

OHIO TURNPIKE AND INFRASTRUCTURE COMMISSION

Resolution Authorizing the Renewal of Insurance Policies for the Commission's Property and Casualty Insurance Program for the 2019/2020 Policy Year in the Aggregate Amount of \$847,977.00

WHEREAS, the Ohio Turnpike and Infrastructure Commission ("Commission") is required to maintain comprehensive property and casualty insurance coverage in accordance with Article 5, Sections 5.05, 5.06 and 5.07 of the Master Trust Agreement dated April 8, 2013, as amended, as well as the Junior Lien Master Trust Agreement dated August 1, 2013 (collectively, the "Trust Agreements"); and

WHEREAS, the Commission has received proposals for the renewal of the Property and Casualty Insurance Program for the 2019/2020 policy year as described below whereby the Commission will continue to maintain coverage for Commercial General Liability, Automobile Liability, Public Officials Liability, Employment Practices Liability, Employers Liability, Employee Benefits Liability, Bridge and Use & Occupancy, Multi-Peril Property, Data Processing, Maintenance/Contractor's Equipment, Boiler & Machinery, Money and Securities/Crime Insurance, Umbrella/Excess Liability, Pollution Liability and Cyber Liability Insurance coverage, which will result in an overall 7% increase in premium as compared to the cost paid for the same insurance coverage during the 2018/2019 policy year; and

WHEREAS, the General Counsel/Director of Risk Management, and the Commission's independent insurance consultant, Crain Langner & Co. have recommended that the Commission accept the proposals received for the purchase of said insurance policies offered by the following agent/brokerage firms on behalf of insurance carriers at the corresponding premium quotes:

1. Commercial General Liability including terrorism coverage, Automobile Liability, Public Officials Liability, Employment Practices Liability, Employers Liability, Employee Benefits Liability, Umbrella Liability Insurance coverage, and agency fee proposed by Jackson, Dieken & Associates on behalf of the U.S. Specialty Insurance Company for an annual premium of \$308,479.00 beginning on September 1, 2019;
2. Multi-Peril/Property Insurance, including terrorism coverage and engineering fees, proposed by Arthur J. Gallagher Risk Management Services, Inc. on behalf of Travelers Indemnity Company for an annual premium of \$212,548.00 beginning on September 1, 2019;
3. Bridge and Use & Occupancy Insurance, including terrorism coverage, proposed by Arthur J. Gallagher Risk Management Services, Inc. on behalf of the Continental Casualty Company for an annual premium of \$150,386.00 beginning on September 1, 2019;
4. Broad Form Money and Securities/Crime Insurance proposed by Arthur J. Gallagher Risk Management Services, Inc. on behalf of Travelers Casualty & Surety Co. of America for an annual premium of \$38,866.00 beginning on September 1, 2019;
5. Excess Liability Insurance Coverage, including terrorism coverage, proposed by Arthur J. Gallagher Risk Management Services, Inc. on behalf of The North River Insurance Company and Great American Insurance Co. of New York for a total annual premium of \$106,874.00 beginning on September 1, 2019;
6. Note, Pollution Liability Insurance, including terrorism was purchased last year under a two-year policy term starting September 1, 2018, for a two-year premium of \$29,772.00 that was paid in 2018. This coverage is provided by Ironshore Specialty Insurance Company through Arthur J. Gallagher Risk Management Services, Inc.; and
7. Cyber Liability Insurance, including terrorism coverage, proposed by Arthur J. Gallagher Risk Management Services, Inc. on behalf of Ironshore Specialty

Insurance Company, for an annual premium of \$30,824.00 beginning September 1, 2019.

WHEREAS, the Executive Director has reviewed the recommendations submitted by the General Counsel/Director of Risk Management and concurs with their recommendations; and

WHEREAS, the Commission has duly considered such recommendations,

NOW, THEREFORE, BE IT

RESOLVED, that the Commission, in accordance with the Trust Agreements, which require it to maintain comprehensive property and casualty insurance coverage, has duly considered the recommendations of its independent insurance consultant and General Counsel/Director of Risk Management; and

FURTHER RESOLVED that the Commission hereby authorizes the Executive Director and the General Counsel/Director of Risk Management, each alone or together, to purchase the above-specified insurance policies for the aggregate premium amount of \$847,977.00 from the following brokers:

- 1) Jackson, Dieken & Associates., for Commercial General Liability Insurance, Employee Benefits Liability Insurance, Employers Liability Insurance, Automobile Liability Insurance, Public Officials Liability Insurance, Employment Practices Liability Insurance, and Umbrella Liability Insurance; and
- 2) Arthur J. Gallagher Risk Management Services, Inc., for second and third layers of Excess Liability Insurance, Bridge and Use & Occupancy Insurance, Multi-Peril Property Insurance, Broad Form Money and Securities/Crime Insurance and Cyber Liability Insurance.

FURTHER RESOLVED that the Commission hereby authorizes the Executive Director or the General Counsel/Director of Risk Management, together or individually, to execute such additional documentation or certificates and to take any and all further action that may be necessary or appropriate in the opinion of the General Counsel/Director of Risk Management to the Commission, in order to effect the purchase of the above-described insurance policies and the intent of this Resolution; and

FURTHER RESOLVED that a certified copy of this Resolution shall be transmitted to the Trustee for the bondholders in accordance with the requirements of our Trust Agreements.

(Resolution No. 41-2019 adopted August 19, 2019)