



NAUSCH, HOGAN & MURRAY, INC.

135 PINELAWN ROAD, SUITE 202N

MELVILLE, N.Y. 1747

(212) 480-4200 • Fax: (212) 480-2920

June 1, 2023

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

Re: Yonkers Public Schools
Property including Boiler & Machinery Insurance
Policy Period: July 1, 2023 – July 1, 2024

Dear Mr. Carr,

In response to the request for Proposals of Insurance with respect to the renewal of Yonkers Public Schools' Property and Boiler & Machinery insurance, the incumbent, Travelers Indemnity Insurance Company has again put forth the best offer. While there was interest from Zurich American Insurance Company, they ultimately advised that while they were grateful for the opportunity to review again this year, the risk and exposures based on the overall catastrophe exposure, their current underwriting guidelines and the target pricing, has made them unable to offer a competitive price and the desired policy structure.

The Travelers Indemnity Company (a Stock Company) (AM Best Rating A++, XV), quote highlights below:

Program Comparison

	<u>Expiring</u>	<u>Renewal</u>	<u>Difference</u>
Values	\$998,636,711	\$1,069,867,590	+ 7.13%
Rate	0.133774%	0.146573%	+ 9.57%
Premium	\$1,335,918	\$1,568,139	+ 17.38%

Taking the increased value into account, the real premium increase is 9.57%.

In your review of this proposal, you will note that when compared to the current property insurance policy, the overall schedule of values increased roughly 7.13% (\$1,069,867,590 vs. \$998,636,711). This increase in values continues to be the result of continued increased building construction costs and inflation.

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The current seven-year real property loss ratio (excluding Boiler & Machinery and Terrorism) is 80.24%. This is down from the expiring six-year real property loss ratio of 112.61% at last year's renewal. While Underwriters had to increase their premium rates across the board due to continuing increases in treaty costs and inflation, the reduced loss ratio assisted with a reduced rate change of approximately 9.57% as compared to last year which was a rate change of roughly 23.19%.

Note that this year values increased by 7.13% and rates increased by 9.57%. Last year values went up by 4.72% but rates increased by 23.19%. Therefore, this year's increases are far below last year's.

A breakdown of the Travelers Indemnity Company (Admitted) premium is as follows:

\$1,486,046	Property
\$ 29,755	TRIA (this can be declined)
<u>\$ 52,338</u>	Boiler & Machinery
\$1,568,139	

As per usual, there was a canvas of the markets, the results of some of the markets detailed below:

London Market:

Canopus – advised that they would struggle with a primary USD 200,000,000. They might be able to offer a Primary USD 25,000,000 but felt it may be more premium than the Quota Share.

Lancashire – appreciated the offer but advised that this will not work for them.

Hiscox- declined to quote. Underwriter indicated that he is not generally keen on School Property accounts.

Inigo Syndicate- advised that they would be a long way out versus the pricing for the placement.

Domestic Market:

- **Allianz** declined as this account would be out of appetite.
- **AXA XL** declined as the risk is not a fit for the General Property team. On the Excess and Surplus lines side they would sit excess or USD 25,000,000
- **CNA** declined as municipalities are not an area they are looking to grow retail property.
- **Mitsui Sumitomo Marine Management (U.S.A.), Inc.** Unfortunately, their risk appetite has not changed from last year so they must decline quoting.

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Mr. John Carr
June 1, 2023

- **RLI**- Advised that they tend to participate on much smaller schedules, less than USD 75,000,000. Most accounts they offer USD 5,000,000-USD 10,000,000 in limits, Total Insured Values are less than USD 30,000,000, a couple of locations, and have a southeast wind exposure or a west coast earthquake exposure.

Regarding the renewal with Travelers, the Replacement Cost policy form numbered MS C5 05 10 18 will remain on the policy.

The roof endorsement amending the valuation of roof damage from Replacement Cost to Actual Cash Value on roofs fifteen years old and older will remain on the policy, unless there have been some roof replacements that we are not aware of. If so, please let us know.

Form MS C5 60 07 22 Actual Cash Value Definition has been added to the policy. The Underwriter has confirmed that this endorsement is being included solely with respect to Endorsement 1- Actual Cash Value- Roof Surfacing and that all other Property valuations will be replacement cost valuation.

Form PN T5 74 09 22 Important Notice- New York State Hazardous Material Report Form. Last year's policy was the 10 19 version. The Underwriter has advised that this is a mandated change and per the attached form, there is no impact on coverage as this is reporting form.

There has been an increase in two of the policy deductibles; Boiler and Machinery, in any one Accident, applicable to direct damage only and the Utility Services-Direct Damage, including Boiler and Machinery, in any one occurrence. Each of these deductibles is now \$100,000 as compared to the expiring \$25,000. The Underwriter has advised that this is to have a consistent policy deductible structure that is in line with the All Other Perils deductible.

The property coverage form endorsement providing direct damage coverage for a \$500,000 limit for underground tanks (including their contents) in any one occurrence subject to \$100,000 deductible will remain on the policy.

In summary, when reviewing the above, the incumbent carrier, Travelers Indemnity Company, an admitted company in New York State, has again presented the most competitive offer of property insurance inclusive of boiler and machinery.

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.

INSURANCE BROKERS •
REINSURANCE INTERMEDIARIES

June 1, 2023

PROPOSAL OF INSURANCE

INSURED: YONKERS PUBLIC SCHOOLS

ADDRESS: ONE LARKIN CENTER
YONKERS, NEW YORK 10701

TERM: JULY 1, 2023 – JULY 1, 2024

COVERAGE: PROPERTY, BOILER & MACHINERY, AND TERRORISM

INSURER: TRAVELERS INDEMNITY COMPANY (A STOCK COMPANY) (A++, XV BY AM BEST)

POLICY TERRITORY: THE UNITED STATES OF AMERICA AND CANADA

PERILS INSURED: SPECIAL CAUSES OF LOSS – INCLUDING FLOOD & EARTHQUAKE

VALUATION: REPLACEMENT COST APPLIES AS PER MS C5 05, EXCEPT AS OTHERWISE STATED WITHIN ENDORSEMENT MS C5 05, WITHIN THIS SUPPLEMENTAL COVERAGE DECLARATIONS OR ELSEWHERE IN THIS POLICY.

EXCEPTIONS:
ACTUAL CASH VALUE AS PER MS C5 07 APPLIES TO THE FOLLOWING PROPERTY:
1) ROOF SURFACING ON ROOFS 15 YEARS AND OLDER, AS PER ENDORSEMENT 1

LIMITS: \$200,000,000 PER OCCURRENCE (110% MARGIN CLAUSE PER BUILDING)

\$50,000,000 BOILER & MACHINERY INSURED'S PREMISES ONLY (ALL COVERAGES COMBINED), MAXIMUM IN ANY ONE ACCIDENT

\$5,000,000 PER OCCURRENCE/ANNUAL AGGREGATE FLOOD WITH RESPECT TO THE FOLLOWING INSURED PREMISES:
1408 NEPPERHAN AVENUE, YONKERS, NEW YORK 10703
1 LARKIN CENTER, YONKERS, NEW YORK 10701

\$10,000,000 PER OCCURRENCE/ ANNUAL AGGREGATE FLOOD IN THE POLICY TERRITORY- EXCLUDING FLOOD ZONES A, B, X (SHADED), X-500, V OR PREFIXED A, OR V. FEMA IS RESPONSIBLE FOR DETERMINING FLOOD ZONES AT THE TIME OF A LOSS.

\$10,000,000 PER OCCURRENCE/ANNUAL AGGREGATE EARTHQUAKE AND VOLCANIC ERUPTION IN THE POLICY TERRITORY EXCLUDING ALASKA, HAWAII, PUERTO RICO, CALIFORNIA AND OCCURRING IN HIGH AND MODERATE HAZARD EARTHQUAKE AND VOLCANIC ERUPTION AREAS AS PER MS C6 05

DEDUCTIBLES: \$ 100,000 ALL OTHER PERILS, IN ANY ONE OCCURRENCE
\$ 100,000 EARTHQUAKE AND VOLCANIC ERUPTION, IN ANY ONE OCCURRENCE
\$ 250,000 FLOOD OCCURRING AT THE FOLLOWING INSURED PREMISES IN ANY ONE OCCURRENCE:
1408 NEPPERHAN AVENUE, YONKERS NEW YORK 10703
1 LARKIN CENTER, YONKERS, NEW YORK 10701
\$ 100,000 FLOOD OCCURRING ANYWHERE ELSE IN THE POLICY TERRITORY WHERE FLOOD COVERAGE APPLIES, IN ANY ONE OCCURRENCE
\$ 100,000 BOILER & MACHINERY DIRECT PHYSICAL DAMAGE IN ANY ONE ACCIDENT
\$ 100,000 UTILITY SERVICES- DIRECT DAMAGE, INCLUDING BOILER & MACHINERY, IN ANY ONE OCCURRENCE

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June 1, 2023

PN T9 91 06 21 NY CHGS-REFERENCES TO INS DEPT, LAW, REG
 TR IA 01 01 21 TERRORISM RISK INSURANCE ACT OF 2002 DISCLOSURE
 TR IA 04 01 15 CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM
 ENDORSEMENT 1 ACTUAL CASH VALUE- ROOF SURFACING
 ENDORSEMENT 2 PROPERTY COVERAGE FORM- CHANGES

PREMIUM: \$1,486,046 PROPERTY
 \$ 29,755 TRIA (THIS COVERAGE CAN BE DECLINED)
 \$ 52,338 BOILER & MACHINERY
TOTAL COST **\$1,568,139**

Additional Coverages, Sub-limits, Deductibles Extensions of Coverage

Coverage	Limit of Insurance
"EDP Data and Media", in any one occurrence	\$ 100,000
Accounts Receivable, in any one occurrence	\$1,000,000
Valuable Papers and Records, in any one occurrence	\$1,000,000
"Fine Arts", in any one occurrence	\$ 500,000
Newly Constructed or Acquired Property, at any one building, in any one occurrence	\$5,000,000; 120 days
"Outdoor Property" includes Debris Removal, in any one occurrence	\$ 100,000
Personal Effects and "Fine Arts" of Officers & Employees of the Insured, in any one occurrence	\$ 25,000
Covered Property at Undescribed Premises, in any one occurrence	\$2,500,000
Covered Property in Transit, in any one occurrence	\$ 100,000
Debris Removal, in any one occurrence	25% of the sum of the amount paid for Covered Property loss and the applicable deductible.
"Pollutant" Clean Up & Removal, Direct Damage aggregate in any one policy year	\$ 100,000 Aggregate
Claim Data Expense-Direct Damage, in any one occurrence	\$ 25,000
Ordinance or Law Loss to the Undamaged Portion in any one occurrence; Demolition Cost in any one occurrence; Increased Cost of Construction, in any one occurrence	\$5,000,000 ; Included; Included Included means, included in the Limit shown for Loss to the Undamaged Portion of Buildings

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June 1, 2023

Limited "Fungus", Wet Rot and Dry Rot Coverage-Direct Damage: In any one occurrence: Aggregate in any one policy year:	\$15,000 \$15,000
Extra Expense, in any one occurrence;	\$1,000,000;
Civil Authority;	30 days;
Ingress or Egress, in any one occurrence: Number of Miles, Number of Days;	\$1,000,000; 1 Mile; 30 Days;
Claim Data Expense-Extra Expense, in any one occurrence;	\$25,000;
Limited "Fungus", Wet Rot and Dry Rot Coverage-Extra Expense	30 days
Boiler & Machinery Insured's Premises only, max any one accident	\$50,000,000 Combined all coverages
Hazardous Substances, in any one accident- Ammonia Contamination	\$ 25,000
-Any Other Substance	\$ 25,000
-Water Damage, in any one accident	\$ 25,000
Limited Electronic Vandalism Cause of Loss Coverage, aggregate in any one policy year	\$ 25,000
Expediting Expenses-B&M Only, in any one occurrence	\$ 25,000
Utility Services combined Direct Damage & Time Element including B&M, in any one occurrence	\$ 500,000 excluding Transmission & Distribution lines
Underground Tanks (including their contents) in any one occurrence	\$ 500,000

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Federal Terrorism Risk Insurance Act Disclosure

The federal Terrorism Risk Insurance Act of 2002 as amended (“TRIA”) establishes a program under which the Federal Government may partially reimburse “Insured Losses” (as defined in TRIA) caused by “Acts Of Terrorism” (as defined in TRIA). “Act Of Terrorism” is defined in Section 102(1) of TRIA to mean any act that is certified by the Secretary of the Treasury – in consultation with the Secretary of Homeland Security 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.

The Federal Government’s share of compensation for such Insured Losses is 80% of the amount of such Insured Losses in excess of each Insurer’s “Insurer Deductible” (as defined in TRIA).

In no event, however, will the Federal Government be required to pay any portion of the amount of such Insured Losses occurring in a calendar year that in the aggregate exceeds \$100 billion, nor will any Insurer be required to pay any portion of such amount provided that such Insurer has met its Insurer Deductible. Therefore, if such Insured Losses occurring in a calendar year exceed \$100 billion in the aggregate, the amount of any payments by the Federal Government and any coverage provided by this policy for losses caused by Acts Of Terrorism may be reduced.

The charge for such Insured Losses is included in the total premium for this policy. The charge that has been included for such Insured Losses under this policy is the amount indicated below, and does not include any charge for the portion of such Insured Losses covered by the Federal Government under TRIA:

\$ 29,755

This coverage for such Insured Losses may be declined. If declined, the premium for this policy will be \$ 1,538,384.



FEDERAL TERRORISM RISK INSURANCE ACT DISCLOSURE

This endorsement provides supplementary information regarding the insurance provided under this policy.

The federal Terrorism Risk Insurance Act of 2002 as amended ("TRIA") establishes a program under which the Federal Government may partially reimburse "Insured Losses" (as defined in TRIA) caused by "Acts Of Terrorism" (as defined in TRIA). "Act Of Terrorism" is defined in Section 102(1) of TRIA to mean any act that is certified by the Secretary of the Treasury – in consultation with the Secretary of Homeland Security 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.

The Federal Government's share of compensation for such Insured Losses is 80% of the amount of such Insured Losses in excess of each Insurer's "Insurer Deductible" (as defined in TRIA).

In no event, however, will the Federal Government be required to pay any portion of the amount of such Insured Losses occurring in a calendar year that in the aggregate exceeds \$100 billion, nor will any Insurer be required to pay any portion of such amount provided that such Insurer has met its Insurer Deductible. Therefore, if such Insured Losses occurring in a calendar year exceed \$100 billion in the aggregate, the amount of any payments by the Federal Government and any coverage provided by this policy for losses caused by Acts Of Terrorism may be reduced.

The charge for such Insured Losses is included in the total premium for this policy. The charge that has been included for such Insured Losses under this policy is the amount indicated below, and does not include any charge for the portion of such Insured Losses covered by the Federal Government under the TRIA:

\$ 29,755

LOSS PAYABLE PROVISIONS

This endorsement modifies the Policy Conditions, Additional Provisions and Definitions Form.

Each of the following Loss Payment provisions, A., B. and C., is added to the Loss Payment Loss Condition, only as indicated in the Schedule below:

A. LOSS PAYABLE

For Covered Property in which both the Insured and a Loss Payee shown in the Schedule below have an insurable interest, the Company will:

1. Adjust losses with the Insured; and
2. Pay any claim for loss or damage jointly to the Insured and the Loss Payee, as their interests may appear.

B. LENDER'S LOSS PAYABLE

1. The Loss Payee shown in the Schedule below is a creditor, including a mortgagee or trustee, whose interest in Covered Property is established by such written instruments as:
 - a. Warehouse receipts:
 - b. A contract for deed:
 - c. Bills of lading:
 - d. Financing statements; or
 - e. Mortgages, deeds of trust, or security agreements.
2. For Covered Property in which both the Insured and a Loss Payee have an insurable interest:
 - a. The Company will pay for covered loss or damage to each Loss Payee in their order of precedence, as their interests may appear.
 - b. The Loss Payee has the right to receive loss payment even if the Loss Payee has started foreclosure or similar action on the Covered Property.
 - c. If the Company denies the Insured's claim because of the Insured's acts or because the Insured has failed to comply with the terms of this policy, the Loss Payee will still have the right to receive loss payment if the Loss Payee:
 - (1) Pays any premium due under this policy at the Company's request if the Insured has failed to do so;
 - (2) Submits a signed, sworn proof of loss within 60 days after receiving notice from the Company of the Insured's failure to do so; and
 - (3) Has notified the Company of any change in ownership, occupancy or substantial change in risk known to the Loss Payee.

All of the terms of this policy will then apply directly to the Loss Payee.

- d. If the Company pays the Loss Payee for any loss or damage and denies payment to the Insured because of the Insured's acts or because the Insured has failed to comply with the terms of this policy:
 - (1) The Loss Payee's rights will be transferred to the Company to the extent of the amount the Company pays; and
 - (2) The Loss Payee's rights to recover the full amount of the Loss Payee's claim will not be impaired.

At the Company's option, the Company may pay to the Loss Payee the whole principal on the debt plus any accrued interest. In this event, the Insured will pay its remaining debt to the Company.

3. If the Company cancels this policy, the Company will give written notice to the Loss Payee at least:
 - a. 10 days before the effective date of cancellation if the Company cancels for the Insured's non-payment of premium; or
 - b. 60 days before the effective date of cancellation if the Company cancels for any other reason.
4. If the Company elects not to renew this policy, the Company will give written notice to the Loss Payee at least 30 days before the expiration date of this policy.

C. CONTRACT OF SALE

1. The Loss Payee shown in the Schedule below is a person or organization the Insured has entered a contract with for the sale of Covered Property.
2. For Covered Property in which both the Insured and the Loss Payee have an insurable interest, the Company will:
 - a. Adjust losses with the Insured; and
 - b. Pay any claim for loss or damage jointly to the Insured and the Loss Payee, as interest may appear.
3. The following is added to the Other Insurance General Condition:
For Covered Property that is the subject of a contract of sale, the word *Insured* includes the Loss Payee.

SCHEDULE

Insured Premises Address	Description of Covered Property	Loss Payee Name & Address	Loss Payable Provision Applicable
As per Schedule on File with the Company	As per Schedule on File with the Company	As per Schedule on File with the Company	A

Yonkers Public Schools

Property Insurance

Loss Payable as their interest may appear, for the described Property:

July 1, 2023

Insured Premises Address	Description of Covered Property	Loss Payee Name and Address	Loss Payable Provision Applicable
160 Bolmer Avenue Yonkers, NY	Equipment	Sterling National Bank 400 Rella Boulevard Montebello, NY 10940	A Loss Payable
1061 N. Broadway Yonkers, NY	Equipment	Sterling National Bank 400 Rella Boulevard Montebello, NY 10940	A Loss Payable
350 Hawthorne Avenue Yonkers, NY	Equipment	Sterling National Bank 400 Rella Boulevard Montebello, NY 10940	A Loss Payable
375 Kneeland Avenue Yonkers, NY	Equipment	Sterling National Bank 400 Rella Boulevard Montebello, NY 10940	A Loss Payable
150 Rockland Avenue Yonkers, NY	Equipment	Sterling National Bank 400 Rella Boulevard Montebello, NY 10940	A Loss Payable
150 King Cross Scarsdale, NY	Equipment	Sterling National Bank 400 Rella Boulevard Montebello, NY 10940	A

ADDITIONAL INSURED

The following are added as additional insured(s), as their interest may appear, for the described property only.

Insured Premises Address	Additional Insured	Description of Covered Property
As per Schedule on File with the Company	As per Schedule on File with the Company	As per Schedule on File with the Company

Yonkers Public Schools

Property Insurance

Additional Insured as their interest may appear, for the described Property:

July 1, 2023

Insured Premises Address	Additional Insured	Description of Covered Property
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150 King Cross Scarsdale, NY	Sterling National Bank 400 Rella Boulevard Montebello, NY 10940	Equipment
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150 Rockland Avenue Yonkers, NY	Sterling National Bank 400 Rella Boulevard Montebello, NY 10940	Equipment
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375 Kneeland Avenue Yonkers, NY	Sterling National Bank 400 Rella Boulevard Montebello, NY 10940	Equipment
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350 Hawthorne Avenue Yonkers, NY	Sterling National Bank 400 Rella Boulevard Montebello, NY 10940	Equipment
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1061 N. Broadway Yonkers, NY	Sterling National Bank 400 Rella Boulevard Montebello, NY 10940	Equipment
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160 Bolmer Avenue Yonkers, NY	Sterling National Bank 400 Rella Boulevard Montebello, NY 10940	Equipment
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REPLACEMENT COST

This endorsement modifies the Property Coverage Form.

The following valuation provisions are added:

A. REPLACEMENT COST

In the event of covered loss or damage, the Company will determine the value of Covered Property at replacement cost as of the time and place of loss, without deduction for depreciation, except as otherwise provided in this endorsement or as stipulated by any other endorsement(s) attached to this policy. This replacement cost valuation is subject to the following conditions:

1. The Company will not pay more on a replacement cost basis than the least of:
 - a. The cost to replace, at the same site, the lost or damaged property, with other property of comparable material and quality; or
 - b. The actual amount incurred by the Insured that is necessary to repair or replace the lost or damaged property; or
 - c. The Limit of Insurance applicable to the lost or damaged property.

If a building is rebuilt at a different site, the cost described in a. above is limited to the cost which would have been incurred had the building been built at the original site.
2. The Company will not pay for any loss or damage on a replacement cost basis until the property is repaired or replaced, and then only if such repair or replacement is made as soon as reasonably possible after the loss or damage. If the property is not repaired or replaced as soon as reasonably possible after the loss or damage, the value of the property will be determined on an actual cash value basis. This restriction does not apply to losses less than \$25,000.
3. For property to which this replacement cost valuation applies, the Insured may make a claim for loss or damage on an actual cash value basis instead of on a replacement cost basis. In the event the Insured elects to have loss or damage settled on an actual cash value basis, the Insured may still make a claim on a replacement cost basis if the Insured notifies the Company within 180 days after the loss or damage.
4. The cost to repair or replace does not include the increased cost attributable to enforcement of or compliance with any ordinance or law regulating the construction, use or repair of any property:
 - a. Except as provided in the valuation for building glass in Section B.13. below; or
 - b. Unless a Limit of Insurance is specified for Ordinance or Law in the Supplemental Coverage Declarations, and then only to the extent provided under that coverage.
5. In the event the Insured decides to repair or replace damaged or destroyed property, payment will include any reasonable and necessary architectural, engineering, consulting or supervisory fees related to the construction, repair or replacement of the damaged or destroyed property. This will not increase the applicable Limits of Insurance.

B. REPLACEMENT COST EXCEPTIONS

1. Valuable papers and records and "electronic data processing data and media" will be valued as follows:
 - a. At the specified amount per article for those articles which are specifically declared, described and valued in a schedule forming a part of this policy; or
 - b. Except as provided in a. above, at the cost of blank materials or media of comparable kind, plus:
 - (1) The cost incurred by the Insured to research, replace or restore the lost information on lost, damaged or destroyed valuable papers and records or "electronic data processing data and media" for which duplicates do not exist; or

- (2) The cost of labor incurred by the Insured to transcribe or copy data onto blank materials or media when duplicates of the papers, records or data exist.
2. If branded or labeled merchandise that is Covered Property is damaged by a Covered Cause of Loss and the Company takes all or part of the property at an agreed or appraised value, the Company will also pay:
- a. Reasonable expenses incurred by the Insured to:
 - (1) Stamp the word "Salvage" on the merchandise or its containers, if the stamp will not physically damage the merchandise; or
 - (2) Remove the brands or labels, if doing so will not physically damage the merchandise. The Insured must re-label the merchandise or its containers to comply with the law.
 - b. Any reduction in the salvage value of the damaged merchandise with the brands or labels removed.

But this will not increase the Limit(s) of Insurance applicable to the lost or damaged property.

3. "Electronic data processing equipment" will be valued on a replacement cost basis as provided in Section A. above. However, if replacement of "electronic data processing equipment" with comparable property is impossible, the replacement cost will be the cost of items that are similar to the damaged or destroyed equipment and intended to perform the same function, but which may include technological advances.

In no event will the value of "electronic data processing equipment" that is obsolete or no longer used by the Insured exceed the actual cash value of such equipment at the time and place of loss.

4. "Fine Arts" will be valued at the least of:
- a. The cost of reasonably restoring that property; or
 - b. The cost of replacing that property, at the time and place of loss, with substantially the same property; or
 - c. The market value of the property at the time and place of loss or, if the article of property is specifically declared, described and valued in a schedule forming a part of this policy, the amount per article specified in the Schedule.
5. "Finished stock" will be valued at the selling price if no loss or damage occurred, less discounts and expenses the Insured otherwise would have had.
6. Pairs, Sets, or Parts
- a. In case of loss to any part of a pair or set, the Company may, at its option:
 - (1) Repair or replace any part to restore the pair or set to its value before the loss; or
 - (2) Pay the difference between the value of the pair or set before and after the loss.
 - b. In case of loss to any part of Covered Property consisting of several parts when complete, the Company will only pay for the value of the lost or damaged part.
7. Patterns, dies, molds, and forms not in current usage will be valued at actual cash value. If loss is paid on an actual cash value basis, and within 24 months from the date of the loss the Insured needs to repair or replace one or more of the items, the Company will pay the Insured, subject to the conditions of this insurance, the difference between actual cash value and replacement cost for those patterns, molds and dies which are actually repaired or replaced.
8. Business Personal Property sold by the Insured but not delivered will be valued at the selling price less discounts and expenses the Insured otherwise would have had.
9. Business Personal Property of Others will be valued at the lesser of:
- a. The valuation that would apply to such property if it was owned by the Insured; or

- b. The amount for which the Insured is liable, not to exceed the replacement cost.
10. "Stock in process" will be valued at the cost of "raw stock", labor expended, plus the proper proportion of overhead charges.
11. Tenant's Improvements and Betterments will be valued at:
- a. Replacement cost of the damaged or destroyed property (subject to the provisions of Section A. above) if the insured tenant promptly repairs or replaces the damaged or destroyed property.
 - b. A proportion of the insured tenant's original cost if the insured tenant does not promptly repair or replace the damaged or destroyed property. The Company will determine the proportionate value as follows:
 - (1) Multiply the original cost by the number of days from the date of loss or damage to the expiration of the lease; and
 - (2) Divide the amount determined in (1) above by the number of days from the date of installation of improvements to the expiration of the lease.

If the insured tenant's lease contains a renewal option, the expiration of the renewal option period will replace the expiration of the lease in this procedure.
 - c. If the damaged or destroyed property is repaired or replaced at the expense of others, there will be no liability hereunder.
12. "Vacant" property will be valued at actual cash value as of the time and place of loss.
13. Building glass will be valued at the cost of replacement with safety glazing material if required by law. The Ordinance or Law exclusion in Section D.1.h. of the Property Coverage Form does not apply to this building glass valuation.

ACTUAL CASH VALUE – ROOF SURFACING

This endorsement modifies the insurance provided under the Actual Cash Value endorsement.

Roof Surfacing 15 years and older will be valued on an actual cash value basis.

Roof Surfacing, as used in this endorsement, means shingles, tiles, cladding, metal or synthetic sheeting or similar materials covering the roof and includes all materials used in securing the roof surface and all materials applied to or under the roof surface for moisture protection, as well as roof flashing.

ACTUAL CASH VALUE DEFINITION

This endorsement modifies the insurance provided under the policy.

The following definition is added to any Definitions Section and applies to any provision that uses the term actual cash value:

Actual cash value means the value of the covered property at the time of loss or damage.

When calculating actual cash value using the estimated cost to repair or replace such property, with a reasonable deduction for depreciation that occurred before such loss or damage, the Company may apply depreciation to all components of the estimated cost, including the following:

- a. Materials;
- b. Labor;
- c. Overhead and profit; and
- d. Any applicable tax.

The deduction for depreciation may include such considerations as:

- a. Age;
- b. Condition, such as wear and tear or deterioration;
- c. Reduction in useful life; and
- d. Obsolescence.

This definition does not apply to Covered Property in the following states:

IMPORTANT NOTICE TO NEW YORK COMMERCIAL FIRE INSURANCE POLICYHOLDERS

NEW YORK STATE HAZARDOUS MATERIAL REPORT FORM

NO COVERAGE IS PROVIDED BY THIS NOTICE. THIS NOTICE DOES NOT AMEND ANY PROVISION OF YOUR POLICY. YOU SHOULD REVIEW YOUR ENTIRE POLICY CAREFULLY FOR COMPLETE INFORMATION ON THE COVERAGES PROVIDED AND TO DETERMINE YOUR RIGHTS AND DUTIES UNDER YOUR POLICY. PLEASE CONTACT YOUR AGENT OR BROKER IF YOU HAVE ANY QUESTIONS ABOUT THIS NOTICE OR ITS CONTENTS. IF THERE IS ANY CONFLICT BETWEEN YOUR POLICY AND THIS NOTICE, THE PROVISIONS OF YOUR POLICY PREVAIL.

Every commercial fire insurance policyholder in the State of New York is required, under the provisions of Section 209-U of the General Municipal Law, to annually report to their local fire department the presence of hazardous materials at their business address.

As your insurance carrier we are required, under Section 3409 of the New York Insurance Law, to make available to you the form necessary to make this report. If you have hazardous materials at your business address, the Hazardous Materials Report Form (DOS-0347), including instructions, is available for viewing and printing at the website of NYS Office of Fire Prevention and Control (OFPC). Please go to:

<https://www.dhSES.ny.gov/system/files/documents/2021/12/hm209u.pdf>

PROPERTY COVERAGE FORM - CHANGES

This endorsement modifies the insurance provided under the Property Coverage Form.

The following coverage is added:

Underground Tanks (including their contents) – Direct Damage

- a. The Company will pay for direct physical loss of or damage to underground tanks (including their contents), all whether or not connected to buildings, at the Insured's premises where Building coverage applies caused by or resulting from a Covered Cause of Loss.

This additional coverage as respects underground tanks (including their contents) only does not include the following causes of loss: Earthquake, Volcanic Eruption, and Flood.

- b. The Limits of Insurance that apply to Buildings and Business Personal Property do not include underground tanks (including their contents) as covered by this additional coverage.
- c. Item 12. under Section C., Property and Costs Not Covered, does not apply to insurance specifically provided by this additional coverage.
- d. The most the Company will pay in any one occurrence for direct physical loss of or damage to underground tanks (including their contents) is the Limit of Insurance shown in the Supplemental Coverage Declarations for Underground Tanks (including their contents) – Direct Damage.

No other Covered Property Limits of Insurance stated in the policy apply to underground tanks (including their contents) as provided by this additional coverage.

Doreen McLoughlin

From: Doreen McLoughlin
Sent: Tuesday, May 9, 2023 12:32 PM
To: Doreen McLoughlin
Subject: Zurich- Decline

From: Julia Hodnett <julia.hodnett@zurichna.com>
Sent: Thursday, May 4, 2023 3:47 PM
To: Doreen McLoughlin <dmcloughlin@nhmurray.com>
Cc: Alex Jaroslowsky <ajaroslowsky@nhmurray.com>; Cindy Davis <cdavis@nhmurray.com>; Mike Connolly <mike.connolly1@zurichna.com>; Elizabeth Saxe <elizabeth.saxe@zurichna.com>; Kari Barrios <karina.barrios@zurichna.com>
Subject: RE: Yonkers Public Schools Property Insurance - Renewal July 1, 2023

Hi Doreen,

Thanks again for the opportunity to review Yonkers Public Schools! Per our conversation, after reviewing the risk and exposures based on the overall CAT exposure, our current UW guidelines, and the target pricing, we would be unable to offer the insured a competitive price and desired policy structure. We will close our files.

Look forward to working with you on the next one!

Julia Hodnett, MBA
Commercial Insurance - Large Property Underwriter
Zurich North America
4 World Trade Center – 53rd Floor
150 Greenwich Street
New York, N.Y. 10007

Office: 212-553-5268
Mobil: 860-471-0463

e-mail: Julia.hodnett@zurichna.com

zurichna.com



Doreen McLoughlin

From: Doreen McLoughlin
Sent: Tuesday, May 9, 2023 12:26 PM
To: Doreen McLoughlin
Subject: Canopus- Possible Primary 25M

From: David Mullins <dmullins@nhmurray.co.uk>
Sent: Tuesday, May 2, 2023 5:47 AM
To: Doreen McLoughlin <dmcloughlin@nhmurray.com>
Cc: Alex Jaroslowsky <ajaroslowsky@nhmurray.com>; Cindy Davis <cdavis@nhmurray.com>; Anthony Picariello <anthpica@nhmurray.co.uk>
Subject: RE: Yonkers Public Schools Property Insurance - Renewal July 1, 2023

Doreen,

Have one more comment from **Canopus:**

“ We’re going to struggle with a Primary 200m.
We might be able to offer a P25m but I feel it may be more premium than you have for the Q/S. “

Best Rgds,

David

Doreen McLoughlin

From: Doreen McLoughlin
Sent: Tuesday, May 9, 2023 12:30 PM
To: Doreen McLoughlin
Subject: Lancashire and Hiscox - Decline

From: David Mullins <dmullins@nhmurray.co.uk>
Sent: Wednesday, April 26, 2023 9:47 AM
To: Doreen McLoughlin <dmcloughlin@nhmurray.com>
Cc: Alex Jaroslowsky <ajaroslowsky@nhmurray.com>; Cindy Davis <cdavis@nhmurray.com>; Anthony Picariello <anthpica@nhmurray.co.uk>
Subject: RE: Yonkers Public Schools Property Insurance - Renewal July 1, 2023

Doreen,

Have been approaching a few underwriters on this but pretty sure that London underwriters as usual will not be able to come close to the Travelers terms.

Two more responses:

Lancashire - [Appreciate the offer .. this will not work for us](#)

Hiscox- seen at the box, and it was not a proper discussion, but the underwriter leaned across to say that it was unlikely that they will be offering terms on this.

He had previously indicated that he is not generally keen on Schools Property accounts.

Best Rgds,

David

Doreen McLoughlin

From: Doreen McLoughlin
Sent: Tuesday, May 9, 2023 12:32 PM
To: Doreen McLoughlin
Subject: Inigo - Decline

From: David Mullins <dmullins@nhmurray.co.uk>
Sent: Monday, April 17, 2023 10:42 AM
To: Doreen McLoughlin <dmcloughlin@nhmurray.com>
Cc: Alex Jaroslowsky <ajaroslowsky@nhmurray.com>; Cindy Davis <cdavis@nhmurray.com>; Anthony Picariello <anthpica@nhmurray.co.uk>
Subject: RE: Yonkers Public Schools Property Insurance - Renewal July 1, 2023

Doreen,

Have had the first response back from the **Inigo** Syndicate:

“ We’d be a long way out vs that pricing for the placement.
Would suggest we park it.”

Best Rgds,

David

Doreen McLoughlin

From: Doreen McLoughlin
Sent: Tuesday, May 9, 2023 12:19 PM
To: Doreen McLoughlin
Subject: AGCS Allianz - Declination

From: Paradis, William (AGCS) <william.paradis@agcs.allianz.com>
Sent: Wednesday, April 5, 2023 9:45 AM
To: Doreen McLoughlin <dmcloughlin@nhmurray.com>
Cc: Alex Jaroslowsky <ajaroslowsky@nhmurray.com>; Cindy Davis <cdavis@nhmurray.com>
Subject: Re: Yonkers Public Schools Property Insurance - Renewal July 1, 2023

Internal

This account would be out of appetite. if you want it logged please send a simple application.

Bill Paradis

Regional Middle Market Property Leader

Allianz Global Corporate & Specialty®
28 Liberty Street, 38th floor

New York, NY 10005

USA

Mobile: +1.617.999.6690

Remote Office + 1.603.487.1593
Email: William.Paradis@agcs.allianz.com

www.agcs.allianz.com

Please contact my Underwriting Technician:

Andy Seng

Email: andrew.seng@agcs.allianz.com

Direct: +1.952.486.5476

For the following items:

- Endorsement requests and status updates on endorsements

Doreen McLoughlin

From: Doreen McLoughlin
Sent: Tuesday, May 9, 2023 12:21 PM
To: Doreen McLoughlin
Subject: AXA XL - Declination

From: Strohsahl, Steve <steve.strohsahl@axaxl.com>
Sent: Monday, April 10, 2023 10:19 AM
To: Doreen McLoughlin <dmcloughlin@nhmurray.com>
Cc: Alex Jaroslowsky <ajaroslowsky@nhmurray.com>; Cindy Davis <cdavis@nhmurray.com>; Convissar, Eric <eric.convissar@axaxl.com>
Subject: RE: Yonkers Public Schools Property Insurance - Renewal July 1, 2023

Confidential

Hi Doreen,

Thank you for reaching out on Yonkers Public Schools. This one still won't be a fit for the General Property team at AXA XL, but our E&S team could take a look at it. They'd be excess of \$25m attachment and would need to receive the submission via a wholesaler. If that works for you, you can send it to Eric Convissar who is a senior underwriter on the E&S team. His contact info is below and he's CC'ed here

Eric Convissar

Senior Underwriter
AXA XL, a division of AXA

Email: eric.convissar@axaxl.com

Tel : +1 212-857-4049
Cell - 347-886-6411

Best Regards,
Steve



Steve Strohsahl

Senior Underwriter
Property Insurance
AXA XL, a division of AXA

Brookfield Place, 200 Liberty Street, 21st Floor
New York, New York 10281

Email: Steve.Strohsahl@axaxl.com

Tel : +1 (212) 915-6351
Mobile : +1 (718) 753-5600

axaxl.com



Doreen McLoughlin

From: Doreen McLoughlin
Sent: Tuesday, May 9, 2023 12:22 PM
To: Doreen McLoughlin
Subject: CNA- Declination

From: Moody,James <James.Moody@cna.com>
Sent: Wednesday, April 5, 2023 9:20 AM
To: Doreen McLoughlin <dmcloughlin@nhmurray.com>
Cc: Alex Jaroslowsky <ajaroslowsky@nhmurray.com>; Cindy Davis <cdavis@nhmurray.com>
Subject: RE: Yonkers Public Schools Property Insurance - Renewal July 1, 2023

Hi Doreen,

Thanks for reaching out. Unfortunately, municipalities are not an area we are looking to grow retail property. Please feel free to use this as a declination for your marketing efforts.

Thanks again,

Jay Moody

Underwriting Specialist, National Accounts Property



125 Broad Street, 8th Floor
New York, NY 10004
Mobile: 201.814.6434
Email: jay.moody@cna.com

Doreen McLoughlin

From: Doreen McLoughlin
Sent: Tuesday, May 9, 2023 12:23 PM
To: Doreen McLoughlin
Subject: Mitsui Sumitomo Marine Management (U.S.A.), Inc. - Declination

From: Harwell, Connie <Connie.Harwell@msig-na.com>
Sent: Monday, April 10, 2023 5:26 PM
To: Doreen McLoughlin <dmcloughlin@nhmurray.com>
Cc: Alex Jaroslowsky <ajaroslowsky@nhmurray.com>; Cindy Davis <cdavis@nhmurray.com>
Subject: RE: Yonkers Public Schools Property Insurance - Renewal July 1, 2023

Hi Doreen,

Hope you had a nice Easter weekend.

Thank you for the submission. Unfortunately our risk appetite has not changed from last year so we must decline quoting.

Best Regards,

Connie Harwell
AVP – Marine Underwriting Manager, West Zone
Mitsui Sumitomo Marine Management (U.S.A.), Inc.
Office: (818) 738-7463
Cell: (908) 432-5677
Email: Connie.Harwell@msig-na.com



777 South Figueroa Street
Suite 3600 (36th Floor)
Los Angeles, CA 90017

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Doreen McLoughlin

From: Doreen McLoughlin
Sent: Tuesday, May 9, 2023 12:24 PM
To: Doreen McLoughlin
Subject: RLI- Declination

From: Rob Smith <Rob.Smith@rlicorp.com>
Sent: Tuesday, April 4, 2023 5:33 PM
To: Doreen McLoughlin <dmcloughlin@nhmurray.com>
Cc: Alex Jaroslowsky <ajaroslowsky@nhmurray.com>; Cindy Davis <cdavis@nhmurray.com>
Subject: RE: Yonkers Public Schools Property Insurance - Renewal July 1, 2023

Thank you for checking but no need to give Mario or Greg (or whomever you go to) the extra paperwork.

We tend to participate on much smaller schedules, less than \$75M. Most accounts we offer \$5M-\$10M in limits, TIVs are less than \$30M, a couple of locations, and have a southeast wind exposure or a west coast quake exposure.

Rob V. Smith – RLI Insurance Co.
AVP / E&S Property / Midwest-Northeast Region
O - (312) 361-8119
Office ext – 1219

glassdoor

