proprietary, confidential property of Gallagher Bassett Services, Inc. It has been provided to you for the sole purpose of considering a quote for claims administration services. It is not to be duplicated or shared in any form with anyone other than the individuals of such prospective client that have a business need to know the information. It must be destroyed or returned to Gallagher Bassett Services, Inc. after its intended use.
7. Gallagher Bassett Services, Inc. will not pay a fee, commission, or rebate to any party for the privilege of presenting our proposal or in order to secure the awarding of any program to Gallagher Bassett Services, Inc.

### **GENERAL CONTRACT TERMS AND CONDITIONS**

1. Independent Adjusters - If applicable, following any significant loss as a result of a single event (i.e., hurricane, tornado, flood, earthquake, etc.), GB reserves the right to retain outside resources (adjusters) when appropriate and those fees will be paid as an Allocated Expense off the file.
2. The pricing quoted in this Cost & Terms is based upon the data and information provided by Client, as well as existing legislative and regulatory requirements. Material inaccuracies or changes to the foregoing may require adjustments to the quoted pricing.
3. Taxes - All applicable taxes will be added to the service fees where required.
4. Allocated Expenses: Shall be your responsibility as applicable and shall include, but not be limited to:
  - Legal Fees
  - Legal Bill Review
  - Medical Examination
  - Professional Photographs
  - Travel made at client's request
  - Costs for witness statements
  - Court reporter service, translation, and interpretation
  - Record retrieval and copying services (Including medical and legal)
  - Accident reconstruction
  - Experts' rehabilitation costs
  - Chemist
  - Fees for service of process
  - Collection cost payable to third parties on subrogation
  - Architects, contractors
  - Engineer
  - Any other similar cost, fee or expense reasonably chargeable to the investigation, negotiation, settlement or defense of a claim or loss which must have the explicit prior approval of the client
  - Police, fire, coroner, weather, or other such reports
  - Property damage appraisals
  - Vehicle appraisals (vehicle damage assessment)
  - SIU, surveillance and sub rosa investigation
  - Official documents and transcripts
  - Pre- and post-judgment interest paid
  - Outside Field Investigations
  - Subrogation at 20% of net recovery
  - Index Bureau Reporting (All Coverages)
  - Second Injury Fund Recovery
  - Data Intelligence Self-Service Reports
  - Medical Management - Medical Management services may include, but are not limited to:
    - Preferred provider organization networks
    - Utilization review services
    - Automated state fee scheduling
    - Light duty/return-to-work programs
    - Medical case management and Vocational rehabilitation network
    - Prospective injury management services
    - Hospital bill audit services

## **DEFINITIONS**

### **Incidents**

An incident is a loss reported electronically through ClaimLine and/or the Web, or set up manually at the branch. GB will review the incident and make a courtesy call (if necessary) to determine if it is a claim or incident. GB will have full discretion in the determination and handling of these incidents and/or their conversion into claim status.

### **Auto Physical Damage (APD)**

Investigate, evaluate and adjudicate all first-party claims which you report involving damage or loss of real or personal property. First-party claims will be managed and administered in accordance with our product guidelines.

### **Liability Claims**

Investigate, evaluate and adjudicate all third-party claims for which you may be legally obligated. Third-party claims will be managed and administered in accordance with our product guidelines.

### **Property Claims**

Investigate, evaluate and adjudicate all first-party claims which you report involving damage or loss of real or personal property. First-party claims will be managed and administered in accordance with our product guidelines.





HALL COUNTY, GA  
07/01/2022 - 07/01/2023

**ACKNOWLEDGEMENT OF COST & TERMS**

The undersigned parties acknowledge and agree that this Cost & Terms is effective for the service period stated above.

Notices to Gallagher Bassett Services, Inc. should be directed to:  
Gallagher Bassett Services, Inc.  
2850 Golf Road  
Rolling Meadows, Illinois 60008-4050  
Attn: Legal Department  
Email: [GB-Contracts@gbtpa.com](mailto:GB-Contracts@gbtpa.com)

ACCEPTED AND AGREED TO BY:

**GALLAGHER BASSETT SERVICES, INC.**

By: \_\_\_\_\_

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

Title: \_\_\_\_\_

Date: \_\_\_\_\_

ACCEPTED AND AGREED TO BY:

**HALL COUNTY, GA**

By: \_\_\_\_\_

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

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**POLICYHOLDER DISCLOSURE  
NOTICE OF TERRORISM  
INSURANCE COVERAGE  
(General Liability)**

You are hereby notified that under the Terrorism Risk Insurance Act of 2002, as amended, extended, and/or re-authorized, you have a right to purchase insurance coverage for losses resulting from acts of terrorism, *as defined in Section 102(1) of the Act*: The term “act of terrorism” means any act that is certified by the Secretary of the Treasury – in concurrence with the Secretary of State and the Attorney General of the United States – to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals 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 KNOW THAT WHERE COVERAGE IS PROVIDED BY THIS POLICY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM, SUCH LOSSES MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. HOWEVER, YOUR POLICY MAY CONTAIN OTHER EXCLUSIONS WHICH MIGHT AFFECT YOUR COVERAGE, SUCH AS AN EXCLUSION FOR NUCLEAR EVENTS. UNDER THE FORMULA, THE UNITED STATES GOVERNMENT GENERALLY REIMBURSES 80% OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURANCE COMPANY PROVIDING THE COVERAGE. THE PREMIUM CHARGED FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS THAT MAY BE COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS A \$100 BILLION CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT, AS WELL AS INSURERS’ LIABILITY, FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM. IF THE AGGREGATE INSURED LOSS FOR ALL INSURERS EXCEEDS \$100 BILLION IN A CALENDAR YEAR, YOUR COVERAGE MAY BE REDUCED.

**Acceptance or Rejection of Terrorism Insurance Coverage with regard to General Liability**

<input checked="" type="checkbox"/>	I hereby elect to purchase terrorism coverage for a prospective premium of \$720.
<input type="checkbox"/>	I hereby decline to purchase terrorism coverage for certified acts of terrorism. I understand that I will have no coverage for losses resulting from certified acts of terrorism.

\_\_\_\_\_  
*Applicant’s Signature*

**Safety National Casualty Corporation®**

*Insurance Company*

\_\_\_\_\_  
*Insured Name*

\_\_\_\_\_  
*Date Signed*



**SAFETY NATIONAL UNINSURED AND/OR UNDERINSURED MOTORIST  
POLICYHOLDER NOTICE AND ACKNOWLEDGEMENT FORM**

**Insured Name:** Hall County Board of Commissioners

**GEORGIA**

**PLEASE ALSO REVIEW, COMPLETE & SIGN THE FOLLOWING ATTACHED FORM:**

Georgia Auto Notices (IL N 159 & IL N 171)

Unless specifically rejected, Georgia law requires your policy include Uninsured Motorists (**UM**) & Underinsured Motorists (**UIM**) coverage at limits not less than the Georgia minimum UM/UIM coverage limits shown at the end of this page. You may however select UM coverage at limits equal to the Liability Coverage limits of your policy or you may select UM coverage at limits less than the Liability Coverage limits of your policy (but not less than the Georgia minimum UM/UIM coverage limits).

**Unless you reject UM coverage, either Reduced by At Fault or Added On to No-Fault UM coverages (described below) must be selected by you below and will be applicable to your coverage in Georgia.**

**Reduced By At-Fault Liability Limits UM Coverage ("Reduced By At-Fault").** This traditional form of UM coverage provides insurance protection with respect to your covered losses as a result of an accident where the owner or driver is legally responsible but either has no liability protection or does not have enough protection to pay the full amount that the injured person is legally entitled to recover as bodily injury or property damages. Where the owner or driver does not have sufficient protection to pay the recoverable damages in total, the available UM limits are reduced by the portion of damages recoverable from the At-Fault driver/owner.

**Added On To At-Fault Liability Limits UM Coverage ("Added On To At-Fault").** This alternate form of UM coverage provides the same protection as the traditional UM coverage described above; however, the UM Limits are not reduced by the amount recoverable from the At-Fault driver & are instead applied in addition to the amount recoverable from the driver/owner. This form of coverage is available for an additional premium.

My selection of one of the available options for **UM** is indicated below by my initials. Also, unless I rejected UM, my selection of either **Reduced By At-Fault** or **Added On To At-Fault** is indicated below by my initials.

\_\_\_\_\_ I **reject** UM coverage in its entirety; or,

\_\_\_\_\_ I **select** UM coverage at the state minimum limits shown at the end of this page; or,

\_\_\_\_\_ I **select** Reduced By At-Fault (and thus reject Added On To At-Fault); or,

I **select** Added On To At-Fault (and thus reject Reduced By At-Fault).

I **select** UM coverage at limits of \$ \_\_\_\_\_ (which UM limits are not less than the state minimum limits shown at the end of this page).

\_\_\_\_\_ I **select** Reduced By At-Fault (and thus reject Added On To At-Fault); or,

\_\_\_\_\_ I **select** Added On To At-Fault (and thus reject Reduced By At-Fault).

NOTE: Georgia **Minimum** UM/UIM Coverage Limits are listed below.

- Single Limits  
UM (includes UIM) Coverage - BI & PD - \$75,000 per accident
- Split Limits  
UM (includes UIM) Coverage - BI - \$25,000 per person / \$50,000 max per accident  
UM (includes UIM) Coverage - PD - \$25,000 per accident subject to \$250 deductible

# GEORGIA UNINSURED MOTORISTS COVERAGE NOTICE ACKNOWLEDGMENT

<b>Applicant/Named Insured:</b> Hall County Board of Commissioners
<b>Company:</b> Safety National Casualty Corporation
<b>Policy Number:</b> CA 6675711
<b>Policy Effective Date:</b> 6/30/2022

The Rules and Regulations of the State of Georgia require that we provide you with notice containing the following information:

If you have chosen to accept Uninsured Motorists coverage from your automobile insurance company, and have any questions after reading this statement regarding Uninsured Motorists coverage or the amount of coverage you have selected, your agent or company representative will be able to assist you. You should have chosen the amount of Uninsured Motorists coverage you want based on this question: If I get hit by someone with little or no liability insurance, how much protection do I need to cover the cost associated with car repair, medical bills, other expenses, and lost wages? If the person who hits your automobile has no liability coverage or liability coverage equal to or less than the Uninsured Motorists amount you chose, your total automobile insurance recovery (from all companies involved) may not exceed the amount of Uninsured Motorists coverage you chose.

The purpose of this notice is informational. This notice does not change or replace the wording in your policy.

Please sign below to confirm that we have provided you with notice containing the above information.

<hr style="border: 0; border-top: 1px solid black; margin-bottom: 5px;"/> <b>Signature Of Applicant/Named Insured</b>	<hr style="border: 0; border-top: 1px solid black; margin-bottom: 5px;"/> <b>Date Signed</b>
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## GEORGIA POLICYHOLDER NOTICE REGARDING UNINSURED MOTORISTS COVERAGE

Our records show that your policy contains Uninsured Motorists (UM) Coverage. Uninsured Motorists coverage provides insurance protection to an insured for compensatory damages which the insured is legally entitled to recover from the owner or operator of an uninsured motor vehicle because of bodily injury or property damage caused by an automobile accident. Also included are damages due to bodily injury or property damage that result from an automobile accident with a hit-and-run vehicle whose owner or operator cannot be identified. This document includes general descriptions of coverage. However, no coverage is provided by this document. You should read your policy and review your Declarations Page(s) and/or Schedule(s) for complete information on the coverage you are provided.

Georgia law, in general, requires that automobile liability policies include Uninsured Motorists Coverage Added On To At-Fault Liability Limits (Added-On) unless you reject this coverage in writing. Uninsured Motorists Coverage Added-On provides insurance protection, in general, with respect to an insured's covered losses that are in addition to the limit of liability under any applicable bonds or policies.

However, for a reduced premium, you may reject Uninsured Motorists Coverage Added-On and select Uninsured Motorists Coverage – Reduced By At-Fault Liability Limits (Reduced). Uninsured Motorists Coverage Reduced provides insurance protection, in general, wherein the amount of coverage is reduced by all sums paid by or on behalf of anyone who is legally responsible.

The following examples are derived from the Georgia Office of Insurance and Safety Fire Commissioner Directive 08-P&C-1 dated August 18, 2008:

### ***Example of Uninsured Motorists Coverage Added-On and Uninsured Motorists Coverage Reduced Claim Payment Calculation***

*An underinsured driver fails to stop at a red light, hits your car and causes you to have \$175,000 in damages. The at-fault underinsured driver (At-Fault's) has \$50,000 of Liability Coverage. Your policy contains \$100,000 of Uninsured Motorists Coverage.*

### **UNINSURED MOTORISTS COVERAGE ADDED-ON**

*At-Fault Liability Coverage Limit \$50,000  
Your Uninsured Motorists Coverage Added-On Limit \$100,000  
Total Amount of Your Damages \$175,000*

**Payment Break Out:**

At-Fault's Liability Coverage = \$50,000  
Your Uninsured Motorists Coverage Added-On = \$100,000  
Total Payment = \$150,000  
Amount Not Covered = \$25,000 (a)

The maximum available coverage in this example was \$150,000 (At-Fault's Liability Coverage Limit + Your Uninsured Motorists Coverage Added-On Limit).

(a) Please notice that \$25,000 of the loss was not covered.

**UNINSURED MOTORISTS COVERAGE REDUCED**  
**(This coverage is comparable to your current coverage.)**

At-Fault's Liability Coverage Limit \$50,000  
Your Uninsured Motorists Reduced Limit \$100,000  
Total Amount of Your Damages \$175,000

**Payment Break Out:**

At-Fault's Liability Coverage = \$50,000  
Your Available Uninsured Motorists Coverage Reduced = \$50,000(a)  
Total Payment = \$100,000  
Amount Not Covered = \$75,000(b)

(a) The \$50,000 amount shown here is determined by subtracting the At-Fault's Liability Coverage Limit from Your Uninsured Motorists Coverage Reduced Limit. The total available Uninsured Motorists Coverage Reduced you have in this example is \$50,000.

(b) Please notice that \$75,000 of the loss is not covered.

You should contact us or your agent at the address below if you have any questions regarding the options described above with respect to Uninsured Motorists Coverage. However, if you wish to change the coverage you currently have, you must request any such change in writing.

**Company:** Safety National Casualty Corporation

**Address:**

**Producer:** Arthur J. Gallagher Company

**Address:**



**POLICYHOLDER DISCLOSURE  
NOTICE OF TERRORISM  
INSURANCE COVERAGE  
(Excess Liability)**

You are hereby notified that under the Terrorism Risk Insurance Act of 2002, as amended, extended, and/or re-authorized, you have a right to purchase insurance coverage for losses resulting from acts of terrorism, *as defined in Section 102(1) of the Act*: The term “act of terrorism” means any act that is certified by the Secretary of the Treasury – in concurrence with the Secretary of State and the Attorney General of the United States – to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals 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 KNOW THAT WHERE COVERAGE IS PROVIDED BY THIS POLICY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM, SUCH LOSSES MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. HOWEVER, YOUR POLICY MAY CONTAIN OTHER EXCLUSIONS WHICH MIGHT AFFECT YOUR COVERAGE, SUCH AS AN EXCLUSION FOR NUCLEAR EVENTS. UNDER THE FORMULA, THE UNITED STATES GOVERNMENT GENERALLY REIMBURSES 80% OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURANCE COMPANY PROVIDING THE COVERAGE. THE PREMIUM CHARGED FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS THAT MAY BE COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS A \$100 BILLION CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT, AS WELL AS INSURERS’ LIABILITY, FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM. IF THE AGGREGATE INSURED LOSS FOR ALL INSURERS EXCEEDS \$100 BILLION IN A CALENDAR YEAR, YOUR COVERAGE MAY THUS BE REDUCED.

**Acceptance or Rejection of Terrorism Insurance Coverage with regard to Excess Liability**

<input checked="" type="checkbox"/>	I hereby elect to purchase terrorism coverage for a prospective premium of \$2,088.
<input type="checkbox"/>	I hereby decline to purchase terrorism coverage for certified acts of terrorism. I understand that I will have no coverage for losses resulting from certified acts of terrorism.

\_\_\_\_\_  
*Applicant’s Signature*

**Safety National Casualty Corporation®**

*Insurance Company*

\_\_\_\_\_  
*Insured Name*

\_\_\_\_\_  
*Date Signed*