

**NEVADA AFFORDABLE HOUSING
ASSISTANCE CORPORATION**

**Package Proposal
June 18, 2017 to June 18, 2018**



Presented By:

Joel Jarvis
Producer

May 2017

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This proposal/quote summarizes the coverages we intend to provide. It does not provide details of policy contracts, but rather covers the general contents of your coverage. For the exact wording of the policies and answers to whether a specific claim is covered, you must refer to the specific insurance policy. All changes in your exposures to loss should be reported to us immediately so that proper coverage may be effected.

Liability

We make no representation that any limit of liability is adequate, therefore higher limits for all coverages quoted may be available upon request.

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TEAM OF PROFESSIONALS

PRESIDENT
Allen Kaercher
(702) 304-7814

PRODUCER

Joel Jarvis
(702) 304-7839
(702) 386-7970 (Fax)
jjarvis@kaercherinsurance.com

ACCOUNT EXECUTIVE

Christine LeJeune
(702) 304-7847
(702) 386-7970 (Fax)
clejeune@kaercherinsurance.com

We make no representation that any limit of liability is adequate, therefore higher limits for all coverages quoted may be available upon request.

GENERAL INFORMATION

LOCATION

3016 W. Charleston Blvd #160
Las Vegas, NV 89102

NAMED INSUREDS

Nevada Affordable Housing Assistance Corporation

We make no representation that any limit of liability is adequate, therefore higher limits for all coverages quoted may be available upon request.

MARKETING SUMMARY

We are pleased to present our proposal to Nevada Affordable Housing Assistance Corporation with respect to your Package Policy for the term of June 18, 2017 to June 18, 2018

Our marketing efforts were directed towards securing competitive quotations from insurance companies that specialize in providing insurance products for contractors.

The following is a summary of our marketing efforts and the results thereof.

Market	Result
Philadelphia Indemnity	Quote Presented – Annual Premium \$971
Northfield Insurance Company	Annual premium \$2,329.43
Formost	Declined due to class of business
Main Street	Declined due to class of business
Amtrust	Declined due to class of business

We make no representation that any limit of liability is adequate, therefore higher limits for all coverages quoted may be available upon request.

COMMERCIAL PROPERTY

PROPERTY COVERAGES

Business Personal Property	\$	100,000
Deductible	\$	1,000

EXCLUSIONS AND ENDORSEMENTS (NOT LIMITED TO)

Special Form
90% Co-Insurance
Replacement Value
Exclusion of Loss due to Virus or Bacteria
Water Exclusion Endorsement

ELITE PROPERTY ENHANCEMENT

Foundations - Included
Business Personal Property Within 1600 feet
Fire Department Service Charge - \$50,000
Pollutant Clean Up and Removal - \$50,000
Emergency Vacating Expense - \$25,000
Automated External Defibrillators (AEDs) - \$5,000
Lease Cancellation Moving Expenses - \$5,000
Newly Acquired or Constructed Property - 180 Days
Personal Effects - \$50,000
Valuable Papers and Records - \$100,000
Property Off-Premises, Including Stock - \$500,000
Outdoor Property - \$50,000
Garages/Storage Sheds - \$5,000
Retaining Walls - \$10,000
Accounts Receivable - \$100,000
Business Income and Extra Expense - \$300,000
Fire Extinguisher Recharge - \$25,000
Lock Replacement - \$10,000
Reward Reimbursement - \$50,000
Fine Arts - \$50,000
EDP Equipment and Media - \$10,000
Vacancy Clause Modification - 90 Days
Earthquake Sprinkler Leakage - \$30,000
Water Coverage - \$30,000
Property in Transit (Includes Common Carrier) \$100,000 (\$10,000)
Off Premises Power Failure - \$50,000

INSURANCE COMPANY

Philadelphia Indemnity
(A.M. Best's Rating A++ XV)

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We make no representation that any limit of liability is adequate, therefore higher limits for all coverages quoted may be available upon request.

KAERCHER INSURANCE

Summary of
Coverages

COMMERCIAL GENERAL LIABILITY

LIMITS

General Aggregate	\$	2,000,000
Products/Completed Operations Aggregate	\$	2,000,000
Personal & Advertising Injury Limit	\$	1,000,000
Each Occurrence Limit	\$	1,000,000
Damage to Premises Rented to You	\$	100,000
Medical Expense	\$	5,000

CONDITIONS & EXCLUSIONS (NOT LIMITED TO)

Abuse or Molestation
Employment Related Practices Exclusion
Fund Raising Events Endorsement
Deluxe Human Services Endorsemen

INSURANCE COMPANY

Philadelphia Indemnity
(A.M. Best's Rating A++ XV)

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PREMIUM RECAP

Coverage	2017 - 2018
Property	\$327.00
General Liability	\$664.00
TOTAL	\$971.00

Subjectivities:

- Advise if the following safety controls are in place: emergency lighting, posted evacuation routes, hard-wired smoke detectors, illuminated exit signs.

I ACCEPT THE ABOVE INDICATED QUOTE AND REQUEST POLICY TO BE ISSUED.

Signature _____ Date _____

We make no representation that any limit of liability is adequate, therefore higher limits for all coverages quoted may be available upon request.

OPTIONAL COVERAGE

Optional coverage is available upon your request. Optional coverage may include but is not limited to the following:

- Flood
- Earthquake
- Pollution
- Employment Related Practices Liability
- Employee Benefit Liability
- Excess / Umbrella Liability
- Higher Limits of Liability
- Personal Lines
- Surety Bonds
- Life & Health

We make no representation that any limit of liability is adequate, therefore higher limits for all coverages quoted may be available upon request.

AJ Gavilanes

From: Joel Jarvis <jjarvis@kaercherinsurance.com>
Sent: Friday, June 2, 2017 2:51 PM
To: Verise Campbell; AJ Gavilanes
Cc: Chris LeJeune
Subject: RE: Package Proposal Recommendation for Board GL Insurance
Attachments: Northfield Quote.pdf; Northfield - Gen Prop Liab Pol 06182016-06182017op.pdf; Package proposal.pdf

Verise and AJ

Attached is old policy from Northfield insurance, your current carrier. \$2,329.43, last year was \$3,614.22
Attached is your new policy with Philadelphia Insurance, your new carrier. \$996.00, including terrorism, \$971 if you exclude Terrorism.

We did not receive any other competing quotes besides these two.

Chris, can you send them a marketing report.

Limits are as follows on old versus new –same exact limits or better with Philadelphia!

	Northfield insurance	Philadelphia Insurance
General Liability per occur	1,000,000	1,000,000
General Liability aggregate	2,000,000	2,000,000
Products Completed Ops per Occur	1,000,000	1,000,000
Products Completed Ops Aggregate	2,000,000	2,000,000
Personal Advertising Injury	1,000,000	1,000,000
Medical Expense	5,000	5,000
General Liability Deductible		0-None
Property Deductible		1,000
Co Insurance	80%	90% ** Philadelphia better!
Business Personal Property Coverage	100,000	100,000
Business Income Coverage	10,000	300,000 **Philadelphia way better!
AM Best Rating	A++(Superior)	A++(Superior)
Cost Yearly	\$2,329.43 renewal	\$996.00 **Philadelphia way better

Expiring 2016-2017 \$3,614.22

Policy terms.

When it comes to policy terms, Philadelphia will also have some of the widest definitions for coverage, and they have many endorsements expanding coverage, that are NOT present on the Northfield Policy.

Highlights

1. Philadelphia offers loss control services as well as online partners to assist you in your needs as a non profit, in fact, Philadelphia is considered one of the premier companies for Non Profits, Northfield is not geared directly for Non Profits
2. Bell Endorsement and Elite Property Endorsements with Philadelphia broadens coverage and give extra limits you currently do NOT have with Northfield, for specifics see the policy under these endorsements. Greatly expanded coverage under Philadelphia.
3. Philadelphia also adds coverage for Human services and fund raising via the General Liability Deluxe Endorsement, no coverage under Northfield.
4. Business Income is greatly increased from 10,000 to 300,000 on the Philadelphia Policy

- a. Philadelphia also adds coverage for a workplace violence loss of income, no so under Northfield.
- 5. The Co-Insurance is increase from 80% to 90% under Philadelphia, meaning should you have a property loss, Philadelphia will charge 10% of the Actual Cash Value of loss back to you above the deductible, under the Northfield policy, this chargeback is 20%. All policies have a co-insurance clause until you get to 1MM in property normally.
- 6. The Northfield policy has extra exclusions which are not on the Philadelphia policy to include, but not limited to;
 - a. Exclusion for Assault and Battery
 - b. Independent Contractors Exclusion
 - c. Exclusion for Injury to Employees, workers or contracted workers
 - d. Exclusion for Explosion Hazard
 - e. Exclusion for Subsidence
 - f. Exclusion for Exterior Insulation
 - g. Exclusion for Designated Drywall Products
 - h. Exclusion for work on Residential Work on Houses or Apt up to 14 units
 - i. Exclusion for Punitive or Exemplary Damages
 - j. Safeguards required for Burglary and Robbery

As you can see the Philadelphia Policy is so much better on coverage and price.
RECOMMEND moving to Philadelphia Indemnity Insurance for new term.

All we need in order to bind is the following;

- 1. Approval to bind effective 6/18/17. Verise email with approval from board.
- 2. Sign page 2 Of 2 on the Philadelphia to decline Terrorism coverage, will save you another \$25.
- 3. Advise if the safety controls are in place ?
 - a. Emergency lighting at the office
 - b. Posted evacuation routes
 - c. Hard wired smoke detectors
 - d. Illuminated exit signs.
 - e.

Keeping it going..Joel

PS. Still working on the claim with DOJ and possible coverage.



Sincerely,

Joel Jarvis
Kaercher Insurance
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Las Vegas, NV 89134
Main: 702.304.7800
Direct: 702.304.7839
Fax: 702.386.7970
Cell: 702.591.8008 (iPhone)

From: Verise Campbell [mailto:vcampbell@nahac.org]
Sent: Thursday, June 01, 2017 10:22 AM
To: AJ Gavilanes; Joel Jarvis
Cc: Chris LeJeune
Subject: RE: Package Proposal

We will need a comparison and recommendation. Thanks, Joel.

From: AJ Gavilanes
Sent: Thursday, June 1, 2017 10:19 AM
To: Verise Campbell; Joel Jarvis
Cc: Chris LeJeune
Subject: RE: Package Proposal

Hi Joel,

Can you please provide us with something for our Board that will show why this choice was made when we ask for approval on the 9th.

Warm Regards,

A.J. Gavilanes
Office Administrator



Nevada Affordable Housing Assistance Corporation
Administrator of Nevada Hardest Hit Fund®
(702) 675-6635
agavilanes@nahac.org
www.nahac.org

From: Verise Campbell
Sent: Thursday, June 1, 2017 9:51 AM
To: Joel Jarvis; AJ Gavilanes
Cc: Chris LeJeune
Subject: RE: Package Proposal

Thank you, Joel. AJ, we will be going with Philadelphia.

Verise V. Campbell
Chief Executive Officer/Chief Operating Officer



Nevada Affordable Housing Assistance Corporation
Administrator of Nevada Hardest Hit Fund®
PO Box 15142

Las Vegas, NV 89114
(702) 570-5579 – Direct
(702) 570-5662, Ext. 111
vcampbell@nahac.org
www.nahac.org

From: Joel Jarvis [<mailto:jjarvis@kaercherinsurance.com>]
Sent: Wednesday, May 31, 2017 3:12 PM
To: Verise Campbell
Cc: Chris LeJeune; AJ Gavilanes
Subject: RE: Package Proposal

Save the money, go with Philadelphia, great company, and you only gain coverage..

From: Verise Campbell [<mailto:vcampbell@nahac.org>]
Sent: Wednesday, May 31, 2017 3:08 PM
To: Joel Jarvis
Cc: AJ Gavilanes; Chris LeJeune
Subject: RE: Package Proposal

Joel – What are your recommendations?

From: AJ Gavilanes
Sent: Wednesday, May 31, 2017 2:59 PM
To: Joel Jarvis; Chris LeJeune
Cc: Verise Campbell
Subject: RE: Package Proposal

Thank you, I got Chris's email also. I believe this is enough information for Verise to make a decision. Once she does, we will be able to complete an application for the appropriate carrier.

From: Joel Jarvis [<mailto:jjarvis@kaercherinsurance.com>]
Sent: Wednesday, May 31, 2017 2:44 PM
To: AJ Gavilanes; Chris LeJeune
Cc: Verise Campbell
Subject: RE: Package Proposal

AJ see below.

From: AJ Gavilanes [<mailto:agavilanes@nahac.org>]
Sent: Wednesday, May 31, 2017 2:38 PM
To: Chris LeJeune; Joel Jarvis
Cc: Verise Campbell
Subject: RE: Package Proposal

Thank you Chris!

Joel, will you please review the following items of concern on the proposal:

- Is the product being quoted by Philadelphia and Northfield the same? Extreme premium difference. SAME coverage if not better, in fact I am sure that Philadelphia has a better policy when it comes to language and support of non-profit businesses, via their form, they are built for non profits. Northfield is a secondary market

and owned by Travelers, so they are good, but in my humble opinion Philadelphia's policies are better. Same exact main coverages, just a lower price, due to the fact that Philadelphia understands non-profits better than Northfield, I use Philly for tons of large and small business, with no issues with coverage in the past.

- Would NAHAC save any money by removing any of the elite property enhancements that do not apply? Ex: Automated External Defibrillators (AEDs) - \$5,000, Outdoor Property - \$50,000, Garages/Storage Sheds - \$5,000, Fine Arts - \$50,000 No you cannot just peel pieces of it off to save more, they are enhancements, that whilst you may not use all of them if you use one it pays off, I would not remove all the elite property enhancement as that gives you the extra coverages and language that help in case of a property loss.
- Are these quotes based on a personal property value of \$30K or less? (Total value as of April 30, 2017 (most recent closed month) is \$29,882) 30K, right Chris?

Warm Regards,

A.J. Gavilanes

Office Administrator



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(702) 675-6635
agavilanes@nahac.org
www.nahac.org

From: Chris LeJeune [<mailto:clejeune@kaercherinsurance.com>]
Sent: Tuesday, May 30, 2017 12:02 PM
To: AJ Gavilanes; Verise Campbell
Cc: Joel Jarvis
Subject: Package Proposal

AJ:

Attached is an updated renewal proposal for the Package policy, to be effective June 18, 2017. The proposal is based on a quotation we received from Philadelphia Insurance. Included in the proposal is our marketing recap, which shows several markets declines to quote and the two quotes we received.

Please review and if you have any questions or concerns, please contact our office. Thank you.

Christine LeJeune

Assistant Vice President

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