



**NAUSCH, HOGAN & MURRAY, INC.**

140 BROADWAY, SUITE 4640  
NEW YORK, N.Y. 10005  
(212) 480-4200 • Fax: (212) 480-2920

June 2, 2022

Yonkers Public Schools  
One Larkin Center  
Yonkers, New York 10701  
Attn: Mr. John Carr

Re: Yonkers Public Schools  
Educators Legal Liability and Employment Practices Liability  
Policy Period: July 1, 2022 – July 1, 2023

Dear Mr. Carr,

With respect to the upcoming renewal of Yonkers Public Schools' School Leaders' Educator's Management and Employment Practices Liability insurance, we have received favorable renewal terms from the incumbent, Greenwich Insurance Company (a member of AXA XL Group of Companies, A+, XV).

Greenwich Insurance Company has offered renewal terms at a cost of \$94,062 roughly a 4.97% increase from the expiring cost of \$89,608. The increase in premium is due to loss history and another company mandated increase.

Greenwich has also provided the following alternative lower limit options, all subject to the same retentions:

\$1,000,000 Each Claim and in the Aggregate for a cost of \$62,176  
\$2,000,000 Each Claim and in the Aggregate for a cost of \$78,916  
\$3,000,000 Each Claim and in the Aggregate for a cost of \$87,286  
\$4,000,000 Each Claim and in the Aggregate for a cost of \$91,471

Greenwich Insurance Company is an Admitted Insurer.

Please note, as with previous policies' terms and conditions, this quote is based on defense expenses being paid outside the limit of liability with respect to insuring agreement A.1.a. Educators Wrongful Act and A.2 Employment Practices Liability and Third-Party Liability. This means that you theoretically could have \$5,000,000 in defense expense costs with the limit of liability for these two Insuring Agreements remaining intact. Insuring Agreement A.1.b Non-Monetary Relief for an Educators Wrongful Act has defense expenses inside the limit of liability. Insuring Agreement A. 3. Reimbursement of Defense Expenses with respect to a Claim alleging an IEP Act, Collective Bargaining Act or Student Program Act is subject to \$100,000 each claim and in the aggregate maximum reimbursement Defense Expenses. Of course, these limits are applicable to losses covered by the terms and conditions of this policy.

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INSURANCE BROKERS  
REINSURANCE INTERMEDIARIES

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Please be advised that Greenwich Insurance Company has added the form PGU 1133 01/22 US Professional Indemnity-Cyber Exclusion to all policies going forward. Underwriters have also advised that PGU 1087 Network Security Identity Theft Event Coverage is no longer available. Please note that an offer for a separate Cyber Liability insurance had been presented and declined.

The following forms are updated versions from the expiring policy:

PN CW 01 01 22 Notice to Policyholders- Fraud Notice  
PN CW 02 01 19 Notice to Policyholders- Privacy Policy  
PN CW 05 05 19 Notice to Policyholders- U.S. Treasury Department's Office of Foreign Assets Control ("OFAC")

With respect to alternate market interest, we advise the following:

AIG has offered a Leaders Risk Protector indication of \$84,348. Two notable differences are that the AIG offer includes a School Entity Errors and Omissions and Employment Practices Liability \$5,000,000 limit with \$100,000 Errors & Omissions Retention and \$500,000 Employment Practices Liability retention. AIG's offer includes defense within the limit of liability. Greenwich Insurance Company indicated that increasing the Employment Practices Liability retention from the current \$100,000 to \$500,000 and amending defense expense within the limit of liability would reduce their premium to \$58,905 plus their applicable \$499 Market Fee for a total of \$59,404.

Ironshore indicated a ballpark \$5,000,000 limit with \$250,000 Errors and Omissions and \$500,000 Employment Practices Liability Retention for \$350,000 in premium.

PRU/QBE has declined to offer terms as there is a low probability that they would be approved to offer the \$5,000,000/\$5,000,000 limits. Their ballpark indication for a \$3,000,000/\$3,000,000 limit with \$100,000 deductible is in the \$125,000 - \$135,000 range.

RSUI again indicated that they cannot be competitive, providing a ballpark minimum Self-Insured Retention of \$250,000 and premium in excess of \$200,000.

The following markets declined to quote:

Berkshire Hathaway Specialty Insurance - the class of business is outside their appetite  
IAT Insurance Group- ineligible class within their underwriting guidelines  
Intact Insurance- not a primary market for organizations with 1,000 or more employees. They could consider excess.  
Nexus Specialty Inc. - due to revenue size  
Starr Insurance Companies-falls outside their appetite as they do not write Educators Legal Liability  
Lexington/Validus - are part of AIG and cannot compete against each other

When considering the information presented above, it seems that once again, the incumbent, Greenwich Insurance Company continues to provide the most favorable terms and conditions of coverage. Greenwich Insurance Company is currently reviewing the financials.

As always, if you have any questions, concerns or comments please do not hesitate to contact us.

Thanks and Best Regards,



Doreen McLoughlin

dm/ms  
Encl.

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INSURANCE BROKERS • AVERAGE ADJUSTERS  
REINSURANCE INTERMEDIARIES

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**PROPOSAL OF INSURANCE**

**NAMED INSURED:** Yonkers Public Schools

**ADDRESS:** One Larkin Center  
Yonkers, New York 10701

**COVERAGE:** Educators Legal Liability & Employment Practices Liability  
(Defense Expenses Outside the Limit of Liability with respect to insuring agreement  
A.1.a. Educators Wrongful Act and A. 2 Employment Practices Liability and Third-Party Liability)

**SECURITY:** Greenwich Insurance Company,  
A member of AXA XL Group of Companies (A+, XV)  
Admitted Insurer

**POLICY TERM:** 1st July 2022 – 1st July 2023  
12:01 A.M. Standard Time at the Mailing Address shown above

**POLICY FORM :** PGU ELL 2001 (04/2017)-CLAIMS MADE

**RETROACTIVE DATE:** None; Full Prior Acts

**PRIOR & PENDING LITIGATION:** June 9, 1999

**LIMIT OF LIABILITY:** Each Claim: \$5,000,000  
Aggregate: \$5,000,000

**DEFENSE REIMBURSEMENT PAYMENTS LIMIT OF LIABILITY:** Each Claim: \$100,000  
Aggregate: \$100,000

**ENHANCEMENTS:** Personal Injury (See Retentions Below)  
Third Party Wrongful Acts (See Retentions Below)  
Back Pay/Front Pay (See Retentions Below)  
Non-Monetary Relief (See Retentions Below)  
Loss of Earnings (See Retentions Below)  
Act of School Violence Crisis Management (Sub-Limit \$1,000,000/\$1,000,000) (See Retentions Below)

**RETENTION EACH CLAIM INCLUDING LOSS ADJUSTMENT EXPENSES:** \$100,000 each Educators Legal Liability Claim  
\$100,000 each Employment Practices Liability Claim  
\$ 35,000 each Defense Reimbursement Liability Payment

**FORMS:** (Other forms may apply)  
PGU ELL 2000 08 19 Educators Liability & Employment Practices Liability-Declarations  
IL MP 9104 0314 GIC 03 14 In Witness  
PGU 2002 04 17 Schedule of Policy Forms & Endorsements  
PGU ELL 2001 04 17 Educators Errors and Omissions and EPL Insurance Policy  
PGU ELL 1158 NY 04 17 New York Amendatory Endorsement  
PGU 1000 04 17 Additional Insureds- City School District of the City of Yonkers, The Yonkers Board of Education, Yonkers City School District  
PGU 1008 (ELL) 04 17 Amend Prior and Pending Litigation Exclusion  
PGU ELL 1048 04 17 Act of School Violence Crisis Management Coverage  
PGU 1052 (ELL) 04 17 Minimum Earned Premium  
PGU ELL 1120 04 17 Harassment/Bullying Coverage  
PGU ELL 1133 04 17 Corporal Punishment Coverage

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**FORMS:**  
(Other forms  
may apply)

PGU 1137 04 17 Federal Immigration and Nationality Act Coverage  
PGU 1138 (ELL) 04 17 Defense Only Reimbursement Coverage for Breach of Contract  
MANU 10 07 17 Amend Definition of Insured  
MANU 11 07 17 Terrorism Limit  
MANU 92 07 18 New York Punitive Damages Amendatory Endorsement  
PGU 1170 NY 04 17 New York Regulation 121 Addendum to Declaration and Application  
PGU 1171 NY 04 17 New York Changes- Transfer of Duties When a Limit is Used Up  
PGU 1133 01 22 US Professional Indemnity- Cyber Exclusion  
MANU 109 07 19 Crisis Fund Coverage  
PN CW 01 01 22 Notice to Policyholders- Fraud Notice  
PN CW 02 01 19 Notice to Policyholders- Privacy Policy  
PN CW 05 05 19 Notice to Policyholders- U.S. Treasury Department's Office of Foreign Assets Control ("OFAC")

**SUBJECTIVITY:**

Written request to bind coverage is required  
Backdating of coverage is not allowed  
See attached Coverage Features attachment for additional information  
Limits, retentions, terms and conditions quoted do not necessarily match those requested  
Proposals contain a brief outline of coverages to be included in any policy that may be issued in the future.  
Terms and conditions of the policy take precedence over any proposal  
Minimum Earned Premium is the greater of \$1,500 or 25% of annual premium  
Flat cancellation is not allowed after inception date  
Fee is non-refundable

**NOTES:**

By purchasing this coverage, you will have the opportunity to register for PGU Employer Resource Center that provides unlimited, specific, documented, and confidential advice from employment law attorneys. It also provides on-line training courses, including sexual harassment prevention, available for both supervisors and employees. As well as, on-line tools; a state-specific employee handbook builder, forms, posters, news and more.

**PREMIUM:**

USD \$94,062 (Includes Terrorism, Taxes and Fees)  
25% Minimum Earned  
No Flat Cancellation

**SPECIAL  
NOTE:**

Deadly weapon coverage is also available as a separate coverage.

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