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**THE CITY OF BLUE ISLAND  
COOK COUNTY, ILLINOIS**

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**RESOLUTION  
NUMBER 2018-013**

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**A RESOLUTION AUTHORIZING AN INSURANCE CONTRACT  
WITH AIX SPECIALTY INSURANCE COMPANY FOR  
COMMERCIAL GENERAL LIABILITY INSURANCE FOR THE  
CITY OF BLUE ISLAND**

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**DOMINGO F. VARGAS, Mayor  
Randy Heuser, City Clerk**

**DEXTER JOHNSON  
LETICIA VIEYRA  
NANCY RITA  
TOM HAWLEY  
BILL FAHRENWALD  
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KEVIN DONAHUE  
ALECIA SLATTERY  
JANICE OSTLING  
JAIRO FRAUSTO  
NANCY THOMPSON**

**Aldermen**

## **RESOLUTION NO. 2018-013**

### **A RESOLUTION AUTHORIZING AN INSURANCE CONTRACT WITH AIX SPECIALTY INSURANCE COMPANY FOR COMMERCIAL GENERAL LIABILITY INSURANCE FOR THE CITY OF BLUE ISLAND**

**WHEREAS**, the City of Blue Island has the authority to contract and be contracted with pursuant to 65 ILCS 5/2-2-12;

**WHEREAS**, the City plans to enter into an insurance contract for commercial general liability insurance provided by AIX Specialty Insurance Company in accordance with the terms of the Insurance Quotation attached hereto as Exhibit A;

**WHEREAS**, the appropriate city officials have considered and reviewed the insurance quotation attached as Exhibit A and find the same to be in the best interests of the City;

**NOW AND THEREFORE, BE IT RESOLVED** by the City Council of the City of Blue Island, Cook County, Illinois, as follows:

#### **SECTION 1: AGREEMENT FORM AND TERMS AUTHORIZED**

The terms and conditions as shown in the Insurance Quotation for Commercial General Liability Insurance to be provided by AIX Specialty Insurance Company, attached as Exhibit A to this Resolution, are hereby approved.

#### **SECTION 2: AUTHORIZATION OF AGENT TO EXECUTE AND ACT IN ACCORDANCE WITH AGREEMENT**

The City Council further authorizes the Mayor or his designee to execute any and all documentation that may be necessary to carry out the intent of this Resolution. The officers, employees, and/or agents of the City shall take all action necessary or reasonably required by the City to carry out, give effect to, and consummate the intent of this Resolution.

**SECTION 3: EFFECTIVE DATE**

This resolution shall be in full force and effect upon its passage and approval as required by law.

*(Intentionally left blank)*

ADOPTED this 24th day of April, 2018, pursuant to a roll call vote as follows:

	YES	NO	ABSENT	PRESENT	ABSTAIN
Alderman Hawley	X				
Alderman Poulos	X				
Alderman Vieyra	X				
Alderman Bilotto	X				
Alderman Rita			X		
Alderman Donahue			X		
Alderman Carr	X				
Alderman Slattery	X				
Alderman Ostling	X				
Alderman Pittman	X				
Alderman Johnson			X		
Alderman Frausto	X				
Alderman Thompson			X		
Alderman Fahrenwald	X				
Mayor Vargas					
TOTAL	10		4		

APPROVED by the Mayor on April 24, 2018.

*Domingo F. Vargas*

DOMINGO F. VARGAS  
MAYOR OF THE CITY OF BLUE ISLAND,  
COUNTY OF COOK AND STATE OF ILLINOIS

ATTESTED and Filed in my office this  
24th day of April, 2018.

*Randy Heuser*  
\_\_\_\_\_  
RANDY HEUSER  
CITY CLERK



500 West Monroe, 30th Floor  
Chicago, IL 60661  
Ph: 312-651-6000  
www.rtspecialty.com

## INSURANCE QUOTATION

The carrier shown below has issued a quotation for insurance, and we are pleased to present this Quotation Confirmation of the carrier's terms, conditions, and limitations for you to review with the Insured. As the broker with the direct relationship with the Insured, it is your responsibility to carefully review with the Insured all of the carrier's terms, conditions, and limitations, and to specifically reconcile with the Insured any differences between those quoted and those you requested. RT Specialty expressly disclaims any responsibility for any failure on your part to review or reconcile any such differences with the Insured.

Any amendments to coverage must be specifically requested in writing or by submitting a policy change request form and then approved by the Insurance Company Underwriters. Coverage cannot be affected, amended, extended or altered through the issuance of certificates of insurance.

This insurance quotation summarizes a proposed policy and is not intended to reflect all the terms and conditions or exclusions of such proposed policy. The insurance to be afforded by the proposed policy will be subject to all the terms, exclusions and conditions of such policy.

**DATE ISSUED:** April 12, 2018

**PRODUCER:** Mesirow Insurance Services, Inc. - Chicago : Tom Collins

**FROM:** R-T Specialty, LLC / Terry McCann

**INSURED:** City of Blue Island  
13051 South Greenwood Avenue,  
Blue Island, IL 60406

**INSURER:** AIX Specialty Insurance Company - Non-Admitted (A.M. Best: A XV)

**COVERAGE:** Commercial General Liability - Primary

**POLICY FORM:** CG 00 01 (12 07)

**POLICY PERIOD:** 4/15/2018 to 4/15/2019

**LIMITS OF LIABILITY:**

\$1,000,000	Each Occurrence
\$2,000,000	General Aggregate
Included	Products - Completed Operations Aggregate
\$1,000,000	Personal and Advertising Injury
\$50,000	Damage to Premises Rented To You
\$5,000	Medical Expense

**DEDUCTIBLE:** \$1,000 Per Claim

**RATE:** Flat (except for acquisition) Based of an exposure of 99,193 Sq Ft



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**PREMIUM:** \$6,500.00

**FEES: (Fully Earned)**

Policy Fee - Carrier \$250.00  
Inspection Fee - Carrier \$300.00

**TAXES: IL - RT to File**

Surplus Lines Tax \$228.00  
Stamping Office Fee \$8.00

**TOTAL:** \$7,286.00

**AGENT COMMISSION:** 10%

**TRIA/TERRORISM:** Available for an additional premium of \$280.00 (plus tax)

**SUBJECTIVITIES:**

1. Signed and dated Acord 125, 126 and 131 (when applicable) Applications from the insured, due at binding
2. Receipt of Signed and Dated TRIA form evidencing acceptance or rejection of offer, due at binding
3. Receipt of inspection contact name and phone number within 5 days of binding
4. Completed and signed Diligent Effort Form so RT can file taxes on behalf of the insured

There are subjectivities that: 1) must be complied with or resolved before the contract becomes binding, 2) apply both before or after inception, compliance with which is a condition of all or part of the coverage; and 3) apply after the formation of the contract as conditions of continued coverage.

**SPECIAL CONDITIONS / OTHER COVERAGES:**

25% MINIMUM EARNED PREMIUM AT INCEPTION  
PREMIUM IS 100% MINIMUM AND DEPOSIT  
NO FLAT CANCELLATIONS  
ALL FEES ARE FULLY EARNED AT INCEPTION

For R-T Specialty to file the surplus lines taxes on your behalf, please complete the surplus lines tax document and return with your request to bind. Due to state regulations, R-T Specialty requires tax documents to be completed within 24 to 48 hours of binding. Please be diligent in returning tax forms.

**ALL OTHER TERMS AND CONDITIONS APPLY PER FORM**

**BINDING INSTRUCTIONS**

**IF COVERAGE IS ELECTED, THE FOLLOWING ITEMS MUST BE SUBMITTED:**

Please note that this is a quote only, and the Insurer reserves the right to amend or withdraw the quote if new, corrected or updated information creating a material difference from the previously provided underwriting material is received. This quote summary, the fees quoted and our advice, is confidential. If you need further information about the quote, our fee or the Insurer that is proposing to provide your insurance, please contact us.

**We will need a written request in order to bind coverage.** If the Insurer binds the risk following your written request, the terms of the policy currently in use by the Insurer will govern the Insurer's quote.



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PREMIUM PAYMENT IS DUE WITHIN TWENTY (20) DAYS FROM EFFECTIVE DATE UNLESS OTHERWISE STIPULATED.

Terry McCann
AUTHORIZED REPRESENTATIVE

If coverage is on a non-admitted basis the following will apply:

TAXES & FEES:

State Surplus Lines Taxes & Fees must be added to annual premium. Agent R-T Specialty is responsible for all filings.

IMPORTANT NOTE: The Home State of the Named Insured shall be determined in accordance with the provisions of the Nonadmitted and Reinsurance Act of 2010, 15, U.S.C §8201, etc. ("NRRA"), and the applicable law of the Home State governing cancellation or non-renewal of insurance shall apply to this Policy.

Taxes are provisional based on the insureds acceptance of IL as their home state.

Surplus lines taxes quoted may be subject to change based up on updated risk information or changes to tax rates or governmental fees.

State surcharges and/or fees charged by the Insurer may not be included herein and will be billed at a later date.

"Notice to Policyholder: This contract is issued, pursuant to Section 445 of the Illinois Insurance Code, by a company not authorized and licensed to transact business in Illinois and as such is not covered by the Illinois Insurance Guaranty Fund."

PREMIUM FINANCE (if not included in the quote document)

If the insured and the insurer agree to bind coverage and the premium will be financed, we will need the following information and, upon binding, please instruct the premium finance company to send documents to our attention. Premium Finance funds should always be paid to R-T Specialty, LLC:

Table with 2 columns and 2 rows: Name of Premium Finance Company, Premium Finance Account Number.

PRODUCER COMPENSATION: (if not included in the quote document)

In order to place the insurance requested we may charge a reasonable fee for additional services that may include performing a risk analysis, comparing policies, processing submissions, communication expenses, inspections, working with underwriters on the coverage proposal, issuing policies or servicing the policy after issuance. We have extensive insurance experience and will represent you honestly and competently in rendering services. Third-party inspection or other fees may be separately itemized upon request. If the insured recommends an inspection company we will endeavor to determine if it is approved by the Insurer. To the extent the insured paid us a fee for services, we represent the insured in performing those services. Our fees are fully earned and nonrefundable, except when required by applicable law. Our fees are applied to new policies, renewal policies, endorsements and certificates. Fees applicable to each renewal, endorsement and certificate will be explained in the quotes. In the event that the premium is adjustable upwards, our fees are adjustable as well and will be collected against any additional premium. The fee charged by us does not obligate the insured to purchase the proposed insurance or the Insurer to bind the proposed insurance. Our fee is not imposed by state law or the Insurer. This fee



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authorization shall remain operative until terminated by written notice. Depending upon the Insurer involved with your placement, we may also receive a commission from the Insurer.

We may also have an agreement with the Insurer that we are proposing for your insurance that may pay us future additional compensation. This type of compensation is in addition to any fees and/or commissions that we have agreed to accept for servicing your insurance. This compensation could be based on formulas that consider the volume of business placed with the company, the profitability of that business, how much of the business is retained for the company's account each year, and other factors. The agreements frequently consider total eligible premium from all clients placed during a calendar year and any profit-sharing payment is usually received after the end of the following calendar year. Because of variables in these programs, we have no accurate way at this time to determine the amount of any additional compensation that might be attributable to your insurance.

Insurers may choose to delegate their authority for some classes of business to underwriting managers. Some affiliates of Ryan Specialty Group, LLC (RSG) have been delegated authority for underwriting or other services on behalf of Insurers. An underwriting manager (UM) is a segregated business unit separate from the brokering, sales and service teams within RSG. If you need additional information about the compensation arrangements for RSG affiliated UM's or producers please contact your RSG representative.

R-T Specialty, LLC (RT), a subsidiary of Ryan Specialty Group, LLC, provides wholesale brokerage and other services to agents and brokers. RT is a Delaware limited liability company based in Illinois. As a wholesale broker, RT does not solicit insurance from the public. Some products may only be available in certain states, and some products may only be available from surplus lines Insurers. In California: R-T Specialty Insurance Services, LLC License #0G97516.

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#### **GENERAL TERMS**

In all cases, policy and carrier wordings take precedence.

#### **DEPOSIT PREMIUM**

The deposit premium is the minimum portion of premium due to the carrier at the inception of the policy. The premium for the policy term will be adjusted according to the provisions stated in the policy.

#### **MINIMUM PREMIUM**

The minimum premium is the LEAST amount of premium retained by the carrier if the policy is in effect for the full term.

#### **MINIMUM EARNED PREMIUM**

The minimum earned premium is the LEAST amount of premium that will be retained by the carrier in the event of cancellation. The actual amount of earned premium retained will be the GREATER of the actual premium developed based on the time the policy was in effect OR the minimum earned premium as stated in the policy.



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**CERTIFICATES OF INSURANCE**

Any Certificate of Insurance issued by Producer as evidence of insurance must conform to applicable laws. The Certificate must state that it is for information only, confers no rights upon the Certificate holder and the Certificate of Insurance must not extend or alter the coverage provided by the Policy(ies) listed in the Certificate. Producer is not authorized to issue, and R-T Specialty, LLC (RT) will not review, accept or approve, a Certificate of Insurance that modifies policy terms, names any other person/entity as an "additional insured" or states that any other person/entity other than those named in the Policy (ies) may receive notice of cancellation or non-renewal under such policy(ies). A policy cannot be amended by a Certificate of Insurance. If the insured requires endorsements to their policy to comply with certificate holder requirements, you must request these endorsements in writing so that underwriters may evaluate their ability to provide applicable coverage. Producer will be responsible for any error, mistake or negligence in the issuance of a Certificate of Insurance to its client.



AGENCY CUSTOMER ID: \_\_\_\_\_

**INSURANCE SUPPLEMENT**

AGENCY R-T SPECIALTY INSURANCE SERVICES, LLC - IL, CHICAGO	CARRIER AIX Specialty Insurance Company	NAICCODE
POLICY NUMBER @POLICYNO@	APPLICANT/NAMED INSURED CITY OF BLUE ISLAND	

**POLICYHOLDER DISCLOSURE  
NOTICE OF TERRORISM INSURANCE COVERAGE**

You are hereby notified that under the Terrorism Risk Insurance Act, as amended, you have a right to purchase insurance coverage for losses resulting from acts of terrorism. As defined in Section 102(1) of the Act: The term "act of terrorism" means any act or acts that are certified by the Secretary of the Treasury—in consultation with the Secretary of Homeland Security, and the Attorney General of the United States—to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

YOU SHOULD KNOW THAT WHERE COVERAGE IS PROVIDED BY THIS POLICY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM, SUCH LOSSES MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. HOWEVER, YOUR POLICY MAY CONTAIN OTHER EXCLUSIONS WHICH MIGHT AFFECT YOUR COVERAGE, SUCH AS AN EXCLUSION FOR NUCLEAR EVENTS. UNDER THE FORMULA, THE UNITED STATES GOVERNMENT GENERALLY REIMBURSES 85% THROUGH 2015; 84% BEGINNING ON JANUARY 1, 2016; 83% BEGINNING ON JANUARY 1, 2017; 82% BEGINNING ON JANUARY 1, 2018; 81% BEGINNING ON JANUARY 1, 2019 and 80% BEGINNING ON JANUARY 1, 2020, OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURANCE COMPANY PROVIDING THE COVERAGE. THE PREMIUM CHARGED FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS THAT MAY BE COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS A \$100 BILLION CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT AS WELL AS INSURERS' LIABILITY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM WHEN THE AMOUNT OF SUCH LOSSES IN ANY ONE CALENDAR YEAR EXCEEDS \$100 BILLION. IF THE AGGREGATE INSURED LOSSES FOR ALL INSURERS EXCEED \$100 BILLION, YOUR COVERAGE MAY BE REDUCED.

**Acceptance or Rejection of Terrorism Insurance Coverage**

- I hereby elect to purchase terrorism coverage for a prospective premium of \$ 280.00
- I hereby decline to purchase terrorism coverage for certified acts of terrorism. I understand that I will have no coverage for losses resulting from certified acts of terrorism.

_____	_____	_____
Policyholder / Applicant's Signature	Print Name	Date
_____	_____	_____
Policyholder / Applicant's Signature	Print Name	Date
_____	_____	_____
Policyholder / Applicant's Signature	Print Name	Date