

AN INSURANCE POLICY

Prepared Exclusively For:

LORAIN PORT AUTHORITY

***319 Black River Lane
Lorain, OH 44052***

Policy Term:

May 15, 2014 to May 15, 2015

Presented By:

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and

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DISCLAIMER - The abbreviated outlines of coverages used throughout this proposal are not intended to express any legal opinion as to the nature of the coverage. They are only visuals to a basic understanding of coverages. Please read your policy for specific details of coverages.

PROPERTY LOCATION LISTING

PREMISE # BUILDING # ADDRESS

| | | |
|-----|-----|---|
| 001 | 001 | 138 Alabama Ave Lorain, OH 44052 |
| 002 | 001 | 421 Black River Landing Lorain, OH 44052 |
| 003 | 001 | 422 Black River Landing Lorain, OH 44052 |
| 004 | 001 | 423 Black River Landing Lorain, OH 44052 |
| 005 | 001 | 424 Black River Landing Lorain, OH 44052 |
| 006 | 001 | 425 Black River Landing Lorain, OH 44052 |
| 007 | 001 | 426 Black River Landing Lorain, OH 44052 |
| 008 | 001 | 427 Black River Landing Lorain, OH 44052 |
| 009 | 001 | Ft of Alabama Lorain, OH 44052 |
| 010 | 001 | East Pier/Lakeside Ave Lorain, OH 44052 |
| 011 | 001 | 159 Lakeside Ave Lorain, OH 44052 |
| 012 | 001 | 179 Lakeside Ave Lorain, OH 44052 |
| 013 | 001 | West Finger Pier Lorain, OH 44052 |
| 014 | 001 | 221 Lakeside Ave Lorain, OH 44052 |

PROPERTY LOCATION LISTING CONT.'

PREMISE # BUILDING # ADDRESS

| | | |
|-----|-----|--|
| 015 | 001 | 145 Lakeside Ave Lorain, OH 44052 |
| 016 | 001 | 189 Lakeside Ave Lorain, OH 44052 |
| 017 | 001 | 169 Lakeside Ave Lorain, OH 44052 |
| 018 | 001 | 153 Lakeside Ave Lorain, OH 44052 |
| 019 | 001 | S.E. Corner of Colorado & Lake Lorain, OH 44052 |
| 020 | 001 | 428 Lakeside Ave Lorain, OH 44052 |
| 021 | 001 | 108 Colorado Ave Lorain, OH 44052 |
| 022 | 001 | 112-14 Colorado Ave. Lorain, OH 44052 |
| 023 | 001 | 521 Lakeside Ave. Lorain, OH 44052 |
| 024 | 001 | 126 Lakeside Ave. Lorain, OH 44052 |
| 025 | 001 | 125 Alabama Ave. Lorain, OH 44052 |
| 026 | 001 | 121-123 California Ave. Lorain, OH 44052 |
| 027 | 001 | 205 Lakeside Ave Lorain, OH 44052 |
| 028 | 001 | 223 Lakeside Ave Lorain, OH 44052 |

PROPERTY LOCATION LISTING CONT.'

PREMISE # BUILDING # ADDRESS

| | | |
|-----|-----|---|
| 029 | 001 | Riverside Park Lorain, OH 44052 |
| 030 | 001 | 8 Acres between 14th & 17th Lorain, OH 44052 |
| 031 | 001 | Bascule Bridge & 8th & 9th Lorain, OH 44052 |
| 032 | 001 | 319 Lakeside Ave Lorain, OH 44052 |
| 033 | 001 | 138 Lakeside Ave Lorain, OH 44052 |
| 034 | 001 | 484 Lakeside Ave Lorain, OH 44052 |
| 035 | 001 | S. of 29th & E. of Clifton Lorain, OH 44052 |
| 036 | 001 | 1355 Black River Lorain, OH 44052 |
| 037 | 001 | N. of 14th-E of Broadway Lorain, OH 44052 |
| 038 | 001 | 319 Black River Lane Lorain, OH 44052 |

PLEASE NOTE:

Should a building become vacant for more than 60 days, there is no coverage for vandalism, sprinkler leakage, glass breakage, water damage or theft. Also damages will be reduced by 15% with respect to any other covered cause of loss.

A building is considered vacant unless 31% or more of the building is leased or used by the owner to conduct customary operations.

PROPERTY INSURANCE POLICY OUTLINE

CAUSE OF LOSS FORM USED:

Special Form: Provides coverage against All Risk of direct physical loss or damage, except those perils that are specifically excluded in the policy.

| <u>PRM#</u> | <u>BLD#</u> | <u>SUB. OF INS.</u> | <u>AMOUNT</u> | <u>COIN%</u> | <u>DED.</u> | <u>VALUATION</u> | <u>INF%</u> |
|-------------|-------------|----------------------------|--------------------|--------------|-----------------------------------|------------------|-------------|
| 001 | 001 | Blanket Bldg/BPP | \$245,700 | 90% | \$2,500 | RC | 5% |
| 002 | 001 | Blanket Bldg | \$1,644,300 | 90% | \$2,500 | RC | 5% |
| 002 | 001 | Blanket BPP | \$22,050 | 90% | \$2,500 | RC | 5% |
| 003 | 001 | Blanket/Pavilion | \$113,400 | 90% | \$2,500 | RC | 5% |
| 004 | 001 | Blanket/Pavilion | \$113,400 | 90% | \$2,500 | RC | 5% |
| 005 | 001 | Blanket/Pavilion | \$113,400 | 90% | \$2,500 | RC | 5% |
| 006 | 001 | Blanket/Pavilion | \$113,400 | 90% | \$2,500 | RC | 5% |
| 007 | 001 | Blanket/Pavilion | \$113,400 | 90% | \$2,500 | RC | 5% |
| 008 | 001 | Blanket Bldg/Stage | \$355,950 | 90% | \$2,500 | RC | 5% |
| 009 | 001 | Blanket Bldg/BPP | \$186,900 | 90% | \$2,500 | RC | 5% |
| 010 | 001 | Blanket Bldg/BPP | \$1,233,750 | 90% | \$2,500 | RC | 5% |
| 036 | 001 | Blanket Bldg | \$376,950 | 90% | \$2,500 | RC | 5% |
| 038 | 001 | Blanket Bldg | \$1,050,000 | 90% | \$2,500 | RC | 5% |
| 038 | 001 | Blanket BPP | \$73,500 | 90% | \$2,500 | RC | 5% |
| All | All | Business Income/EEE | \$100,000 | | ALS 72 Hour Waiting Period | | |
| All | All | Total Blanket Limit | \$5,756,100 | 90% | \$2,500 | RC | |

PROPERTY INSURANCE POLICY OUTLINE CONT.

EXTENSIONS OF COVERAGES:

Debris Removal

Fire Department Service Charges

Preservation of Property

Pollutant Cleanup and Removal

Newly Acquired Buildings

Newly Acquired Personal Property

Personal Property of Others/Employees

Valuable Papers - Cost of Research

Property off Premises

Outdoor Property - Trees, Shrubs and Plants

Property In Transit (Special Form Only)

COMMERCIAL GENERAL LIABILITY PROPOSAL OUTLINE

COVERAGE WRITTEN ON: Occurrence

COVERAGE

LIMITS

LIABILITY:

| | |
|---|-------------|
| General Aggregate Limit | \$2,000,000 |
| Products/Completed Operations Aggregate Limit | \$2,000,000 |
| Personal/Advertising Injury Limit | \$1,000,000 |
| Each Occurrence | \$1,000,000 |
| Fire Damage Limit - Any One Fire | \$100,000 |
| Medical Expense Limit - Any One Person | EXCLUDED |

COVERAGES INCLUDED:

Premises/Operations
Products/Completed Operations
Independent Contractors
Personal/Advertising Injury
Medical Payments
Contractual Liability
Fire Damage Legal Liability
Employees as Additional Insured
Host Liquor Liability
Incidental Medical Malpractice Liability
Broad Form Property Damage Liability
Non-Owned Watercraft Liability (Under 26 Feet)
Limited Worldwide Products Liability
Extended Bodily Injury Liability (Assault and Battery)

ENDORSEMENTS:

General Liability Plus Endorsement
Stop Gap \$1,000,000. Payroll \$100,000
Law Enforcement Liability \$1mil/\$1mil w/ \$15,000 Deductible
Employee Benefits Liability \$3mil/\$1mil w/ \$0 Deductible 4/15/03 Retro Date
Public Entity Management Liability \$1mil/\$1mil w/ \$10,000 Deductible 4/15/03 Retro Date
Employment Practices Liability \$1mil/\$1mil w/ \$10,000 Deductible 4/15/03 Retro Date

| |
|--|
| GENERAL LIABILITY SCHEDULE OF EXPOSURES |
|--|

| LOC | CLASS | CLASSIFICATION | PREM BASIS |
|------------|--------------|--|-------------------|
| 001 | 61224 | Buildings or Premises occupied by employees of insured | 1,120 Area |
| 002 | 43424 | Exhibitions-Outside-no stadiums or grandstands | 10,000 Sales |
| 002 | 44276 | Rental Hall | 4,232 area |
| 009 | 49802 | Wharf and Waterfront not occupied by insured | 100 Area |
| 010 | 43629 | Fireworks Exhibitions (NFP) | 1 Event |
| 010 | 46604 | Parking -public -open air | 2,500 Area |
| 011 | 49452 | Vacant Land | 4 Acre |
| 012 | 49452 | Vacant Land | 4 Acre |
| 013 | 46604 | Parking -public -open air | 2,500 Area |
| 014 | 49452 | Vacant Land | 4 Acre |
| 015 | 49452 | Vacant Land | 4 Acre |
| 016 | 49452 | Vacant Land | 4 Acre |
| 017 | 49452 | Vacant Land | 4 Acre |
| 018 | 49452 | Vacant Land | 6 Acre |
| 019 | 49452 | Vacant Land | 4 Acre |
| 020 | 49452 | Vacant Land | 4 Acre |
| 021 | 49452 | Vacant Land | 4 Acre |
| 022 | 49452 | Vacant Land | 6 Acre |

| |
|--|
| GENERAL LIABILITY SCHEDULE OF EXPOSURES CONT. |
|--|

| LOC | CLASS | CLASSIFICATION | PREM BASIS |
|------------|--------------|---|-------------------|
| 023 | 49452 | Vacant Land | 4 Acre |
| 024 | 49452 | Vacant Land | 4 Acre |
| 025 | 49452 | Vacant Land | 4 Acre |
| 026 | 49452 | Vacant Land | 4 Acre |
| 027 | 49452 | Vacant Land | 4 Acre |
| 028 | 49452 | Vacant Land | 4 Acre |
| 029 | 46671 | Parks and Playgrounds | 1 Unit |
| 030 | 49452 | Vacant Land | 8 Acre |
| 031 | 49452 | Vacant Land (Repko Park) | 10 Acre |
| 032 | 49802 | Wharf and Waterfront property Not occupied by insured | 200 Area |
| 033 | 49452 | Vacant Land | 4 Acre |
| 034 | 49452 | Vacant Land | 4 Acre |
| 035 | 49452 | Vacant Land | 10 Acre |
| 036 | 49802 | Wharf and Waterfront property not occupied by insured | 300 Area |
| 037 | 49452 | Vacant Land | 8 Acre |
| 038 | 61224 | Buildings or Premises occupied by employees of insured | 5,000 Area |

COMMERCIAL AUTOMOBILE POLICY OUTLINE

COVERAGE

LIMIT

PER

LIABILITY:

Bodily Injury and Property Damage

\$1,000,000 CSL Ea. Accident

COVERAGE

APPLICABLE TO

Liability:

Hired Autos, Non-Owned Autos

Comprehensive:

Hired Autos- ACV less deductible \$500

ENDORSEMENTS:

Hired Car Physical Damage: Collision-\$500 Deductible

***Please provide Names, Drivers License # and Dates of Birth for all Employees who use their own vehicles for company business.**

PACKAGE UMBRELLA LIABILITY PROPOSAL

| COVERAGE | LIMIT | PER |
|------------------------|--------------|------------------|
| Limit of Liability | \$5,000,000 | Each Occurrence |
| | \$5,000,000 | Annual Aggregate |
| Self Insured Retention | \$10,000 | |

ENDORSEMENTS:

REQUIRED PRIMARY COVERAGES:

| | | |
|----------------------|-------------|------------------------------|
| Commercial Liability | \$1,000,000 | Each Occurrence |
| | \$2,000,000 | General Aggregate |
| | \$2,000,000 | Products Aggregate |
| | \$1,000,000 | Personal Injury |
| | \$100,000 | Fire Damage Liability |
| Auto Liability | \$1,000,000 | Combined Single Limit |
| Employers Liability | \$1,000,000 | B.I. Each Accident |
| | \$1,000,000 | B.I. by Disease Policy Limit |
| | \$1,000,000 | B.I. by Disease ea. Emp. |

COMMERCIAL HULL & PI COVERAGE

Coverage Forms: **Miscellaneous Work Boat Coverage**

| Vessel Description | Vessel Name | Vessel #1 | Vessel #2 & #3 |
|---------------------------|--------------------------|---------------|---------------------------------|
| | | Boston Whaler | 2 Crosby boats with Mercury O/B |
| PART A: HULL | | | |
| Hull Coverage | Agreed/Insured Value | \$166,000 | \$101,000 each |
| | Hull Deductible | \$2,500 | \$2,500 |
| | "Named Storm" Deductible | \$2,500 | \$2,500 |
| PART B: LIABILITY | | | |
| Liability Coverage | Liability Limit | \$1,000,000 | \$1,000,000 |
| | BI/PD Deductible | \$1,000 | \$1,000 |
| | Number of Crew | 2 | 4 |
| PART C: MEDICAL | | | |
| Medical Payments | Limit per person | \$5,000 | \$5,000 |
| | Limit Per Accident | \$10,000 | \$10,000 |
| PART D: TRAILER | | | |
| Trailer Coverage | Agreed/Insured Value | \$7,600 | \$6,000 each |
| | Trailer Deductible | \$500 | \$500 |

COMMERCIAL DOCKS & PIERS COVERAGE

Coverage Form:Docks and Piers Property Protection

Description and location of covered property

| Description | Property Type | Fixed/Floating | Construction | Limit |
|--------------------------|---------------------|----------------|--------------|----------|
| 3 Docks/1355 Black River | Uncovered Pier/Dock | Floating | Composite | \$10,500 |
| 2 Docks/Alabama Ave. | Uncovered Pier/Dock | Floating | Composite | \$7,000 |
| 1 Dock/Alabama Ave. | Uncovered Pier/Dock | Floating | Composite | \$5,000 |

Valuation Actual Cash Value

Coinsurance: 80%

Deductibles

Each event deductible. \$1,000

Optional deductibles: (If no amounts are shown, the Each event deductible applies.)

Ice deductible. \$5,000

Optional Exclusions (indicates applicable)

Ice

Optional Coverages (indicates applicable)

Earthquake Or Volcanic Eruption Coverage

Earthquake or volcanic eruption each occurrence & annual aggregate limit. \$22,500

Earthquake or volcanic eruption deductible. \$5,000

Flood Or Surface Water Coverage

Flood or surface water each occurrence and annual aggregate limit. \$22,500

Flood or surface water deductible \$5,000

Wind or Hail Coverage

Wind or hail each occurrence and annual aggregate limit. \$22,500

Wind or hail deductible \$5,000

Additional Benefits Included: Debris Removal 25%

EXCESS MARINE LIABILITY PROPOSAL

| COVERAGE | LIMIT | PER |
|------------------------|--------------|------------------|
| Limit of Liability | \$1,000,000 | Each Occurrence |
| | \$1,000,000 | Annual Aggregate |
| Self Insured Retention | \$0 | |

PREMIUM QUOTATION

Insured: Lorain Port Authority
Insurer: Travelers Insurance Company
Policy Term: 5/15/14 to 5/14/15

COVERAGE

ANNUAL PREMIUM

| | |
|------------------------------------|-----------------|
| Property | \$18,468 |
| Inland Marine | \$828 |
| General Liability | \$3,383 |
| Employee Benefits Liability | \$301 |
| Auto Liability | \$1,355 |
| Law Enforcement Liability | \$4,084 |
| Public Entity Management Liability | \$1,000 |
| Employment Practices Liability | \$2,500 |
| Umbrella | \$8,190 |
| Hull Coverage | \$17,795 |
| Docks | \$500 |
| Excess Marine | \$2,625 |
| Total | \$61,080 |

PREMIUM COMPARISON

Insured: Lorain Port Authority
Insurer: Travelers Insurance Company
Policy Term: 5/15/14 to 5/14/15

| COVERAGE | EXPIRING PREMIUM | RENEWAL PREMIUM |
|-----------------|-------------------------|------------------------|
| Property | \$18,339 | \$18,469 |
| IM | \$795 | \$825 |
| GL | \$2,423 | \$3,383 |
| EBL | \$300 | \$301 |
| Auto | \$1,331 | \$1,355 |
| LEL | \$4,875 | \$4,084 |
| PEML | \$1,000 | \$1,000 |
| EPL | \$2,500 | \$2,500 |
| UMB | \$10,048 | \$8,190 |
| Hull Coverage | \$16,948 | \$17,795 |
| Docks | \$500 | \$500 |
| Excess Marine | \$2,500 | \$2,625 |
| Total | \$61,609 | \$61,080 |

Decrease of \$529

PREMIUM PAYMENT OPTIONS

OPTION

TOTAL

TOTAL ANNUAL PREMIUM

\$61,080

Preparing for a Premium Audit

What is a premium audit?

A premium audit is our means of obtaining information to determine the actual payrolls, sales, or other variable information used to calculate your insurance premium.

When your policy was issued, your premium was based on your estimate of variable rating information, such as payroll or sales. An insurance audit is performed to determine what the actual premium should be based on your company's actual results.

Do I have to provide the information requested?

Yes, it's one of the terms of your insurance contract and is a standard industry practice. Rest assured, we observe the highest level of confidentiality in this process.

When will the audit occur?

Audits should be completed no later than 60 days after the policy expiration. Please cooperate with our auditors, including responding quickly to phone and mail inquiries. If you don't provide us with the requested information in a timely manner, your audit may be estimated and your policy could be cancelled.

What can I do to save money on my insurance premium?

If you maintain detailed records, the audit process will be much smoother and work to your advantage. Credits are available on the audit for pay types such as premium overtime, tips, severance pay, and third-party sick pay; however, your records must provide a summary of these wage types by employee, department, and class code to allow the credit. If you're a contractor, your policy will allow a split of an employee's wages between different job types. Your records should indicate what type of jobs each employee completed during your policy term. With this breakdown, we can allow the use of more than one class code. Without this breakdown, manual rules state we must include all wages in the highest-rated class that applies to any portion of your work.

GENERAL

A description of your company's operations. What is your product or service? What are your raw materials? How is the product marketed? How is the product transported? Any change in entity ownership?

List of corporate officers, LLC members, partners, owners, Number of employees

Subcontractors or casual labor hired and the amounts paid, Certificates of insurance for subcontractors

PAYROLL

Gross payroll with monthly and quarterly or year-to-date totals by employee and by department

The type of work performed and job duties by each person must be shown. This includes officers, members, sole proprietors & partners

Overtime: Must be separated with monthly and quarterly or year-to-date totals by employee and by department. If overtime is not shown separately, a credit for the premium portions can not be given

Tips: Must be separated with monthly and quarterly totals by employee. Tips must be shown separately to qualify as a deduction from gross pay

Verification: 941's, 940, W-3, Unemployment Tax Reports, or Schedule C must be provided to verify total wages. You may also want to help the auditor by highlighting pre-tax wages that will be subject to premium.

SALES

Gross revenue, by location, from manufacturing and retail operations

Verification source, such as your Income Statement, General Ledger, or Sales Tax Returns