This document constitutes an invitation to submit sealed bids, including prices, from qualified individuals and organizations to furnish those services and/or items described herein.

Proposals must be mailed to the Office of the Governor, Division of Administration (DOA), Office of Risk Management or hand carried to its offices at 1201 North 3rd Street, Ground Floor, Suite G-192, P. O. Box 94095, Baton Rouge, Louisiana 70804-9095.

State of Louisiana, Louisiana Stadium and Exposition District, and SMG/Facility Management of Louisiana, Inc., A/T/I/M/A

FOR:

CRIME COVERAGE

CONTRACT PERIOD:

Policy to be effective for the period of 12:01 A.M. July 01, 2003 to 12:01 A.M. July 01, 2004 with two (2) one-year options to continue at the same rates. Bids will be received up to 10:00 A.M., April 9, 2003 by the Administrative Section of the Office of the Governor, Division of Administration, Office of Risk Management, 1201 North 3rd Street, Ground Floor, Suite G-192, Baton Rouge, Louisiana. At the same hour of the same day and date bids will be publicly opened and read in the conference room at the Division of Administration, Office of Risk Management address. Bids received after this time will be returned to the bidder/contractor unopened.

BIDDER/CONTRACTOR INFORMATION/SIGNATURE:

The bidder hereby agrees to provide the insurance coverage and related services, at the prices quoted, pursuant to the requirements of this document and further agrees that when this document is countersigned by an authorized official of the State of Louisiana, a binding contract, as defined herein, shall exist between the bidder and the State of Louisiana.

Insurance Agency Name

Signature of Designated Authorized Insurance Agency Representative Print Name Title

Mailing Address (Bidding Agency) Telephone

City State Zip Code

THE FOLLOWING SECTION IS FOR STATE OF LOUISIANA USE ONLY

NOTICE OF AWARD: PROPOSAL NUMBER: CR-19

This proposal is accepted by the State of Louisiana as follows:

STATE RISK UNDERWRITING SUPERVISOR STATE RISK DIRECTOR DATE
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STATE OF LOUISIANA
OFFICE OF RISK MANAGEMENT (ORM)

PART I

TERMS AND CONDITIONS OF AN INVITATION FOR BID

1. Terminology of an Invitation for Bid (IFB)

Throughout this document the words "bidder", "contractor", and "policy" may pertain to one or more bidder(s), contractor(s), or policy(ies).

Whenever the following words and expressions appear in an Invitation for Bid document or any amendment, exhibit, or attachment thereto, the definition or meaning described below shall apply.

1.1 Authorized - Is an admitted or non-admitted insurance company approved by the Commissioner of Insurance to do business in the State of Louisiana.

1.2 Bid Close Date and Time and Similar Expressions - The exact deadline required by the IFB for the physical receipt of bids by the Division of Administration (DOA), Office of Risk Management in its office.

1.3 Bidder - The person or organization that responds to an IFB with a proposal and prices to provide the service, supplies, or equipment as required in the IFB document. All provisions contained in this solicitation, which are addressed to the bidder, shall apply equally to the contractor.

1.4 Budget Agency or State Budget Agency - Any unit of state government in the State of Louisiana for which the policy of insurance and service is being purchased by the Office of Risk Management sometimes hereinafter referred to as ORM.

1.5 Buyer - The procurement staff member of ORM.

1.6 Contractor - The person or organization who enters into a legally binding contract thereby agreeing to perform a service and/or to furnish supplies or equipment in return for the payment of money and includes the bidding agent or agency and the insuring company whose names appear on the cover sheet and EXHIBIT III of the invitation for bid. All provisions contained in this solicitation, which are addressed to the contractor, shall apply to the bidder.

1.7 Guaranteed Cost - Premium charged on a prospective basis, fixed or adjustable, or on a specified rating basis, but never on the basis of loss experience. In other words, the cost is guaranteed to the extent that it will not be adjusted based on the loss experience of the insured during the period of coverage. The rate(s) must remain fixed during the contract period.

1.8 Invitation for Bid or IFB - Those procurement documents issued by ORM to potential bidders/contractors for the purchase of insurance coverage and related service as described in the document. The definition includes all attachments, exhibits, schedules, supplemental pages, and/or amendments thereto.

1.9 Manuscript Endorsement - Any unprinted, typed endorsement changing any conditions, agreements, exclusions or warranties of the contract.

1.10 Must and Shall - When these words are used the performance of a certain act is a mandatory condition and shall be performed exactly as described.

1.11 Designated Authorized Representative - When used in regards to the insurance company or an incorporated insurance agency, these words mean an elected corporate officer with power of attorney for the insurance company/agency. The requirements of power of attorney are specified in PART IV, Section 3 of these specifications. When used in regards to an unincorporated insurance agency, these words mean the owner of the agency.
2. **Open Competition**

   2.1 It is the intent and purpose of ORM that the Invitation for Bid permits free and open competition. However, it **shall** be the bidder's/contractor's responsibility to advise ORM if any language, requirements, etc., or any combination thereof, inadvertently restricts or limits the requirements to a single source or otherwise unduly or unnecessarily prohibits the submission of a bid. The notification **must** be received by ORM within ten (10) calendar days prior to the bid close date and time. Bidders are requested to bring to the attention of ORM any perceived problems with these specifications at the earliest possible opportunity in order to allow clarification or amendment with minimum disruption to the bid process.

3. **The Invitation for Bid Document (IFB)**

   3.1 The IFB contains two basic types of requirements and information, although it may be organized into several parts. One type consists of the scope of work (technical requirements) and related contractual commitments with which the bidder/contractor **must** comply if awarded a contract. The other type consists of those basic instructions and procedural requirements which **must** be observed and satisfied by the bidder/contractor when submitting a bid for consideration.

   3.2 The IFB or a Notice to Bidders is mailed to persons and organizations at the address currently on file with the DOA, Purchasing Section. If any portion of the address is incorrect, the bidder/contractor **must** notify the buyer upon receipt of the document. Any subsequent amendment to an IFB will be mailed to the same address as the original IFB unless otherwise notified.

   3.3 Additional copies of the bid proposal forms, information, specifications and subsequent amendments may be obtained on line at [http://www.state.la.us/orm/uwnewbid.htm](http://www.state.la.us/orm/uwnewbid.htm).

4. **Amendments to an Invitation for Bid**

   4.1 ORM reserves the right to officially modify (or cancel) an IFB after issuance. Such a modification shall be identified as an amendment and numbered in a sequential order as issued.

   4.2 If bidder/contractor has not received all amendments which have been issued by ORM, it is the bidder's/contractor's responsibility to contact ORM to obtain a copy(ies) of the amendments. If the designated authorized representative of the insurance agency fails to acknowledge receipt of all amendment(s) by signing the amendment(s) in the designated area and returning same with bid response, the bidder's/contractor's submission will not be considered a responsive bid.

   4.3 The designated authorized representative of the insurance agency may acknowledge the acceptance of the conditions of an amendment by telegraphic notice or electronic mail services if issued to and physically received in the Office of Risk Management - Administrative Section no later than the official bid close date and time. Verbal messages from either a telegraph company or the bidder/contractor **shall** not be permitted or considered as an acceptance of an amendment.

5. **Questions by Bidders**

   5.1 Any questions related to an IFB **must** be directed to the buyer in ORM whose name appears at the top of the form on page 1. Prior to the award of the IFB, the bidder/contractor **shall** not contact nor ask questions of the State agency for which the required insurance is being procured, unless so stated elsewhere in these specifications. **Questions shall be submitted in writing and will be answered in writing in the form of an amendment and forwarded to all vendors who were mailed an IFB.** Any correspondence related to an IFB should refer to the appropriate IFB number, page and paragraph number, etc. However, do not place the IFB number on the outside of the envelope containing questions since such an envelope will be identified as a sealed bid and will not be opened until after the official bid close date and time. Correspondence should be mailed to the Office of Risk Management, P. O. Box 94095, Capitol Station, Baton Rouge, LA 70804-9095.

   5.2 All questions **must** be received by ORM at least fifteen (15) calendar days prior to the bid opening date. All answers will be mailed to the vendors at least ten (10) calendar days prior to the bid
opening date.

5.3 Questions will also be permitted at Pre-Bid Conferences when scheduled. If scheduled, the IFB will contain the date, time, and location of the Pre-Bid Conference; attendance will be at the bidder/contractor's expense. The bidder/contractor should bring a copy of the IFB since it will serve as the agenda. However, since impromptu questions may be asked and since spontaneous answers may be given, the only official position of ORM or a State agency shall be the position or answer issued to bidders/contractors in writing. Transcripts are not made nor issued to bidders/contractors.

6. **Instructions for Submission of Bid(s) by Bidders/Contractors**

6.1 A proposal submitted must be manually signed in ink by the designated authorized representative of the insurance agency and the insurance company. ORM will accept either the original insurance company designated authorized representative's signature submitted with the bid response or a facsimile copy of the insurance company designated authorized representative's signature on EXHIBIT III in lieu of an original signature. The original of EXHIBIT III containing the insurance company designated authorized representative's original signature must be received at ORM's office within ten (10) working days after the bid opening date. Failure to timely submit said original of EXHIBIT III may result in rejection of the bid. Submission of a bid bond in compliance with PART IV, Item 3 of these specifications does not eliminate the requirement of a company and an agency signature; however, the submission of a bid bond allows any authorized person from the company and the agency to sign the invitation in lieu of the designated authorized person.

6.1.1 The designated authorized representative of the insurance agency shall manually sign in ink the following:

6.1.1.1 Form ORM-02

6.1.1.2 Any amendments to the specifications

6.1.2 The designated authorized representative of the insurance company shall manually sign in ink the following:

6.1.2.1 EXHIBIT III

6.2 All attachments shall be returned as follows:

6.2.1 Must contain all information required by the IFB.

6.2.2 The bid shall be priced as required in the IFB.

6.2.3 Must be sealed in an envelope or box with security deposit attached, if required.

6.2.4 Must be delivered to the Office of Risk Management - Administrative Section and officially clocked in no later than the exact time on the date as specified in the IFB.

6.2.5 Entire IFB and Amendments (if applicable) shall be returned except as otherwise provided in these specifications.

6.3 THE SEALED ENVELOPE OR BOX CONTAINING AN IFB SHALL BE CLEARLY MARKED ON THE OUTSIDE BOTTOM LEFT CORNER WITH THE FOLLOWING:

6.3.1. THE OFFICIAL IFB PROPOSAL NUMBER.

6.3.2. THE OFFICIAL CLOSE DATE AND TIME.

6.4 Please submit your bid with pages numbered in the bottom right-hand corner of each page in the following manner: 1 of 4, 2 of 4, etc.
7. **Proposal Opening**

7.1 Shortly after the expiration of the official bid close date and time, bids will be opened. The bidders/contractors and the public are invited, but not required to attend the formal opening of bids. Prices will be read aloud to the public. However, no decisions related to an award of a contract shall be made at the opening.

7.2 Due to manpower limitation, buyers shall not repeat prices after an opening via telephone request. Please do not make such requests. However, upon written request a photocopy of the Summary of Quotations shall be mailed to interested bidders/contractors.

8. **Late Proposals**

8.1 Any bid received by the DOA, Office of Risk Management after the exact bid closing date and time shall not be opened and shall not be evaluated regardless of the reason and mitigating circumstances related to its lateness or degree of lateness.

8.2 It is the bidder's/contractor's sole responsibility to insure that the proposal is physically received and officially clocked in as a sealed document by the DOA-Office of Risk Management in its offices no later than the official close date and time. Late bids shall be returned to bidders/contractors unopened.

9. **Rejection of Bids**

An invitation for bids, a request for proposals, or other solicitation may be canceled or all bids or proposals may be rejected, if it is determined in writing by the chief procurement officer or his designee that such action is taken in the best interest of the State.

10. **Public Notice of Awards**

10.1 ORM has no facilities for furnishing abstracts of bids; a complete record of all bids is on file in this office subject to inspection of any citizen who is interested in investigating, for any purpose, the record of State purchases.

10.2 Bidders are permitted to review competitors' bids and evaluate documents in accordance with the provisions of the Public Record Act, Louisiana R.S. 44:1 et. seq. Such review must be conducted on site in ORM in accordance with the public records statutes.

11. **Non-Award of Contract Due to Insufficient Funds**

ORM reserves the right to reject the bid for insurance coverage if the insured(s) does/do not have sufficient funds available with which to pay the premium.

12. **Contract Resulting From an IFB**

12.1 The bidder/contractor is advised that the State of Louisiana does not sign standard contract forms. The IFB document issued by ORM contains signature lines for the designated authorized representative of the insurance agency and of the insurance company which shall be signed when submitted as a bid. Immediately below the bidder's/contractor's signature line is a section entitled "Notice of Award" which contains signature lines for officials of the State of Louisiana. To consummate a contract, officials of the State of Louisiana need only to sign the Notice of Award section of the form.

12.2 Be aware that the actual contract between the State of Louisiana and the bidder/contractor shall consist of the following documents: (1) IFB and any amendments issued thereto, (2) the proposal submitted by the bidder/contractor in response to the IFB, (3) the actual policy issued. In the event of a conflict in language between items 1, 2, and 3 referenced above, the provisions and requirements set forth and/or referenced in the IFB shall govern. ORM reserves the right to clarify any contractual relationship in writing and such written clarification shall govern in case of conflict with the applicable requirements stated in the IFB and the bidder's/contractor's proposal. In all other matters not affected by the written
clarification, if any, the IFB shall govern. The refusal of the bidder/contractor to conform to the provisions and requirements set forth and/or referenced in the IFB shall result in the award of the contract to the new lowest bidder/contractor. The bidder/contractor is cautioned that its proposal shall be subject to acceptance by ORM without further clarification. In the event of any discrepancies between the insurance requirements delineated in these bid specifications and the model policy provided herein, the bid specifications shall govern.
PART II

TECHNICAL SPECIFICATIONS

1. General Specifications

1.1 The bidder/contractor shall provide Crime coverage for State of Louisiana, Louisiana Stadium and Exposition District, and SMG/Facility Management of Louisiana, Inc., A/T/I/M/A.

1.1.1 The bidder/contractor shall agree that underwriting information provided in the schedule is believed to be correct and it shall not be considered in any way a warranty by ORM and shall not impair the rates for the insurance coverage based upon the information provided.

1.1.2 Bids submitted by admitted companies (including reinsurance carriers which desire to submit bids for any coverage layer requested or excess of any coverage layer requested) licensed to do business in the State of Louisiana possessing a Best's Insurance Reports policyholder's current rating of "A++", "A+", "A" or "A-", with a financial rating of Class VIII or higher will be considered first. Surplus line companies or non-admitted companies possessing a Best's Insurance Reports policyholder's current rating of "A++", "A+", "A" or "A-", with a financial rating of Class VIII or higher will be considered and accepted only if acceptable bids are not tendered by an admitted company. The bidding company shall meet the qualifications mentioned above without regard to any cut-through endorsements to a higher company. Direct quotations from companies (including reinsurance carriers) shall be considered an alternate bid. Mutual companies which write assessable insurance policies are not acceptable and will not be considered for award of the bid.

1.2 The contract and policy term shall be for the period of time as reflected under EXHIBIT I.

1.3 Invoices for policies delivered and accepted shall be submitted (in duplicate) by the bidder/contractor on its own form directly to ORM, Division of Administration.

1.4 Premiums for each State budget agency shall be computed separately where policies of insurance cover more than one State budget agency.

1.5 Contractor shall be required to furnish closure claims settlement notices to ORM, Division of Administration, on all settlements of claims. Contractor shall be required to furnish a quarterly report reflecting claims (cumulatively for policy year, not just activity for the quarter) opened and closed and claims reserved and paid per agency by policy year including all allocated loss adjustment expenses until all claims are closed. Information to be reflected on the quarterly report for each individual claim shall include but not be limited to the following.

1.5.1 Date of Loss;
1.5.2 Status of claim (open, closed, reopened);
1.5.3 Brief Description of Loss;
1.5.4 Name of State Agency;
1.5.5 Amount of claim as indicated below (by coverage code, if coverage code is applicable);
   1.5.5.1 Total Incurred;
   1.5.5.2 Amount paid;
   1.5.5.3 Amount reserved;
   1.5.5.4 Amount recovered;
   1.5.5.5 Amount of loss adjustment expenses; and
   1.5.5.6 Net Incurred

1.6 All books and records of transactions under this contract shall be maintained by the bidder/contractor for a period of five (5) years from the date of the final payment under the contract.
1.7 ORM will execute any "A" rate form necessary to enable the underwriter to comply with any premium charge quoted and preclude any violation of rating bureau requirements (if applicable).

1.8 The contractor shall make special filings of policy forms with the Louisiana Department of Insurance as needed to comply with coverage requested in these specifications prior to the issuance of the policy.

1.9 At the request of ORM, the insurance policy issued to include coverages as reflected in PART IV, of these specifications will be revised by way of endorsements to the policy extending or deleting coverage as a result of any changes in units of exposure, if needed.

1.10 A bidder/contractor offering a direct sale of insurance to the State should have reduced the policy premium by the amount of the commission which would have been paid, as indicated by Louisiana R.S. 39:1631.

1.11 "It shall be unlawful for an agent (bidder/contractor) to split, pass on or share with any person, group, organization or other agent, except the State of Louisiana, all or any portion of the commission derived from the sale of insurance to the State..." Louisiana R.S. 39:1632.

2. **General Required Endorsements**

The "policy of insurance" as used in this section shall mean policy issued by the successful bidder/contractor.

2.1 The cancellation provisions of the policy of insurance shall be replaced with the following: "It is agreed that the guidelines set forth in this policy as regards cancellation of coverage are set aside and shall be inoperative to the extent that they are in conflict with the following verbiage:

The insured may cancel the policy by returning it to the company or by giving the company advance notice of the date cancellation is to take effect. The company may cancel or non-renew the policy by mailing to the insured by "Certified Mail, Return Receipt Requested" (at the insured's last known address by the company) written notice of cancellation at least:

Thirty (30) days before the effective date of cancellation if cancellation is due to nonpayment of premium; or

One hundred-twenty (120) days notice if cancellation or non-renewal is due to any other reason.

The company may deliver any notice instead of mailing it. A signed return receipt will be sufficient proof of notice. The effective date of cancellation stated in the notice shall become the end of the policy period."

2.2 The policy of insurance shall include this endorsement: "The inclusion of more than one Named Insured in the policy shall not affect the rights of any Named Insured as respects any claim or suit by any other Named Insured or by an employee or such other insured."

2.3 The policy of insurance shall include this endorsement unless a "Separation of Insureds" clause is part of the policy: "The policy shall insure each Named Insured in the same manner as though a separate policy had been issued to each, but nothing contained herein shall operate to increase the company's liability as set forth elsewhere in this policy beyond the amount or amounts for which the company would have been liable if only one insured had been named, without the prior written approval of the Named Insured."

2.4 The policy of insurance shall include this endorsement: "For the insurance afforded herein, the State Risk Director for the Office of Risk Management/Division of Administration, State of Louisiana is authorized to act for all insureds respecting the giving and receiving of notice of cancellation, non-renewal or material change, receiving any return premium or dividend,
and changing any provisions of this coverage. Such notice or changes shall be mailed in
care of the Office of Risk Management, Division of Administration, Post Office Box 94095,
Capitol Station, Baton Rouge, LA 70804-9095."

3. **Special Required Endorsements**

   Blank

4. **Delivery Dates and Location**

   4.1 The policy of insurance **shall** be received by ORM within forty-five (45) days from the inception
date of the policy and **shall** not be delivered to any other State agency.

   4.2 Coverage binder **shall** be received by ORM within five (5) days of the date award is made.

   4.3 **Bidder/Contractor shall issue endorsement(s) to any additional insured(s) as requested by**
   **the Named Insured.**

   4.4 This is a request for a guaranteed cost for one (1) year policy in effect from July 01, 2003 to July
   01, 2004 with two (2) one-year options to renew at the same rates.

5. **Claims Service**

   5.1 The bidder/contractor shall provide claims service for the Crime coverage.

   5.2 The claims service shall be responsible for the handling of our claims to their conclusion in a
   professional manner. Should the contract be terminated the bidder/contractor **shall** remain
   responsible for occurrences that take place during the policy period.
PART III

GENERAL CONTRACTUAL REQUIREMENTS


2. Unless otherwise provided by law, a contract for services may be entered into for periods of not more than three years. No contract shall be entered into for more than one year unless the length of the contract was clearly indicated in these specifications. At the option of the State of Louisiana and upon acceptance by the bidder/contractor, any contract awarded for one year may only be extended for two additional twelve-month periods -- not to exceed a total contract period of thirty-six months.

3. Appropriation Dependency Clause
   
   3.1 The continuation of this agreement is contingent upon the appropriation of funds, to fulfill the requirements of the agreement, by the legislature. If the legislature fails to appropriate sufficient monies to provide the continuation of this agreement, or if a lawful gubernatorial order issued in or for any given fiscal year during the term of this agreement, reducing the funds appropriated in such amounts as to preclude making the payments set out herein, the agreement shall terminate on the date said funds are no longer available without any liability incurring onto the State other than to make payment for services rendered prior to the termination date.
   
   3.2 However, the State shall be under a duty to make such determination only in good faith and not, arbitrarily and without justification, to cancel this agreement for the sole purpose of acquiring from another vendor other products of comparable quality and value, and the State agrees that it will use its best efforts to obtain approval of necessary funds to fulfill the obligations of this agreement by taking the appropriate action to request adequate funds to continue this agreement.

4. Endorsements extending and/or deleting coverage which are issued to the policy of insurance must reflect any increases or decreases in the amount of the bidders'/contractors' compensation (premium) and shall serve to modify or amend the premium as reflected on EXHIBIT I of these bid specifications. No other method, and/or no other document, including correspondence, acts and oral communications by or from any person, shall be construed as a modification or supplementation of the contract except as herein delineated as regards amendments and endorsements.

5. In the event the company or companies originally contracted with by ORM fail(s) to perform, ORM shall allow substitution for such company or companies if the parties sought to be substituted meet other criteria established by these specifications. In the event substitution of company or companies occur, company signature pages signed by the replacement company or companies must also be submitted to ORM.
PART IV

GENERAL BID INFORMATION

1. Special Instructions to Bidder

1.1 The bidder/contractor must respond to this IFB by submitting all data required herein in order for this bid to be evaluated and considered for award. Failure to submit such data shall be deemed sufficient cause for disqualification of a bid from further consideration of award.

1.2 The bidder/contractor shall provide Crime Coverage which must equal or exceed the coverage provided in the sample policy reflected in Schedule B of these specifications.

1.3 Any change or restriction in conditions, warranties, or exclusions from the underlying policy (found elsewhere in these specifications) or from these specifications must be completely explained in writing and attached to the bid. Any such deviations which provide less coverage and/or service than that required in the underlying policy and/or these bid specifications shall be considered an alternate quotation. Any such change or restriction shall be indicated on EXHIBIT V of these specifications. Submission of sample policy(ies) and/or service narrative shall not be considered to be in compliance with the above stipulations.

1.4 ORM reserves the right to reject any or all bids.

1.5 Bidder/Contractor is bound by all of the terms, prices and conditions of its bid for a term of sixty (60) days after bid opening. No bid may be withdrawn prior to the expiration of that sixty (60) day period.

1.6 Bids will be awarded by competitive sealed bidding, pursuant to R.S. 39:1594. Only dollar values stated in EXHIBIT I will be considered for award of the bid. The DOA/ORM reserves the right to award the bid for the option which provides the highest limit of coverage at the lowest premium within the individual budget agency(ies) allocated funding, if applicable.

1.7 A contract or order resulting from this invitation shall be awarded in response to a bid providing the lowest responsible and responsive bid to the State of Louisiana.

1.8 Any award of the contract resulting from this invitation shall be made by written notification from ORM.

1.9 As respects this bid, company name and signature of designated authorized representative of the insurance company shall be indicated on EXHIBIT III of these specifications. Submission of a bid bond in compliance with PART IV, Item 3 of these specifications does not eliminate the need for a company signature; however, the submission of a bid bond allows any authorized person from the company to sign the invitation in lieu of the designated authorized person.

2. Pricing Information

2.1 The bidder/contractor shall provide fixed rates for services as required by the Technical Specifications. These costs shall be shown on the form attached as EXHIBIT I, which must be returned with the proposal along with the entire IFB document.

2.2 The bidder/contractor must provide other information as required in EXHIBIT I.

2.3 The bidder's/contractor's quotation shall be based on the following:

2.3.1 Guaranteed Cost Plan - Any Proposal submitted by the bidder/contractor must be submitted on the form herein provided with the blank spaces filled in showing the annual premium based on the coverages reflected in PART IV of these specifications.
2.4 Percentage of commission return shall reflect that percentage of the total premium which will be returned to the State by the successful bidder/contractor, if applicable, and as allowed in Louisiana R.S. 39:1631 and Louisiana R.S. 39:1632.

2.5 Any increase and/or decrease in premiums during the policy period shall increase and/or decrease the amount of commission return to the same degree of percentage as the original commission return utilized in the net premium determination.

2.6 Annual/Anniversary premium shall be on a flat rate basis with no adjustments being made in a policy year for an increase or decrease in exposure units. However, subsequent anniversary billings will reflect any premium adjustments due to change in exposure units.

3. **Bidder Information**

3.1 As regards the insurance company and an incorporated insurance agency, the bidder/contractor shall attach either one of the following (Items 3.1.1 or 3.1.2) to the proposal:

3.1.1 Board resolution or power of attorney (with seal):

3.1.1.1 giving the designated authorized representative of the insurance agency authority to tender a premium quotation on behalf of the insurance agency.

3.1.1.2 giving the designated authorized representative of the insurance company authority to tender a premium quotation on behalf of the insurance company.

3.1.1.3 giving the designated authorized representative of the insurance agency authority to tender a premium quotation on behalf of the insurance company.

3.1.2 Bid bond in an amount equal to at least 10% of the Net Annual Installment Premium reflected on EXHIBIT I of these specifications or $10,000, whichever is more. Bid bonds for 10% of Net Annual Premium can be rounded to nearest dollar.

3.2 As regards an unincorporated insurance agency (sole proprietor agency), the bidder/contractor shall attach either one of the following Items (3.2.1 or 3.2.2) to the proposal.

3.2.1 Notarized affidavit, board resolution or power of attorney (with seal):

3.2.1.1 giving documentation from the Louisiana Insurance Department reflecting proof of ownership of the agency.

3.2.1.2 giving the designated authorized representative of the insurance company authority to tender a premium quotation on behalf of the insurance company.

3.2.1.3 giving the designated authorized representative of the insurance agency authority to tender a premium quotation on behalf of the insurance company.

3.2.2 Bid bond in an amount equal to at least 10% of the Net Annual Installment Premium reflected on EXHIBIT I of these specifications or $10,000, whichever is more. Bid bonds for 10% of Net Annual Premium can be rounded to nearest dollar.

3.3 The bidder/contractor must submit with its response to this IFB, a certificate of insurance showing proof of errors and omissions coverage on the agent and/or broker with limits of liability of at least $1,000,000. This errors and omissions coverage must be maintained throughout the period of this contract.
3.4 The bidder/contractor must submit a narrative description of the claims service it proposes to provide. The narrative should include, but not necessarily limited to, a description of the claim handling procedures (routine processing) commencing with the date of loss, reaction time on claims and length of time before a claims payment will be made. The bidder/contractor shall be held contractually responsible for information provided in EXHIBIT IV.

4. **Insurance Required**

4.1 The contractor shall provide coverage subject to the following:

4.1.1 $500,000 Crime Coverage with $250 deductible per occurrence.

4.1.2 Specific coverage requested:
   - A. Premises coverage (loss inside)
   - B. Transit coverage (loss outside)
   - C. Depositors Forgery coverage
   - D. Money Orders and Counterfeit Paper coverage
   - E. Employee Theft coverage

   Aggregate for all parts: NONE

4.1.3 ORM requires that the policy of insurance shall provide coverage equal to or exceeding the coverage provided in the policy forms reflected in Schedule B of these specifications.

4.1.4 The policy of insurance shall also include the General and Special Required Endorsements reflected in PART II of these specifications.

5. **Underwriting Information**

5.1 Named Insured: “State of Louisiana, Louisiana Stadium and Exposition District, and SMG/Facility Management of Louisiana, Inc., A/T/I/M/A.

5.2 Location of Premises: 1500 Poydras Street, New Orleans, Louisiana

   Occupied by: Owner (State of Louisiana, Louisiana Stadium and Exposition District) and SMG/Facility Management of Louisiana, Inc. which has been contracted by the State to manage both the Louisiana Superdome and the New Orleans Sports Arena.
SUPERDOME INFORMATION

5.3 Crime Coverage

5.3.1 Security and Safe Information

A. 24-hour guard protection from SMG/FML security personnel. No electronic burglar system.

B. Location, Type and Class of Safe

1. One (1) Box Office
   a. Mosler Walk-in bank type vault with concrete walls and 8-inch thick door with combination lock (Underwriters PB280 Class 1).
      Within this vault:
      i. Two (2) Amsec fireguard combination safes stacked one on top of the other and welded into place (Class C). $15,000 is in the safe at all times. Depending on the event, $100,000 to $400,000 is in the safe on occasion and taken from premises to bank by vaulting and cash service.
      ii. Mosler combination and lock drop box cemented in place (Class 2).

2. Parking Garage Office
   a. Bernardini combination safe (Class C). Limit of $4,000 in safe.
   b. International Combination Safe

3. Accounting Office
   Two (2) Schwab combination lock file cabinet safes (Class D) storing critical records and a $500 petty cash fund.

5.3.2 Classification of Employees

A. Permanent Employee Breakdown:

1. Management and/or Supervisors Personnel having access to funds ................................................. 6

2. Clerical - Access to handling of cash ............................................................. 6

3. Janitors ........................................................................................................ 20

4. All Others (typists, stenos, phone operators, etc.) ................................ 156

Total Permanent Employees .................................................................... 188

D. Security Personnel Employed:

1. Full Time ............................................................................................. 37

2. Part Time (Special Events) .............................................................. 476

3. Do Security Guards Carry Guns?
   Full Time 37
   Part Time 91
   Security guards cannot make arrests on premises.

E. Medical Staff Employed at First-Aid Stations (Part Time Only)

  Doctors 1
  Nurses 2
  EMTs 4
5.3.3. Total Gross Receipts (2001-2002):

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rental Income</td>
<td>$1,729,200</td>
</tr>
<tr>
<td>Food &amp; Beverage</td>
<td>$6,348,000 (Approximately 47% of this is liquor sales)</td>
</tr>
<tr>
<td>Parking</td>
<td>$1,200,000</td>
</tr>
<tr>
<td>Luxury Seating</td>
<td>$3,239,400</td>
</tr>
<tr>
<td>Land Lease</td>
<td>$234,200</td>
</tr>
<tr>
<td>Rights Fees</td>
<td>$582,600</td>
</tr>
<tr>
<td>Tours</td>
<td>$0</td>
</tr>
<tr>
<td>Tenant Rent</td>
<td>$522,000</td>
</tr>
<tr>
<td>Other</td>
<td>$3,910,200</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$17,765,600</strong></td>
</tr>
</tbody>
</table>

Superdome Total Gross Receipts:

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1997-98</td>
<td>$14,100,000</td>
</tr>
<tr>
<td>1998-99</td>
<td>$15,332,000</td>
</tr>
<tr>
<td>1999-2000</td>
<td>$16,042,500</td>
</tr>
<tr>
<td>2000-2001</td>
<td>$16,554,900</td>
</tr>
<tr>
<td>2001-2002</td>
<td>$17,765,600</td>
</tr>
</tbody>
</table>

2. A copy of the latest audited financial statements for Louisiana Stadium and Exposition District is available to any interested bidders/contractors upon written request.

**NEW ORLEANS ARENA INFORMATION**

5.4 Miscellaneous Information

A. Seating Capacity - 18,500
   Escalators - 7
   Elevators - 5
   Freight Elevator - 2

B. There are nine (9) Box Offices at the Arena. Tickets are sold on both event and non-event days. Cash is transported to the Superdome for pickup. The Accounting Office is maintained at the Superdome.

C. Patrons park in the Superdome garage. The Arena is closed to the public on non-event days, except to buy tickets, and Superdome security patrol the area.

D. Classification of Employees:
   A) Management/Supervisors - Personnel having access to funds .............2
   B) Personnel denied access to funds......................................................2
   C) Security personnel assigned...............................................................4
   
   There are approximately fifteen (15) full-time employees assigned to the Arena. Salaries, excluding clerical, are estimated to be $500,000. Approximately $400,000 of the Superdome salaries has been allocated to the Arena for those employees who are devoting a portion of their time there. The estimated clerical salaries at the Arena are approximately $1,500,000.

E. The arena is run in direct conjunction with the Superdome. See 5.5.1 Crime Coverage for safe information.

F. Arena Total Gross Receipts:

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1999-2000</td>
<td>$5,074,300</td>
</tr>
<tr>
<td>2000-2001</td>
<td>$5,440,800</td>
</tr>
<tr>
<td>2001-2002</td>
<td>$4,595,300</td>
</tr>
</tbody>
</table>
The bidder/contractor proposes to furnish a policy providing Crime Insurance Coverage for the premium stated below for the State of Louisiana, Louisiana Stadium and Exposition District, and SMG/Facility Management of Louisiana, Inc., A/T/I/M/A effective for the period of 12:01 A.M. July 01, 2003 to 12:01 A.M. July 01, 2004 with two (2) one-year options to continue at the same rates.

Total Annual Installment Premium¹
(including any policy tax, surplus tax, policy fees, etc.)

$ ________________

Less Commission Return²
(Per Louisiana R.S. 39:1632)

- $ ________________

(_____)% 

Net Annual Installment Premium

$ ________________

¹In the event the percentages of policy tax, or surplus lines tax or other taxes increase due to changed legislation, the bidder(s)/contractor(s) shall absorb the increases as the State cannot pay more than the amounts quoted on the successful bid except in the instances of increased coverage.

²For explanation refer to PART II - Technical Specifications, Subsection 1, General Specifications, Paragraph 1.10 and PART IV - General Bid Information, Subsection 2, Pricing Information, Paragraph 2.4. Bidder/Contractor must reflect percentage of total premium which will be returned to the State.
EXHIBIT II

COMPANY SIGNATURE PAGE

INSURANCE COMPANY OR COMPANIES TO BE USED AND PERCENTAGE OR LAYER OF COVERAGE TO BE PROVIDED BY EACH: (If additional space is required supplemental pages that are identified should be attached for insurance company name and signature)

NOTE: See signature requirements per PART I, Item 6 and PART IV, Item 1.10.

Insurance Company Name: _____________________________________________

Signature Of Designated Authorized Representative Of The Insurance Company: __________________________________________

Percentage Or Layer Of Coverage To Be Provided:

________________________________________________________________________

________________________________________________________________________

________________________________________________________________________

NOTE: Bidder/Contractor Must Answer the Following Questions:

1) Is insurance company an assessable mutual company?  
   YES □ NO □

2) Is insurance company licensed to do business in Louisiana?  
   YES □ NO □

______________________________

3See PART II, Item 1.1.2 of these specifications
Bidders/Contractors **shall** respond to the following:

Provide a narrative description of the claims handling procedures (routine processing) to be used in servicing the account for the crime coverage for the State of Louisiana, Louisiana Stadium and Exposition District, and SMG/Facility Management of Louisiana, Inc., A/T/I/M/A. The description should include, but not be limited to, the routine processing of claims, the reaction time to a new loss, and the length of time before a claim's payment will be made. (If additional space is required, supplemental pages that are identified should be attached for the bidder's/contractor's complete response.)
EXHIBIT IV

COVERAGE AND/OR OTHER SERVICES DEVIATIONS

Bidder/Contractor shall indicate below any change or restriction in conditions, warranties, or exclusions from the crime coverage and/or other services required by these specifications. Submission of sample policy and/or service narrative shall not be considered as compliance with above stipulations. Non-disclosure of changes/restrictions shall be interpreted to mean policy and/or other services to be provided will be in compliance with coverage and/or other services requested in these specifications.
### EXHIBIT V

**BIDDER'S CHECK LIST**

<table>
<thead>
<tr>
<th>YES</th>
<th>NO</th>
</tr>
</thead>
<tbody>
<tr>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>☐</td>
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<tr>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>☐</td>
<td>☐</td>
</tr>
</tbody>
</table>

**NOTE:** ITEMS 7A, 7B, AND 7C; OR 8A, 8B, AND 8C; OR 9 IS REQUIRED.

| ☐ | ☐ | 7A. Board resolution/power of attorney (per page 14, item 3.1.1.1) is attached. |
| ☐ | ☐ | 7B. Board resolution/power of attorney (per page 14, item 3.1.1.2) is attached. |
| ☐ | ☐ | 7C. Board resolution/power of attorney (per page 14, item 3.1.1.3) is attached. |
| ☐ | ☐ | 8A. Notarized affidavit, board resolution/power of attorney (per page 14, item 3.2.1.1) is attached. |
| ☐ | ☐ | 8B. Notarized affidavit, board resolution/power of attorney (per page 14, item 3.2.1.2) is attached. |
| ☐ | ☐ | 8C. Notarized affidavit, board resolution/power of attorney (per page 14, item 3.2.1.3) is attached. |
| ☐ | ☐ | 9. Bid Bond (per page 14, item 3.1.2 or 3.2.2) is attached. |
| ☐ | ☐ | 10. Claims narrative submitted (per page 15, item 3.4 and page 20, EXHIBIT IV). |
| ☐ | ☐ | 11. Were any coverage and/or other services deviations submitted on page 21, EXHIBIT V (per page 13, item 1.3)? |
| ☐ | ☐ | 12. Does insurance company have current Best Rating of "A++", "A+", "A" or "A-", Class VIII or higher (Per page 9, item 1.1.2)? |
| ☐ | ☐ | 14. Errors and Omissions Certificate (per page 14, item 3.3) is attached. |
| ☐ | ☐ | 15. Were premium quotations indicated on EXHIBIT I, page 18 (per page 13, items 2.1 and 2.2)? |
| ☐ | ☐ | 16. Was commission return percentage factor reflected on EXHIBIT I, page 18 (per page 14, item 2.4)? |
| ☐ | ☐ | 17. Are responses to questions on EXHIBIT III, page 19 in compliance with requirements in Item 1.1.2 on page 9? |
SCHEDULE A

UNDERWRITING INFORMATION

This schedule contains earned premium and loss experience information for the past five (5) years as well as a schedule reflecting limits of insurance required.
## I. EARNED PREMIUM AND LOSS EXPERIENCE INFORMATION

<table>
<thead>
<tr>
<th>POLICY YEAR</th>
<th>TOTAL NUMBER OF CLAIMS INCURRED</th>
<th>TOTAL NUMBER OF CLAIMS CLOSED</th>
<th>TOTAL PAID</th>
<th>TOTAL INCURRED</th>
<th>PREMIUM PAID</th>
</tr>
</thead>
<tbody>
<tr>
<td>07-01-97/98</td>
<td>0</td>
<td>0</td>
<td>$0</td>
<td>$0</td>
<td>$18,000</td>
</tr>
<tr>
<td>07-01-98/99</td>
<td>0</td>
<td>0</td>
<td>$0</td>
<td>$0</td>
<td>$18,000</td>
</tr>
<tr>
<td>07-01-99/00</td>
<td>1</td>
<td>1</td>
<td>$20,298</td>
<td>$20,298</td>
<td>$14,044</td>
</tr>
<tr>
<td>07-01-00/01</td>
<td>0</td>
<td>0</td>
<td>$0</td>
<td>$0</td>
<td>$17,877</td>
</tr>
<tr>
<td>07-01-01/02</td>
<td>0</td>
<td>0</td>
<td>$0</td>
<td>$0</td>
<td>$17,877</td>
</tr>
<tr>
<td>07-01-02/03</td>
<td>0</td>
<td>0</td>
<td>$0</td>
<td>$0</td>
<td>$17,877</td>
</tr>
</tbody>
</table>

1As of January 28, 2003

## II. INDIVIDUAL CLAIM INFORMATION

<table>
<thead>
<tr>
<th>Date of Loss</th>
<th>Description of Claim</th>
<th>Status</th>
<th>Total Incurred</th>
</tr>
</thead>
<tbody>
<tr>
<td>2/15/2000</td>
<td>Parking manager manipulated accounting reports to cover theft of funds. Discrepancies in receipts discovered after new policies and procedures were implemented.</td>
<td>Closed</td>
<td>$20,298</td>
</tr>
</tbody>
</table>

## III. PAST INSURERS AND PREMIUM

<table>
<thead>
<tr>
<th>Period</th>
<th>Company/Agent</th>
<th>Coverage</th>
<th>Premium</th>
</tr>
</thead>
<tbody>
<tr>
<td>07-01-97/98</td>
<td>Great American Insurance Co./Eustis Insurance, Inc.</td>
<td>$400,000 Primary Crime (Incl. Bond)</td>
<td>18,000</td>
</tr>
<tr>
<td>07-01-98/99</td>
<td>Great American Insurance Co./Eustis Insurance, Inc.</td>
<td>$400,000 Primary Crime (Incl. Bond)</td>
<td>18,000</td>
</tr>
<tr>
<td>07-01-99/2000</td>
<td>Great American Insurance Co./Eustis Insurance, Inc.</td>
<td>$500,000 Primary Crime (Incl. Bond)</td>
<td>14,044</td>
</tr>
<tr>
<td>07-01-2000/2001</td>
<td>Fidelity &amp; Deposit Company of Maryland/Eustis Insurance, Inc.</td>
<td>$500,000 Primary Crime (Incl. Bond)</td>
<td>17,877</td>
</tr>
<tr>
<td>07-01-2001/2002</td>
<td>Fidelity &amp; Deposit Company of Maryland/Eustis Insurance, Inc.</td>
<td>$500,000 Primary Crime (Incl. Bond)</td>
<td>17,877</td>
</tr>
<tr>
<td>07-01-2002/2003</td>
<td>Fidelity &amp; Deposit Company of Maryland/Eustis Insurance, Inc.</td>
<td>$500,000 Primary Crime (Incl. Bond)</td>
<td>17,877</td>
</tr>
</tbody>
</table>
IV. POLICIES AND PROCEDURES FOR PARKING DEPOSITS

1. Money from the previous event day is retrieved out of the larger safe located in the Box Office. The safe is opened by either a manager or assistant manager.

2. Each cashier responsible for any cash will have an envelope with the cash collected and an Event Record Report (Form 1).

3. The Event Record Report will show how many tickets were sold and how much cash was collected. Cash taken out of the envelope will then be recounted and verified with the Event Record Report that is also in the envelope.

4. The steps of recounting cash collected will be repeated until all envelopes are emptied. All cash counted should equal the total tickets and total revenue that is listed on the Revenue Sheet (Form 2).

5. Any miscellaneous money collected for VIP parking or pre-sold passes, etc. is then counted and added to the Event revenue. This money is listed and recorded in a Miscellaneous column on the worksheet (Back of Form 2).

6. All money counted and collected should now be listed on the worksheet either in the Event column or the Miscellaneous column. These amounts can now be totaled up.

7. Cash is counted and banded up in money bands with the amount written on top. There should be no more than “50” bills to a money band.

8. Checks are then recorded on the bank deposit slip (Form 3) and endorsed on the back with a "Deposit Only" stamp. 2 photocopies are also made of all checks that are being deposited: 1 for Accounting Dept. and 1 for Parking.

9. The rest of the deposit slip is filled in with the currency amount, coin amount and grand total. Grand total on the deposit slip should equal the grand total on the worksheet.

10. Use the calculator to print up 2 receipts of all the cash and checks that are being deposited. When printing up receipts, list all stacks of money separately and note on the receipt what is the coin, ones, fives, etc.

11. Deposit slips come in 4-part so that 2 can be sent with the deposit to the bank, 1 stays with the Parking paperwork, and 1 goes with the Accounting paperwork. With the 2 receipts that were printed, 1 goes with the bank deposit slips and 1 goes with the Parking deposit slip.

12. To make the actual deposit, take the bank deposit slips and place all checks on top, then cash and coins. One rubber band is placed at each end to hold everything securely.

13. The "stack" is then placed in a money bag with a tag labeling: To Hibernia National Bank, From: Superdome Parking Office, the date that the money is being deposited, and the amount of money in the bag. This is secured with a crimp tie and sealed with a crimper.

14. The Event Parking Report (Form 4) can now be completed. Two copies are made: 1-Accounting Dept., 2-Parking Office. The form is retrieved on computer disk, completed, saved, and then printed out on Yellow paper-for Superdome and Green paper-for N.O. Arena. All columns are filled out appropriately with everything that is listed on the worksheet. All money accounted for should be credited to the appropriate column noting any overages & shortages. The deposit 2 listed at the bottom is the date the money was actually collected on.

15. Once completed, a copy of the deposit slip is attached to the Bank Deposit Report along with copies of the checks, copies of all Event Record Reports (2 part forms), and any original petty cash refund slips. Also included, is a copy of the Revenue Sheet. This stack of work goes to the Accounting Dept. The same packet of work, but with copies of all the information listed, stays in Parking.

16. Three copies of the Delivery Transport Receipt are made and signed by the appropriate people. Security is called to pick up the money from Parking to bring it to the Box Office where an armored car delivery service transports it to the bank.
SCHEDULE B

POLICY FORMS AND ENDORSEMENTS

This schedule contains policy forms and endorsements which reflect the minimum coverage which will be accepted for award of this IFB.

In the event of any discrepancies between the insurance requirements delineated in these specifications and the model policy(ies) included herein, the bid specifications **shall** govern.

This schedule is for informational purposes only and not to be used in awarding the contract.
CRIME POLICY DECLARATIONS

This policy consists of this Declarations Form, the Common Policy Conditions, the Crime General Provisions Form and the Coverage Forms indicated as applicable.

Policy No.  CCP 004 76 60

Named Insured and Mailing Address (No., Street, Town or City, County, State, Zip Code)
SMG/Facility Management of LA, Inc.
Louisiana Superdome
New Orleans, Louisiana  70112

Policy Period: From July 1, 2000 to effective date of cancellation at 12:01 A.M. Standard Time at your mailing address shown above.

IN RETURN FOR THE PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL THE TERMS OF THIS POLICY, WE AGREE WITH YOU TO PROVIDE THE INSURANCE AS STATED IN THIS POLICY.

<table>
<thead>
<tr>
<th>Coverage Forms Forming a Part of this Policy</th>
<th>Limit of Insurance</th>
<th>Deductible Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>FORM A - Employee Dishonesty Coverage Form</td>
<td>$ 500,000.00</td>
<td>$ 250.00</td>
</tr>
<tr>
<td>FORM B - Forgery or Alteration Coverage Form</td>
<td>$ 500,000.00</td>
<td>$ 250.00</td>
</tr>
<tr>
<td>FORM C - Theft, Disappearance, and Destruction Coverage Form</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Section 1. - Inside the Premises</td>
<td>$ 500,000.00</td>
<td>$ 250.00</td>
</tr>
<tr>
<td>Section 2. - Outside the Premises</td>
<td>$ 500,000.00</td>
<td>$ 250.00</td>
</tr>
<tr>
<td>FORM D - Robbery and Safe Burglary Coverage Form</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Section 1. - Inside the Premises</td>
<td>$ NIL</td>
<td>$ NIL</td>
</tr>
<tr>
<td>Section 2. - Outside the Premises</td>
<td>$ NIL</td>
<td>$ NIL</td>
</tr>
<tr>
<td>Additional Coverage Forms</td>
<td></td>
<td></td>
</tr>
<tr>
<td>FORM R - Money Orders and Counterfeit Paper Currency Coverage Form</td>
<td></td>
<td></td>
</tr>
<tr>
<td>$ 500,000.00</td>
<td>$ 250.00</td>
<td></td>
</tr>
<tr>
<td>$ NIL</td>
<td>$ NIL</td>
<td></td>
</tr>
<tr>
<td>$ NIL</td>
<td>$ NIL</td>
<td></td>
</tr>
<tr>
<td>ENDORSEMENTS FORMING PART OF THIS POLICY WHEN ISSUED: CR 10 00 06 05 CR 00 01 10 00 CR 00 03 01 86 CR 00 04 10 00 CR 00 19 06 05 IL 02 77 02 94</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

CANCELLATION OF PRIOR INSURANCE: By acceptance of this Policy you give us notice cancelling prior policy or bond Nos. ____________ the cancellation to be effective at the time this Policy becomes effective.

COUNTERSIGNED:  7/31/00  By:  

Authorized Representative

COMMON POLICY CONDITIONS

All Coverage Parts included in this policy are subject to the following conditions.

A. CANCELLATION
1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel the policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
   a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium;
   or
   b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is canceled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

B. CHANGES
This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

C. EXAMINATION OF YOUR BOOKS AND RECORDS
We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

D. INSPECTIONS AND SURVEYS
We have the right but are not obligated to:
1. Make inspections and surveys at any time;
2. Give you reports on the conditions we find; and
3. Recommend changes.
Any inspections, surveys, reports or recommendations relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
1. Are safe or healthful; or
2. Comply with laws, regulations, codes or standards.

This condition applies not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

E. PREMIUMS
The first Named Insured shown in the Declarations:
1. Is responsible for the payment of all premiums; and
2. Will be the payee for any return premiums we pay.

F. TRANSFER OF YOUR RIGHTS AND DUTIES UNDER THIS POLICY
Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties by your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

IN WITNESS WHEREOF the Company has caused this policy to be signed by its president and secretary but this policy shall not be valid unless completed by the attachment hereto of a declarations page countersigned by a duly authorized representative of the Company.

ATTEST:

President
Secretary

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Page 2 of 2
CRIME GENERAL PROVISIONS

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is or is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the Company providing this insurance.

Words and phrases in quotation marks are defined in the policy.

Unless stated otherwise in any Crime Coverage Form, Declarations or endorsement, the following General Exclusions, General Conditions and General Definitions apply to all Crime Coverage Forms forming part of this policy.

A. GENERAL EXCLUSIONS

We will not pay for loss as specified below:

1. Acts Committed by You or Your Partners: Loss resulting from any dishonest or criminal act committed by you or any of your partners whether acting alone or in collusion with other persons.

2. Governmental Action: Loss resulting from seizure or destruction of property by order of governmental authority.

3. Indirect Loss: Loss that is an indirect result of any act or "occurrence" covered by this insurance including, but not limited to, loss resulting from:

   a. Your inability to realize income that you would have realized had there been no loss of, or loss from damage to, Covered Property.

   b. Payment of damages of any type for which you are legally liable. But, we will pay compensatory damages arising directly from a loss covered under this insurance.

   c. Payment of costs, fees or other expenses you incur in establishing either the existence or the amount of loss under this insurance.


5. Nuclear: Loss resulting from nuclear reaction, nuclear radiation or radioactive contamination, or any related act or incident.

6. War and Similar Actions: Loss resulting from war, whether or not declared, warlike action, insurrection, rebellion or revolution, or any related act or incident.

B. GENERAL CONDITIONS

1. Concealment, Misrepresentation or Fraud: This insurance is void in any case of fraud by you or as it relates to this insurance at any time. It is also void if you or any other insured, at any time, intentionally conceal or misrepresent a material fact concerning:

   a. This insurance;

   b. The Covered Property;

   c. Your interest in the Covered Property; or

   d. A claim under this insurance.

2. Consolidation - Merger: If through consolidation or merger with, or purchase of assets of, some other entity:

   a. Any additional persons become "employees";

   b. You acquire the use and control of any additional "premises".

   any insurance afforded for "employees" or "premises" also applies to those additional "employees" and "premises", but only if you:

   a. Give us written notice within 30 days thereafter; and

   b. Pay us an additional premium.

3. Coverage Extensions: Unless stated otherwise in the Coverage Form, our liability under any Coverage Extension is part of, not in addition to, the Limit of Insurance applying to the Coverage or Coverage Section.

4. Discovery Period for Loss: We will pay only for covered loss discovered no later than one year from the end of the policy period.

5. Duties in the Event of Loss: After you discover a loss or a situation that may result in loss of, or loss from damage to, Covered Property you must:

   a. Notify us as soon as possible.

   b. Submit to examination under oath at our request and give us a signed statement of your answers.

   c. Give us a detailed, sworn proof of loss within 120 days.
d. Cooperate with us in the investigation and settlement of any claim.

6. Joint Insured

a. If more than one Insured is named in the Declarations, the first named Insured will act for itself and for every other Insured for all purposes of this insurance. If the first named Insured ceases to be covered, then the next named Insured will become the first named Insured.

b. If any Insured or partner or officer of that Insured has knowledge of any information relevant to this insurance, that knowledge is considered knowledge of every Insured.

c. An "employee" of any Insured is considered to be an "employee" of every Insured.

d. If this insurance or any of its coverages is canceled or terminated as to any Insured, loss sustained by that Insured is covered only if discovered no later than one year from the date of that cancellation or termination.

e. We will not pay more for loss sustained by more than one Insured than the amount we would pay if all the loss had been sustained by one Insured.

7. Legal Action Against Us: You may not bring any legal action against us involving loss:

a. Unless you have complied with all the terms of this insurance; and

b. Until 90 days after you have filed proof of loss with us; and

c. Unless brought within 2 years from the date you discover the loss.

8. Liberalization: If we adopt any revision that would broaden the coverage under this insurance without additional premium within 45 days prior to or during the policy period, the broadened coverage will immediately apply to this insurance.

9. Loss Covered Under More Than One Coverage of This Insurance: If two or more coverages of this insurance apply to the same loss, we will pay the lesser of:

a. The actual amount of loss; or

b. The sum of the limits of insurance applicable to those coverages.

10. Loss Sustained During Prior Insurance

a. If you, or any predecessor in interest, sustained loss during the period of any prior insurance that you or the predecessor in interest could have recovered under that insurance except that the time within which to discover loss has expired, we will pay for it under this insurance, provided:

(1) This insurance became effective at the time of cancellation or termination of the prior insurance; and

(2) The loss would have been covered by this insurance had it been in effect when the acts or events causing the loss were committed or occurred.

b. The insurance under this Condition is part of, not in addition to, the Limits of Insurance applying to this insurance and is limited to the lesser of the amount recoverable under:

(1) This insurance as of its effective date; or

(2) The prior insurance had it remained in effect.

11. Loss Covered Under This Insurance and Prior Insurance Issued by Us or Any Affiliate: If any loss is covered:

a. Partly by this insurance; and

b. Partly by any prior canceled or terminated insurance that we or any affiliate had issued to you or any predecessor in interest;

the most we will pay is the larger of the amount recoverable under this insurance or the prior insurance.

12. Non-Cumulation of Limit of Insurance: Regardless of the number of years this insurance remains in force or the number of premiums paid, no Limit of Insurance cumulates from year to year or period to period.

13. Other Insurance: This insurance does not apply to loss recoverable or recovered under other insurance or indemnity. However, if the limit of the other insurance or indemnity is insufficient to cover the entire amount of the loss, this insurance will apply to that part of the loss, other than that falling within any deductible amount, not recoverable or recovered under the other insurance or indemnity. However, this insurance will not apply to the amount of loss that is more than the applicable Limit of Insurance shown in the Declarations.
14. Ownership of Property; Interests Covered. The property covered under this insurance is limited to property:
   a. That you own or hold; or
   b. For which you are legally liable.

   However, this insurance is for your benefit only. It provides no rights or benefits to any other person or organization.

15. Policy Period
   a. The Policy Period is shown in the Declarations.
   b. Subject to the Loss Sustained During Prior Insurance condition, we will pay only for loss that you sustain through acts committed or events occurring during the Policy Period.

16. Records: You must keep records of all Covered Property so we can verify the amount of any loss.

17. Recoveries
   a. Any recoveries, less the cost of obtaining them, made after settlement of loss covered by this insurance will be distributed as follows:
      (1) To you, until you are reimbursed for any loss that you sustain that exceeds the Limit of Insurance and the Deductible Amount, if any;
      (2) Then to us, until we are reimbursed for the settlement made;
      (3) Then to you, until you are reimbursed for that part of the loss equal to the Deductible Amount, if any.
   b. Recoveries do not include any recovery:
      (1) From insurance, suretyship, reinsurance, security or indemnity taken for our benefit; or
      (2) Of original "securities" after duplicates of them have been issued.

18. Territory: This insurance covers only acts committed or events occurring within the United States of America, U. S. Virgin Islands, Puerto Rico, Canal Zone, or Canada.

19. Transfer of Your Rights of Recovery Against Others to Us: You must transfer to us all your rights of recovery against any person or organization for any loss you sustained and for which we have paid or settled. You must also do everything necessary to secure those rights and do nothing after loss to impair them.

20. Valuation - Settlement
   a. Subject to the applicable Limit of Insurance provision we will pay for:
      (1) Loss of "money" but only up to and including its face value. We may, at our option, pay for loss of "money" issued by any country other than the United States of America:
         (a) At face value in the "money" issued by that country; or
         (b) In the United States of America dollar equivalent determined by the rate of exchange on the day the loss was discovered.
      (2) Loss of "securities" but only up to and including their value at the close of business on the day the loss was discovered. We may, at our option:
         (a) Pay the value of such "securities" or replace them in kind, in which event you must assign to us all your rights, title and interest in and to those "securities"; or
         (b) Pay the cost of any Lost Securities Bond required in connection with issuing duplicates of the "securities". However, we will be liable only for the payment of so much of the cost of the bond as would be charged for a bond having a penalty not exceeding the lesser of:
            (i) Value of the "securities" at the close of business on the day the loss was discovered; or
            (ii) Limit of Insurance.
      (3) Loss of, or loss from damage to, "property other than money and securities" or loss from damage to the "premises" for not more than this:
         (a) Actual cash value of the property on the day the loss was discovered;
         (b) Cost of repairing the property or "premises"; or
         (c) Cost of replacing the property with property of like kind and quality.
We may, at our option, pay the actual cash value of the property or repair or replace it.

If we cannot agree with you upon the actual cash value or the cost of repair or replacement, the value or cost will be determined by arbitration.

b. We may, at our option, pay for loss of, or loss from damage to, property other than "money":

(1) In the "money" of the country in which the loss occurred; or

(2) In the United States of America dollar equivalent of the "money" of the country in which the loss occurred determined by the rate of exchange on the day the loss was discovered.

c. Any property that we pay for or replace becomes our property.

C. GENERAL DEFINITIONS

1. "Employee" means:

a. Any natural person:

(1) While in your service (and for 30 days after termination of service); and

(2) Whom you compensate directly by salary, wages or commissions; and

(3) Whom you have the right to direct and control while performing services for you; or

b. Any natural person employed by an employment contractor while that person is subject to your direction and control and performing services for you excluding, however, any such person while having care and custody of property outside the "premises".

But "employee" does not mean any:

(1) Agent, broker, factor, commission merchant, consignee, independent contractor or representative of the same general character; or

(2) Director or trustee except while performing acts coming within the scope of the usual duties of an employee.

2. "Money" means:

a. Currency, coins and bank notes in current use and having a face value; and

b. Travelers checks, register checks and money orders held for sale to the public.

3. "Property Other Than Money and Securities" means any tangible property other than "money" and "securities" that has intrinsic value but does not include any property listed in any Crime Coverage Form as Property Not Covered.

4. "Securities" means negotiable and non-negotiable instruments or contracts representing either "money" or other property and includes:

a. Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and

b. Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you;

but does not include "money".
COMMERCIAL CRIME
COVERAGE FORM A—BLANKET

EMPLOYEE DISHONESTY COVERAGE FORM

L. COVERAGE

We will pay for loss of, and loss from damage to, Covered Property resulting directly from the Covered Cause of Loss.

1. Covered Property: "Money", "securities", and "property other than money and securities".

2. Covered Cause of Loss: "Employee dishonesty".

3. Coverage Extension

Employees Temporarily Outside Coverage Territory:

We will pay for loss caused by any "employee" while temporarily outside the territory specified in the Territory General Condition for a period not more than 90 days.

B. LIMIT OF INSURANCE

The most we will pay for loss in any one "occurrence" is the applicable Limit of Insurance shown in the DECLARATIONS.

C. DEDUCTIBLE

1. We will not pay for loss in any one "occurrence" unless the amount of loss exceeds the Deductible Amount shown in the DECLARATIONS. We will then pay the amount of loss in excess of the Deductible Amount, up to the Limit of Insurance.

2. You must:

a. Give us notice as soon as possible of any loss of the type insured under this Coverage Form even though it falls entirely within the Deductible Amount.

b. Upon our request, give us a statement describing the loss.

D. ADDITIONAL EXCLUSIONS, CONDITION AND DEFINITIONS:

In addition to the provisions in the Crime General Provisions, this Coverage Form is subject to the following:

1. Additional Exclusions: We will not pay for loss as specified below:

a. Employee Canceled Under Prior Insurance: loss caused by any "employee" of yours, or predecessor in interest of yours, for whom similar prior insurance has been canceled and not reinstated since the last such cancellation.

b. Inventory Shortages: loss, or that part of any loss, the proof of which as to its existence or amount is dependent upon:

(1) An inventory computation; or

(2) A profit and loss computation.

2. Additional Condition

Cancellation As To Any Employee: This insurance is canceled as to any "employee":

a. Immediately upon discovery by:

(1) You; or

(2) Any of your partners, officers or directors not in collusion with the "employee";

of any dishonest act committed by that "employee" whether before or after becoming employed by you.

b. On the date specified in a notice mailed to you. That date will be at least 30 days after the date of mailing.

The mailing of notice to you at the last mailing address known to us will be sufficient proof of notice. Delivery of notice is the same as mailing.

3. Additional Definitions

a. "Employee Dishonesty" in paragraph A.2. means only dishonest acts committed by an "employee", whether identified or not, acting alone or in collusion with other persons, except you or a partner, with the manifest intent to:

(1) Cause you to sustain loss; and also

(2) Obtain financial benefit (other than employee benefits earned in the normal course of employment, including: salaries, commissions, fees, bonuses, promotions, awards, profit sharing or pensions) for:

(a) The "employee"; or

(b) Any person or organization intended by the "employee" to receive that benefit.

b. "Occurrence" means all loss caused by, or involving, one or more "employees", whether the result of a single act or series of acts.
FORGERY OR ALTERATION COVERAGE FORM

A. COVERAGE

We will pay for loss involving Covered Instruments resulting directly from the Covered Causes of Loss.

1. Covered Instruments: Checks, drafts, promissory notes, or similar written promises, orders or directions to pay a sum certain in "money" that are:
   a. Made or drawn by or drawn upon you;
   b. Made or drawn by one acting as your agent;
   or that are purports to have been so made or drawn.

2. Covered Causes Of Loss: Forgery or alteration of, on or in any Covered Instrument.

3. Coverage Extension

Legal Expenses: If you are sued for refusing to pay any Covered Instrument on the basis that it has been forged or altered, and you have our written consent to defend against the suit, we will pay for any reasonable legal expenses that you incur and pay in that defense. The amount we will pay under this extension is in addition to the Limit of Insurance applicable to this insurance.

B. LIMIT OF INSURANCE

The most we will pay for loss in any one "occurrence" is the applicable Limit of Insurance shown in the Declarations.

C. DEDUCTIBLE

We will not pay for loss in any one "occurrence" unless the amount of loss exceeds the Deductible Amount shown in the Declarations. We will then pay the amount of loss in excess of the Deductible Amount, up to the Limit of Insurance. This provision does not apply to legal expenses paid under the Coverage Extension.

D. ADDITIONAL EXCLUSION, CONDITIONS AND DEFINITION

In addition to the provisions in the Crime General Provisions Form, this Coverage Form is also subject to the following:

1. Additional Exclusion

Acts of Employees, Directors, or Trustees: We will not pay for loss resulting from any dishonest or criminal act committed by any of your "employees", directors, or trustees.
   a. Whether acting alone or in collusion with other persons; or
   b. Whether while performing services for you or otherwise.

2. Additional Conditions

a. Facsimile Signatures: We will treat mechanically reproduced facsimile signatures the same as handwritten signatures.

b. General Amendment: As respects this Coverage Form, the words Covered Property in the Crime General Provisions Form mean Covered Instruments.

c. Proof of Loss: You must include with your proof of loss any instrument involved in that loss, or, if that is not possible, an affidavit setting forth the amount and cause of loss.

d. Territory: We will cover loss you sustain anywhere in the world.

The Territory General Condition does not apply to this Coverage Form.

3. Additional Definition

"Occurrence" means all loss caused by any person or in which that person is involved, whether the loss involves one or more instruments.
THEFT, DISAPPEARANCE AND DESTRUCTION COVERAGE FORM

A. COVERAGE - We will pay for loss of Covered Property resulting directly from the Covered Causes of Loss.

1. Section 1. - Inside The Premises

   a. Covered Property: "Money" and "securities" inside the "premises" or a "banking premises".

   b. Covered Causes of Loss

      (1) "Theft"

      (2) Disappearance

      (3) Destruction

   c. Coverage Extensions

      (1) Containers of Covered Property: We will pay for loss of, and loss from damage to, a locked safe, vault, cash register, cash box or cash drawer located in the "premises" resulting directly from an actual or attempted:

         (a) "Theft" of or

         (b) Unlawful entry into those containers.

      (2) Premises Damage: We will pay for loss from damage to the "premises" or its exterior resulting directly from an actual or attempted "theft" of Covered Property if you are the owner of the "premises" or are liable for damage to it.

2. Section 2. - Outside the Premises

   a. Covered Property: "Money" and "securities" outside the "premises" in the care and custody of a "messenger".

   b. Covered Causes of Loss

      (1) "Theft"

      (2) Disappearance

      (3) Destruction

   c. Coverage Extension

      Conveyance of Property By Armored Motor Vehicle Company: We will pay for loss of Covered Property resulting directly from the Covered Causes of Loss while outside the "premises" in the care and custody of an armored motor vehicle company.

      But, we will pay only for the amount of loss that you cannot recover.

      (1) Under your contract with the armored motor vehicle company; and

      (2) From any insurance or indemnity carried by, or for the benefit of customers of, the armored motor vehicle company.

B. LIMIT OF INSURANCE

The most we will pay for loss in any one "occurrence" is the applicable Limit of Insurance shown in the DECLARATIONS.

C. DEDUCTIBLE

We will not pay for loss in any one "occurrence" unless the amount of loss exceeds the Deductible Amount shown in the DECLARATIONS. We will then pay the amount of loss in excess of the Deductible Amount, up to the Limit of Insurance. In the event more than one Deductible Amount could apply to the loss, only the highest Deductible Amount may be applied.

D. ADDITIONAL EXCLUSIONS, CONDITION AND DEFINITIONS:

In addition to the provisions in the Crime General Provisions, this Coverage Form is subject to the following:

1. Additional Exclusions: We will not pay for loss as specified below:

   a. Accounting or Arithmetical Errors or Omissions: Loss resulting from accounting or arithmetical errors or omissions.

   b. Acts of Employees, Directors, Trustees or Representatives: Loss resulting from any dishonest or criminal act committed by any of your "employees," directors, trustees or authorized representatives:

      (1) Acting alone or in collusion with other persons; or

      (2) While performing services for you or otherwise.

   c. Exchanges or Purchases: Loss resulting from the giving or surrendering of property in any exchange or purchase.

   d. Fire: Loss from damage to the "premises" resulting from fire, however caused.

   e. Money Operated Devices: Loss of property contained in any money operated device unless the amount of "money" deposited in it is recorded by a continuous recording instrument in the device.

   f. Transfer or Surrender of Property:

      (1) Loss of property after it has been transferred or surrendered to a person or place outside the "premises" or "banking premises".
a. On the basis of unauthorized instructions; or

b. As a result of a threat to do:
   i. Bodily harm to any person; or
   ii. Damage to any property.

2. Additional Condition
Duties in the Event of Loss: If you have reason to believe that any loss of, or loss from damage to, Covered Property involves a violation of law, you must notify the police.

3. Additional Definitions
a. "Banking Premises" means the interior of that portion of any building occupied by a banking institution or similar safe depository.

b. "Messenger" means you, any of your partners or any "employee" while having care and custody of the property outside the "premises".

c. "Occurrence" means an:
   (1) Act or series of related acts involving one or more persons; or
   (2) Act or event, or a series of related acts or events not involving any person.

d. "Premises" means the interior of that portion of any building you occupy in conducting your business.

e. "Theft" means any act of stealing.
MONEY ORDERS AND COUNTERFEIT PAPER CURRENCY COVERAGE FORM

COVERAGE FORM R

A. COVERAGE

We will pay for loss due to the acquisition of Covered Property resulting directly from the Covered Cause of Loss.

1. Covered Property
   a. Money orders, including counterfeit money orders, of any United States or Canadian post office, express company or national or state (or Canadian) chartered bank; and
   b. Counterfeit United States or Canadian paper currency.

2. Covered Cause Of Loss
   Acceptance in good faith, in exchange for merchandise, money or services, of:
   a. Any money order that is not paid upon presentation; and
   b. Counterfeit United States or Canadian Paper currency,

   that is acquired during the regular course of business.

B. LIMIT OF INSURANCE

The most we will pay for loss in any one "occurrence" is the applicable Limit of Insurance shown in the Declarations.

C. DEDUCTIBLE

We will not pay for loss in any one "occurrence" unless the amount of loss exceeds the Deductible Amount shown in the Declarations. We will then pay the amount of loss in excess of the Deductible Amount, up to the Limit of Insurance.

D. ADDITIONAL EXCLUSIONS, CONDITION AND DEFINITION

In addition to the provisions in the Crime General Provisions, this Coverage Form is subject to the following:

1. Additional Exclusions:

   We will not pay for loss as specified below:

   a. Acts Of Employees, Directors, Trustees Or Representatives

   Loss resulting from any dishonest or criminal act committed by any of your "employees", directors, trustees or authorized representatives:

   (1) Acting alone or in collusion with other persons; or
   (2) While performing services for you or otherwise.

   b. Exchanges Or Purchases

   Loss resulting from the giving or surrendering of property in any exchange or purchase.

   c. Voluntary Parting Of Title Or Possession Of Property

   Loss resulting from your, or anyone acting on your express or implied authority, being induced by any dishonest act to voluntarily part with title to or possession of any property.

2. Additional Condition

   Duties In The Event Of Loss: If you have reason to believe that any loss of, or loss from damage to, Covered Property involves a violation of law, you must notify the police.

3. Additional Definition

   "Occurrence" means an:

   a. Act or series of related acts involving one or more persons; or
   b. Act or event, or series of related acts or events not involving any person.
THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LOUISIANA CHANGES - CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

BOILER AND MACHINERY COVERAGE PART
BUSINESSOWNERS POLICY
COMMERCIAL AUTO COVERAGE PART
COMMERCIAL CRIME COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
FARM COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

* This endorsement does not apply to coverage provided for employee dishonesty (Coverage Form A) or public employee dishonesty (Coverage Forms O and P).

A. Paragraphs 2. and 5. of the CANCELLATION Common Policy Condition are replaced by the following:

2. NOTICE OF CANCELLATION

a. CANCELLATION OF POLICIES IN EFFECT FOR FEWER THAN 60 DAYS AND NOT RENEWALS

If this policy has been in effect for fewer than 60 days and is not a renewal of a policy we issued, we may cancel this policy for any reason, subject to the following:

(1) Cancellation for nonpayment of premium

We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least 10 days before the effective date of cancellation.

(2) Cancellation for any other reason

We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least 60 days before the effective date of cancellation.

b. CANCELLATION OF RENEWAL POLICIES AND NEW POLICIES IN EFFECT FOR 60 DAYS OR MORE

If this policy has been in effect for 60 days or more, or is a renewal of a policy we issued, we may cancel only for one or more of the following reasons:

(1) Nonpayment of premium;

(2) Fraud or material misrepresentation made by you or with your knowledge in obtaining the policy, continuing the policy, or in presenting a claim under the policy;

(3) Activities or omissions by you which change or increase any hazard insured against;

(4) Change in the risk which increases the risk of loss or renewed this policy including an increase in exposure due to regulation, legislation, or court decision;

(5) Determination by the Commissioner of Insurance that the continuation of this policy would jeopardize our solvency or would place us in violation of the insurance laws of this or any other state;

(6) The insured's violation or breach of any policy terms or conditions; or

(7) Any other reasons that are approved by the Commissioner of Insurance.

We will mail or deliver written notice of cancellation under this item 2.b., to the first, Named Insured at least:

(a) 10 days before the effective date of cancellation if we cancel for non-payment of premium; or

(b) 20 days before the effective date of cancellation if we cancel for a reason described in 2.b.(2) through (7) above.
5. PREMIUM REFUND

If this policy is cancelled, we will send the first Named Insured any premium refund due, subject to paragraphs 5.a. and 5.b. The cancellation will be effective even if we have not made or offered a refund.

a. If we cancel, the refund will be pro rata.

b. If the first Named Insured cancels, the refund may be less than pro rata, and will be sent to the first Named Insured within 30 days after the effective date of cancellation.

B. Paragraph f. of the MORTGAGE HOLDERS Condition in the Businessowners Policy and Commercial Property Coverage Part and paragraph 4(f) of the Mortgage Holders Condition in the Farm Coverage Part is replaced by the following:

If we cancel this policy, we will give written notice to the mortgage holder at least:

(1) 10 days before the effective date of cancellation, if we cancel for nonpayment of premium; or

(2) 20 days before the effective date of cancellation, if we cancel for any other reason.

C. The following is added and supersedes any other provision to the contrary:

NONRENEWAL

1. If we decide not to renew this policy, we will mail or deliver written notice of nonrenewal to the first Named Insured, at least 60 days before its expiration date, or its anniversary date if it is a policy written for a term of more than one year or with no fixed expiration date.

2. We need not mail or deliver this notice if:

a. We or another company within our insurance group have offered to issue a renewal policy; or

b. You have obtained replacement coverage or have agreed in writing to obtain replacement coverage.

3. Any notice of nonrenewal will be mailed or delivered to the first Named Insured at the last mailing address known to us. If notice is mailed, proof of mailing will be sufficient proof of notice.
**COMMERCIAL CRIME**

**NAMED INSURED:** SMG/Facility Management of LA, Inc.

**POLICY NUMBER:** CCP 004 78 60

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**POLICY CHANGE**

*(LOSS SUSTAINED FORM)*

Policy Change No. 1
Date of Issue: 10/19/00
Effective Date of Change: 12:01 A.M. 07/01/00

**A. SCHEDULE**

1. The Named Insured is changed to: Louisiana Stadium & Exposition District, SMG/Facility Management of Louisiana, Inc.; ATIMA

2. The following Insured(s) is added as a Named Insured:

3. The following Insured(s) is deleted as a Named Insured:

4. The Mailing Address is changed to: C/O Office of Risk Management, P.O. Box 94095 Baton Rouge, LA 90804-9095

5. The Policy Period is: extended to or reduced to

6. The following Coverage Form(s) is:
   - ☐ Added to the Policy
   - ☐ Deleted from the Policy
   - ☐ Changed as respects the Limit(s) of Insurance and/or Deductible Amount(s)

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7. The following Endorsement(s) is:
   - ☐ Added to the Policy
   - ☐ Deleted from the Policy
   - ☐ Changed as respects the Limit(s) of Insurance

<table>
<thead>
<tr>
<th>Endorsement</th>
<th>Limit of Insurance</th>
<th>or</th>
<th>Section 1</th>
<th>Section 2</th>
</tr>
</thead>
<tbody>
<tr>
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</tr>
</tbody>
</table>

* Information required to complete this Schedule, if not shown on this Endorsement, will be shown in the Declarations.
B. Provisions

1. Application of changes affected by this Endorsement.
   a. Addition Of A Deductible Or Increase In Deductible Amount
      This change applies to loss or damage resulting from acts committed or events occurring at any time, whether before or after the Effective Date of Change.
   b. Deletion Or Restriction (Other Than In a. Above) Of Any Coverage Or Decrease In Any Limit Of Insurance
      This change applies to loss or damage resulting from acts committed or events occurring.

   (1) On or after the Effective Date of Change, and also
   (2) Before the Effective Date of Change if discovered after one year from that date.
   c. All Changes Other Than In a. And b. Above
      This change applies to loss or damage resulting from acts committed or events occurring on or after the Effective Date of Change.

2. No Limit of Insurance during any period will be cumulative with any other amount applicable to the same coverage during any other period.

Accepted:

______________________________
First Named Insured

______________________________
Title