

Property & Casualty Insurance Proposal

Nova Classical Academy



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About USI Insurance Services

USI is one of the largest brokerage and consulting firms in the world, delivering property and casualty, employee benefits, personal risk, program and retirement solutions to large risk management clients, middle market companies, smaller firms and individuals. Headquartered in Valhalla, New York, USI connects together over 6,000 industry leading professionals across more than 150 offices to serve clients' local, national and international needs. USI has become a premier insurance brokerage and consulting firm by leveraging the USI ONE Advantage[®], an interactive platform that integrates proprietary and innovative client solutions, networked local resources and expertise, and enterprise-wide collaboration to deliver customized results with positive, bottom line impact. USI attracts [best-in-class industry talent](#) with a long history of deep and continuing investment in our [local communities](#). For more information, visit [usi.com](#).

The USI ONE Advantage[®]

What truly distinguishes USI as a leading middle market insurance brokerage and consulting firm is the USI One Advantage, a game-changing value proposition that delivers clients a robust set of risk management and benefit solutions and exclusive resources with financial impact. USI ONE[™] represents **Omni, Network, Enterprise**—the three key elements that create the USI ONE Advantage and set us apart from the competition.

Omni – USI's Proprietary Analytics

Omni, which means “all,” is USI's one-of-a-kind solutions platform—real time, interactive, dynamic and evolving, and customized for each client. Built in-house by USI subject matter experts, Omni captures the experience of more than 100,000 clients, thousands of professionals and over 100 years of business activity through our acquired agencies into targeted, actionable solutions.

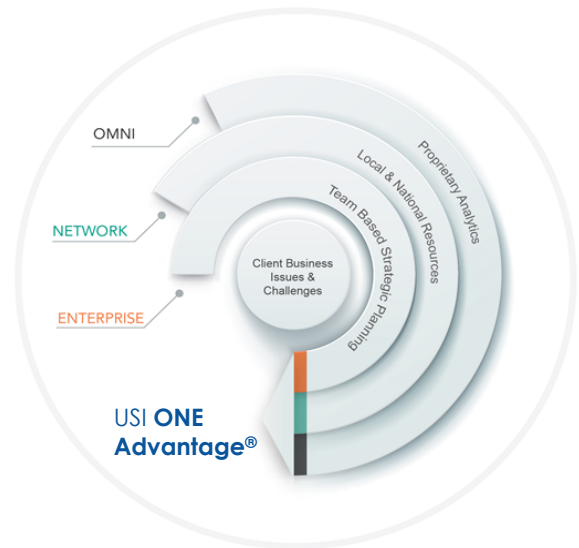
Network – USI's Local and National Resources

USI has made a very large investment in local resources and technical expertise, with more than 6,000 professionals networked nationally to build strong vertical capabilities and integrated account teams. Our local and regional experts ensure account team availability, hands-on service, and ongoing diligent follow-through so we can deliver on the solutions we customize for our clients.

Enterprise – USI's Team Based Strategic Planning

USI's enterprise planning is a disciplined, focused, analysis centered on our client's issues and challenges. Highly consultative meetings integrate USI's Omni analytics with our broad resource network to build a risk management strategy aligned with client business needs. Our enterprise process is a proven method for identifying, quantifying and minimizing client risk exposures.

The USI ONE Advantage—our **Omni** knowledge engine, with our **Network** of local and national resources, delivered to our clients through our **Enterprise** planning process gives USI fundamentally different solutions, the resources to deliver, and a process to bring superior results to our clients.



Executive Summary

Your service team at USI Insurance Services thanks you for the opportunity to handle your property/casualty insurance program. An update on the current conditions of the marketplace are as follows:

Property: Rates have increased in all segments of the property sector into Q4, but at slower rates compared to Q2.

Casualty: Rate increases, capacity restrictions, and tighter underwriting standards are commonplace in the primary general/products liability and other casualty markets, and it is anticipated that COVID-19 will exacerbate the current market dynamics across all lines including Workers' Compensation.

Executive & Professional Risk: Premiums are up for public company directors and officers (D&O) insurance driven by uncertainties around COVID-19 and increased litigation frequency and settlement payments, though the market may stabilize somewhat in 2021. While premium increases in the private company and not-for-profit (NFP) D&O market have not been as severe, increases in retention and excess premium are likely. COVID-19 may also accelerate claims in the Employment Practices Liability (EPL) and Fiduciary Liability markets into 2021. Continued network intrusions and ransomware events are firming the Cyber risk marketplace.

Umbrella/Excess: After experiencing significant hardening in the first half of 2020, the Umbrella/Excess lines have seen moderate premium increases.

All in all, the terms provided are quite favorable in comparison to the rest of the marketplace. Please consult with Mohammad ElSawaf on the details of this proposal after you have carefully reviewed it.

How USI Can Continue to Help:

- In guiding clients toward achieving favorable coverage outcomes, USI recommends taking the following steps
 - Begin the renewal process at least 150-days prior to inception. Complete a loss analysis early to assess the impact of program structure, retention, and risk mitigation efforts. This establishes your “ask” of the market, allowing for early indications from incumbents and understanding of your options around limits, retentions, coverage, and price
 - Work with your broker to evaluate all market options in the U.S. and London. Focus on risk appetite and industry
 - Clearly identify and differentiate each risk to the marketplace, reinforcing risk quality and mitigation efforts; this is imperative.

Risk Management Plan/Assessment Implementation:

Given these and other market changes and challenges, experts recommend that commercial property brokers such as ours who have the resources begin the renewal process early and explore multiple market strategies, in tandem with implementing a robust risk management plan. That way, we are ahead of the innovative and creative renewal strategies which transition the outcomes in our clients' best favor. It is our responsibility to keep you informed of the challenging market we currently face; and with the recent outbreak the industry is being tested in ways that we could not have seen coming. Nonetheless, we would have strongly recommended our team implement a robust risk management plan to combat these conditions as it related to your entity, as losses have crept up in the last few years and we want to implement mitigation strategies to derive positive results in both frequency of losses, leading to premium reductions and a better risk profile. See suggested sample below titled '**Targeted Development of Risk Management Plan**'

Targeted Development of Risk Management Plan

Your USI's Property/Casualty & Risk Management team suggests using a risk management approach which coincides with ERM implementation of a robust enterprise risk management program. This risk management plan tends to focus on the following five operational areas:

1. Strategic/Business Operations
2. Legal/Transaction Liability
3. Workers Compensation/Safety/Loss Control
4. General Insurance/Health Insurance
5. Corporate Governance/Information Security

In turn, when assessing and reporting on risk in each area, we suggest applying the following evaluative model:

- Identification of the specific risk evaluated
- Assignment of the degree of risk the identified practices present
- Determination of the urgency with which the identified risk should be addressed
- The USI Risk Management Team's methodology in completing a risk management assessment takes a broad assessment of your organization in tandem with what is assessed by your insurance carriers, utilizing various reports to help provide guidance to help manage the areas of greatest concern. This gives our clients a comprehensive continuous improvement plan that creates a vision and course of action for its — helping better protect the hard and soft costs of its organization
- Description of our recommendations for mitigating the identified risk(s)

Like any organization, your organization is confronted with numerous challenges and risks, of which the following are amongst the most common for your industry (not in order):

1. Cyber/Crime Risks & Financial Controls
2. Contractual Risk Transfer Liability
3. Employee Training
4. PCA Employment Status/Wage and Hour and Joint Status of Employer/Employee, Malpractice Exposure
5. Network Employment/Privacy Liability Business Continuity & Strategy
6. Corporate Governance
7. Fleet Safety/Controls
8. Safety Implementation Strategy
9. Insurance Risk Transfer
10. OSHA Compliance

In going through this plan, please direct any questions to Mohammad El-Sawaf.

Service Team

USI Insurance Services LLC

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Sales Executive

Your **Sales Executive** is *Mohammad ElSawaf*

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Sr. Account Manager

Your **Sr Account Manager** is *Deborah L. Amidon*

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Property

Insurance Company: Employers Mutual Casualty Insurance Co
Policy Term: 7/1/2021 to 7/1/2022
Coverage: Property insurance covers your interest against direct physical loss or damage by covered perils to named property that you own or are required to insure. **See attached schedule for covered locations.**

Blanket Property Coverage

Blanket #	Description	Limit
1	Blanket Building	\$22,008,562
2	Blanket Personal Property	\$4,439,592

Property Coverage by Location

Location Number: 1 Address: 1455 Victoria Way Saint Paul MN 55102								
Description	Subject of Insurance	Limit	Blkt #	Cause of Loss	Coins %	Agreed Amount *	Val	Ded
School	Building	\$22,000,000	1	Special	100	*	R	\$1,000
School	Business Personal Property	\$4,400,000	2	Special	100	*	R	\$1,000
Business Income w/Rental Value		\$525,000		Special	90		R	\$1,000
School	Storage Shed	\$8,562		Special	100	*	R	\$1,000
Storage Shed	Business Personal Property	\$39,492	1	Special	100	*	R	\$1,000
Property in the Open	Artificial Turf	\$832,000	2	Special	100		R	\$1,000
Equipment Breakdown		Included						

* A signed Statement of Values is required for Agreed Amount to apply or as required by the Insurance Company.

A Business Income and Extra Expense Worksheet must be completed by the Client on an annual basis in order to calculate the Business Income and Extra Expense Coverage Limit.

Valuation (VAL) Legend:

R - Replacement Cost	Cost to replace damaged property with like kind and quality, without deduction for depreciation.
A - Actual Cash Value	Cost to replace damaged property with deduction for depreciation.
M - Market Value	The true underlying value of the property.
L - Actual Loss Sustained	The amount of Business Income that would have been earned if a loss had not occurred, less the amount that was actually earned.
F - Functional Replacement Cost	The cost of acquiring another item of property that performs the same function, even if it is not identical to the property being replaced.

Fiduciary & Crime Liability

Coverage:

Protects directors & officers, employees and administrators who exercise discretionary control over employee benefit plans as designated Fiduciaries for three main areas of exposure: 1. breaches of ERISA duty which are the black and white statutes established to protect plan participants; 2. breaches of fiduciary duty which includes decisions made or the lack thereof as respects employee benefit plans; and 3. errors and omissions in the administration of employee benefit plans.

LIABILITY COVERAGES (subject to LIA-3001)

FIDUCIARY LIABILITY		
Limit of Liability:	\$1,000,000	for all Claims
Settlement Program Limit of Liability:	\$250,000	for each Settlement Program Notice , which amount is included within, and not in addition to, any applicable limit of liability
HIPAA Limit of Liability:	\$1,000,000	which amount is included within, and not in addition to, any applicable limit of liability
Additional Defense Coverage:	<input type="checkbox"/> Applicable	<input checked="" type="checkbox"/> Not Applicable
Additional Defense Limit of Liability:	Not Covered	for all Claims
Retention:	\$0 \$0	for each Claim under Insuring Agreement A. for each Settlement Program Notice under Insuring Agreement B.
Prior and Pending Proceeding Date:	July 01, 2020	
Continuity Date:	July 01, 2020	

CRIME COVERAGES

CRIME		
INSURING AGREEMENT	SINGLE LOSS LIMIT OF INSURANCE	SINGLE LOSS RETENTION
A. Fidelity		
1. Employee Theft	\$500,000	\$1,000
2. ERISA Fidelity	\$500,000	\$0
3. Employee Theft of Client Property	Not Covered	
B. Forgery or Alteration	\$100,000	\$1,000
C. On Premises	\$100,000	\$1,000
D. In Transit	\$100,000	\$1,000
E. Money Orders and Counterfeit Money	\$100,000	\$1,000
F. Computer Crime		
1. Computer Fraud	\$100,000	\$1,000
2. Computer Program and Electronic Data Restoration Expense	\$100,000	\$1,000
G. Funds Transfer Fraud	\$100,000	\$1,000
H. Personal Accounts Protection		
1. Personal Accounts Forgery or Alteration	\$100,000	\$1,000
2. Identity Fraud Expense Reimbursement	\$25,000	\$0
I. Claim Expense	\$5,000	\$0

TYPE OF CLAIM DEFENSE FOR LIABILITY COVERAGES (subject to LIA-3001):

- Reimbursement
- Duty-to-Defend
- Varies by Coverage - See Expanded Claim Defense Options Endorsement

Only the type of CLAIM DEFENSE marked "" is included in this policy.

Inland Marine

Insurance Company: Employers Mutual Casualty Insurance Co
Policy Term: 7/1/2021 to 7/1/2022
Coverage: Inland Marine provides coverage to mobile or specialized types of property such as construction equipment, medical diagnostic equipment, fine arts and a wide variety of other types of property.

Description	Limit	Deductible
Contractors Equipment Coverage-Catastrophic Limit	\$392,500	\$1,000
Debris Removal	\$5,000	\$1,000
Employees Tools	\$5,000	\$1,000
Newly Purchased Contractors Equipment; 30% of Catastrophe limit	\$117,750	\$1,000
Pollutant Clean Up and Removal	\$25,000	\$1,000
Rental Expense Reimbursement	\$5,000	72 Hr
Spare Parts and Fuel	\$5,000	\$1,000
Leased or Rented Equipment from Others: \$1,000 per Item	\$25,000	\$1,000

CI0100 03-99 Common Policy Conditions
 CI0142 06-13 Amendatory Endorsement Minnesota
 CI0600 01-15 Certified Terrorism Loss
 CI0700 10-06 Virus or Bacteria Exclusion
 CI0811 09-18 Cannabis Items & Activities Excluded
 *CM7001a 09-97 Commercial Inland Marine Schedule
 CM7004 09-06 Quick Reference
 CM8068 12-19 Advisory Notice to Policyholders
 CM9905 12-19 Cannabis Exclusion
 *IL0017 11-98 Common Policy Conditions
 *IL7004 03-20 Mutual Policy Provisions
 *IL7131a 04-01 Commercial Policy Endorsement Schedule
 IL7306 08-98 Exclusion of Certain Computer Losses
 *IL8383.2a 12-20 Disclosure Pursuant Terrorism Risk Ins. Act Waived
 IL8491 04-19 Disclosure Notice Cannabis Exclusion
 LM2047 05-12 Amendatory Endorsement Minnesota
 LM7000 04-04 Contractor's Equipment Coverage

General Liability

Insurance Company: Employers Mutual Casualty Insurance Co
Policy Term: 7/1/2021 to 7/1/2022
Coverage: Provides coverage for claims arising from an insured's liability due to damage or injury to others during performance of their duties or business. The loss can be reported years later, but the key is when it happened.

General Liability Coverage - Occurrence	Limit
Each Occurrence	\$1,000,000
General Aggregate	\$3,000,000
Products and Completed Operations Aggregate	\$3,000,000
Personal and Advertising Injury	\$1,000,000
Damage to Rented Premises (Each Occurrence)	\$500,000
Medical Expense	\$10,000
Deductible	
Employee Benefits Liability (Claims Made Coverage *)	Limit
Employee Benefits Liability - Each Employee	\$1,000,000
Employee Benefits Liability - Aggregate	\$2,000,000
Deductible Each Employee	\$1,000
Retroactive Date	05/06/2002

- * **Employee Benefits Liability is a Claims-Made coverage.** The policy covers claims first reported during the policy period provided the occurrence took place on or after the retroactive date specified in the Declarations and before the policy expires.

Schedule of Exposures

Class Code	ST	Description	Basis	Exposure *
41716	MN	Not Profit - Day Care Centers	T	60
48557	MN	Profit - Social Gather & Meeting - On-premise, Not Own-Operated by Insured	T	15
46671	MN	Parks or Playgrounds	U	1
47473	MN	Schools-Public-High	T	275
47471	MN	Schools-Public-Elementary, Kindergarten	T	723

Key Endorsements, Limitations, Warranties and Exclusions include, but are not limited to, the following:

Fungi or Bacteria Exclusion
Cap/Losses from Certified Acts/Terrorism
Exclusion Punitive Damages Acts of Terrorism
Colleges or Schools (Limited Form)
Trampoline Exclusion
Exclusion-Lead
Abuse or Molestation Liability
School Violent Event Response Coverage; \$25,000 each Person Limit, \$1,000,000 each Event, Limit \$1,000,000 Aggregate Limit
Student Medical Payments Coverage; Each Student: \$1,000 Each Occurrence: \$5,000 Annual Aggregate: \$50,000
Linebacker-Claims Made: \$1,000,000
School Key Person Special Expenses Coverage; \$50,000 Aggregate Limit
General Liability Schools Elite Extension; Subsidiaries as Insureds; Clubs or Organizations as Additional Insured; Blanket Additional Insured -by Contract; Primary & Non-Contributory Additional Insured; Waiver of Transfer of Rights of Recovery

Key Definitions

The Key Definitions contain definitions for common types of insurance. Not all coverage types are defined and some of those that are defined may not be included in your insurance program.

Excluded coverage may be available for an additional premium.

Other exclusions and policy limitations may apply. Please refer to the actual policies for specific terms, conditions, limitations and exclusions that will govern in the event of a loss.

Line Backer Coverage

Errors & Omissions

Insurance Company: Employers Mutual Casualty Insurance Co
Policy Term: 7/1/2021 to 7/1/2022

LIMITS OF LIABILITY

- Each Loss \$ 1,000,000
- Each Claimant \$ 1,000,000
- Aggregate for Each Policy Term \$ 2,000,000
- Insured's Deductible each Claim \$ 1,500
 (Including Defense Expense)

Coverage Description
Employment Practices Liability/Linebacker Public Coverage Form
Data Compromise & Cyber Liability Exclusion
Tort Liability Endorsement
Excludes Punitive Damages and Acts of Terrorism
Exclude Fungi or Bacteria
Cap on Losses for Certified Acts of Terrorism

Key Definitions

The Key Definitions contain generic definitions for common types of insurance. Not all coverage types are defined and some of those that are defined may not be included in your insurance program.

Excluded coverage or other coverages sought may be available: please discuss with USI

Other exclusions and policy limitations may apply. Please refer to the actual policies for specific terms, conditions, limitations, exclusions and sublimits that will govern in the event of a loss.

Business Auto

Insurance Company: Employers Mutual Casualty Insurance Co
Policy Term: 7/1/2021 to 7/1/2022
Coverage: Covers a business for liability and/or physical damage caused by use of cars, trucks, vans and other vehicles in the course of carrying out its business. Coverage may include vehicles owned or leased by the company, hired by the company, or employee-owned vehicles used for business purposes.

Coverage	Symbols	Limit
Bodily Injury & Property Damage - Combined Single Limit (CSL)	8, 9	\$1,000,000

Automobile Symbols

1 – Any Auto	2 – Owned Autos Only
3 – Owned Private Passenger Autos	4 – Owned Autos Other Than Private Passenger
5 – All Owned Autos Subject to No-fault Coverage	6 – Owned Autos Subject to Compulsory Uninsured Motorists Law
7 – Specifically Described Autos	8 – Hired Autos only
9 – Non-owned Autos Only	

Coverage Description
Business Auto Coverage Form
Minnesota Changes; Transfer of Rights of Recovery Against Others to Us
Commercial Auto Declarations
Quick Reference Business Auto Form
Prejudgment Interest

Excluded coverage or other coverages sought may be available: please discuss with USI

Workers' Compensation

Insurance Company: Accident Fund Insurance Company of America
Policy Term: 7/1/2021 to 7/1/2022
Coverage: **Part One** – Workers' Compensation agrees to pay the benefits required under the applicable State's Workers' Compensation Law.

Part Two – Employers Liability for work-related injuries or disease other than that which is imposed by a state Workers' Compensation Law.

Part Three – Other States in which you have no exposure on the policy inception date, but in which you may have a temporary or future worksite or exposure in during the policy term. If listed, statutory benefits will apply as if the state were listed in Part One; with the exception of excluded states, North Dakota, Ohio, Washington and Wyoming.

Coverage Description	Limit
Employers Liability - Each Accident	\$100,000
Employers Liability - Disease (Policy Limit)	\$100,000
Employers Liability - Disease (Each Employee)	\$500,000
Experience Mod	1.02

Coverage is not automatic in all states. Please notify us immediately if you begin operations in another state.

Workers' Compensation Schedule of Exposures

State: MN Experience Modifier: 1.02

Class Code	Classification Description	Estimated Annual Payroll
8868	School: Professional Employees & Clerical	\$5,747,203
9101	College or School: All Other Employees	\$116,767
Total Estimated Standard Premium before Adjustments		\$37,822.00

Premium Adjustments	Amount
Experience Modification	\$756
Schedule Credit	-3,858
Premium Discount	-\$2,257
Expense Constant	\$160
Terrorism	\$586
MN Special Compensation Fund Assessment	\$1,161
Total Estimated Annual Premium Including Premium Adjustments	\$34,370

Audit Provisions

Description	Minimum & Deposit Premium
Audit based on Payroll	

The premium quoted is the minimum and deposit premium and is a fully earned premium. The policy is auditable at expiration and there may be charges for additional exposures; however, the premium will never fall below the minimum and deposit premium shown above.

Premiums are calculated based on the insurance company's rules and rates. Premiums shown as advance or deposit premiums are subject to audit and adjustment at the close of each audit period. If the advance premium is less than the earned premium as determined by the audit, the insured pays the difference. If the advance premium is more than the earned premium as determined by the audit, the insurance company returns the difference to the insured. The insured must keep records of the information needed for the audit and the premium calculations and send copies to the insurance company when it requests them.

Included/Excluded Officers

State: MN

Name	Include (I) / Exclude (E)

Excluded coverage or other coverages sought may be available: please discuss with USI

Other exclusions and policy limitations may apply. Please refer to the actual policies for specific terms, conditions, limitations, exclusions and sublimits that will govern in the event of a loss.

Workers' Compensation Exposure – Rate Comparison

This summary is provided as a quick comparison of exposure and rates for the expiring and proposed terms.

Workers' Compensation Schedule of Exposures

State: MN

Classification	Class Code	Proposed Payroll	Proposed Rate	Proposed Premium	Expiring Payroll	Expiring Rate	Expiring Premium	% Diff
School: Professional Employees & Clerical	8868	\$5,747,203	.55	\$31,610	\$5,357,664	.52	\$27,860	1.13
College or School: All Other Employees	9101	\$116,767	5.32	\$6,212	\$101,000	4.78	\$4,828	1.29
		Total		\$37,822	Total		\$32,688	1.16

Description	Proposed Term	Expiring Term	Percentage Difference
Experience Modification	1.02	1.26	.81
Estimated Annual Payroll	\$5,863,970	\$5,458,664	1.07
Estimated Standard Premium	\$37,822	\$32,688	1.16
Estimated Net Premium Including Taxes and Assessments	\$34,370	\$36,686	.94

Coverage Description
All States and U.S. territories except monopolistic states, Puerto Rico, the U.S. Virgin Islands
MN Cancellation & Non-Renewal Endorsement
Execution Clause Endorsement

Umbrella

Insurance Company:	Employers Mutual Casualty Insurance Co
Policy Term:	7/1/2021 to 7/1/2022
Coverage:	Provides additional liability limits that are in excess of the limits provided on specified underlying liability policies.

Coverage Description	Limit
Limit Per Occurrence	\$5,000,000
Aggregate Limit (except with respect to "covered autos")	\$5,000,000
Personal Injury & Advertising Injury Limit (any one person or organization)	\$5,000,000
Self-Insured Retention	\$10,000

ENDORSEMENT SCHEDULE

EDITION FORM	DATE	Description/Additional Information
*CU0001	04-13	Comm Liability Umbrella Coverage Form
* CU 0106	12-07	Minnesota Changes
* CU 0403	12-19	Employee Benefits Liability Coverage Limits of Insurance/\$ 10,000 Retained Limit/\$ 5,000,000 Each Employee/\$ 5,000,000 Aggregate/Retro Date:05/06/2002
* CU 2123	02-02	Nuclear Energy Liability Exclusion Broad Form
* CU 2127	12-04	Fungi or Bacteria Exclusion
* CU 2130	01-15	Cap of Losses from Cert Acts of Terrorism
* CU 2136	01-15	Excl Punitive Dmg Cert Acts of Terrorism
* CU 2171	06-15	Exclusion-Unmanned Aircraft
* CU 2186	05-14	Excl-Access/Disclosure of Confidential/Personal
* CU 2423	12-07	Coverage for Professional Services
* CU 7001a	11-15	Schedule of Primary Insured - Automated
* CU 7268.2	08-06	Abuse or Molestation - Follow Form
* CU 7272	08-06	Asbestos Exclusion
* CU 7275	08-06	Colleges and Schools Restrictive Endorsement
* CU 7276	03-21	Commercial Umbrella Amendment of Coverage
* CU 7290.1	01-21	Linebacker Public Officials/EPL Endorsement Public Officials Wrongful Act & Employment Practices Liability Retroactive Date: 07/01/2003
* CU 7293	08-06	Foreign Exposure Following Form
* CU 7299	08-06	Exclusion - Lead
* CU 7404.1	10-08	Umbrella Liability Amendment - Follow Form
* CU 7431	10-08	Amendment of Employee Benefits Program
* CU 7441	05-19	Exclusion-Violent Event Response Coverage
* CU 7464	07-15	Law Enforcement Liability
* CU 8324	03-21	Important Notice to Policyholders
* CU 8327	12-20	Advisory Notice to Policyholders
*IL0017	11-98	Common Policy Conditions
* IL 7004	03-20	Mutual Policy Provisions
* IL 7131a	04-01	Commercial Policy Endorsement Schedule
* IL 8383.2a	12-20	Disclosure Pursuant Terrorism Risk Insurance Act
*IL8384A	01-08	Terrorism Notice

Your coverage follows the policies listed below unless otherwise noted:

General Liability

Policy Number: 6D22415 - Insurance Carrier: Employers Mutual Cas

Policy Term: 7/1/2021 to 7/1/2022

Coverage Description	Limit
Each Occurrence	\$1,000,000
General Aggregate	\$3,000,000
Products-Completed Operations Aggregate	\$3,000,000

Auto Liability

Policy Number: 6E22415 - Insurance Carrier: Employers Mutual Cas

Policy Term: 7/1/2021 to 7/1/2022

Coverage Description	Limit
Combined Single Limit	\$1,000,000

Employers Liability

Policy Number: WCV 8016019 - Insurance Carrier: Accident Fund Insurance

Policy Term: 7/1/2021 to 7/1/2021

Coverage Description	Limit
Bodily Injury by Disease – Each Employee	\$100,000
Bodily Injury by Disease – Policy Aggregate	\$500,000
Bodily Injury Each Accident	\$100,000

EBL

Policy Number: 6K22415 - Insurance Carrier: Employers Mutual Casualty

Policy Term: 7/1/2021 to 7/1/2022

Coverage Description	Limit
Employee Benefits Liability	\$1,000,000

Cyber and Privacy Liability

Coverage:

Cyber Liability insurance protects the organization from losses due to Notification expenses, Business Interruption expenses, Cyber extortion or ransom and regulatory fines and penalties to name a few coverage clauses that address first and third-party losses from a cyber attack.

Privacy Liability insurance coverage protects businesses against the liabilities and expenses arising from a theft, loss of unauthorized use of personal information (PI), personal health information (PHI) or corporate confidential (CC) information.

This is a Claims Made or a Claims Made and Reported Policy and applies only to Claims first made and reported during the Policy Period or the Extended Reporting Period, if applicable. Defense Costs may be included within the limit and may erode the Limit of Liability provided.

Coverage Description
Waiting Period: 8 Hours
Minnesota Amendatory Endorsement
Minnesota Notice of Guaranty Fund Protection
Nuclear Exclusion
Sanction Limitation and Exclusion Clause
Amend Definition of Fraudulent Instruction
Policyholder Disclosure Notice of Terrorism Insurance Coverage
Amend Notified Individuals Threshold
Asbestos, Pollution, and Contamination Exclusion Endorsement
War and Civil War Exclusion
Contingent Bodily Injury with Sublimit Endorsement; Sublimit: \$250,000
Post Breach Remedial Services Endorsement
Cap on Losses Arising Out of Certified Acts of Terrorism
GDPR Cyber Endorsement; (General Data Protection Regulation)
Computer Hardware Replacement Cost; Sublimit: \$100,000
Invoice Manipulation Coverage; Limit: \$100,000 Retention: To Match Elected Retention
Amend Definition of Data
Amend Other Insurance Clause; Primary with Respect To Breach Response Services And First Party Loss
Voluntary Shutdown Coverage
CryptoJacking Endorsement; Sublimit: \$100,000 Retention: \$5,000
Reputation Loss; Limit: \$1,000,000 Retention: \$5,000
State Consumer Privacy Statutes

Cyber Coverage

Insurance Company: Beazley Insurance Company, Inc.
 Policy Term: 7/1/2021 to 7/1/2022

COVERAGE SCHEDULE (Currency in USD)	
LIMITS	OPTION #1
Breach Response	
Notified Individuals:	100,000
Legal, Forensic & Public Relations/Crisis Mgmt:	\$1,000,000
THE BREACH RESPONSE LIMITS ABOVE ARE IN ADDITION TO THE POLICY AGGREGATE LIMIT OF LIABILITY	
Policy Aggregate Limit of Liability:	\$2,000,000
Additional Breach Response Limit	
Additional Breach Response Limit:	\$2,000,000
First Party Loss	
Business Interruption Loss:	
<i>Resulting from Security Breach:</i>	\$2,000,000
<i>Resulting from System Failure:</i>	\$2,000,000
Dependent Business Loss:	
<i>Resulting from Dependent Security Breach:</i>	\$250,000
<i>Resulting from Dependent System Failure:</i>	\$250,000
Cyber Extortion Loss:	\$2,000,000
Data Recovery Costs:	\$2,000,000
Liability	
Data & Network Liability:	\$2,000,000
Regulatory Defense & Penalties:	\$2,000,000
Payment Card Liabilities & Costs:	\$2,000,000
Media Liability:	\$2,000,000
eCrime	
Fraudulent Instruction:	\$250,000
Funds Transfer Fraud:	\$250,000
Telephone Fraud:	\$250,000
Criminal Reward	
Criminal Reward:	\$50,000
RETENTIONS	OPTION #1
Breach Response	
Legal, Forensic & Public Relations/Crisis Mgmt:	\$5,000; \$2,500 for Legal
Each Incident, Claim, or loss:	\$5,000
Retention for Cyber Extortion Loss:	\$1,000

Key Definitions

The Key Definitions contain generic definitions for common types of insurance. Not all coverage types are defined and some of those that are defined may not be included in your insurance program

Privacy Liability - Covers liability arising from failure by the Insured or an Independent Contractor to properly manage, store, destroy or otherwise control Personal Information, or an unintended violation of the Insured's privacy policy that results in the violation of any Privacy Regulation

Network Security Liability - Covers liability arising from a failure of Network Security, meaning those activities performed by the Insured, or by others on behalf of the Insured, to protect against unauthorized access to, unauthorized use of, a denial of service attack against, or transmission of unauthorized, corrupting or harmful software code to the Insured's computer system.

Internet/Multi-Media Liability - Covers liability arising from the electronic publishing, dissemination, releasing, gathering, transmission, production, webcasting, or other distribution of Internet Content on the Insured's website.

Network Extortion - First party coverage. Reimburses for payments made under duress to address an extortion threat.

Data Breach Expenses - Covers Notification, Monitoring, Call Center Services as required by law, Forensics and Loss Control, PR & Crisis Communication Services

Regulatory Proceedings - First party coverage. Covers Defense and Penalties related to civil proceeding brought by FTC, FCC or similar governmental entity

Digital Asset Protection - First Party coverage. Pays costs incurred to replace, restore or re-collect Digital Assets due to corruption or destruction caused by a Network Security failure.

Business Interruption - First Party coverage. Pays Income Loss and Extra Expense incurred by the Insured during the Period of Restoration resulting directly from a covered Interruption of service as a direct result of a data security event.

Excluded coverage or other coverages sought may be available: please discuss with USI

Other exclusions and policy limitations may apply. Please refer to the actual policies for specific terms, conditions, limitations, exclusions and sublimit that will govern in the event of a loss.

Pollution Coverage

RENEWAL QUOTE

Quote #:	4531975-1		
Applicant Name:	Nova Classical Academy	Quote Expires:	07/31/2021
Mailing Address:	1455 Victoria Way Saint Paul, MN -55102-4213		
Insuring Company:	Evanston Insurance Company	Primary Company:	RT Specialty, LLC 500 West Monroe Street, 30th Floor Chicago IL United States 60661
Coverage Name:	Primary	Policy Period:	07/01/2021 To 07/01/2022

Type of Coverage: Site Pollution Environmental Coverage				
Section/Coverage	Each Loss Limit	Each Coverage Aggregate Limit	Deductible/Self Insured Retention	Retroactive Date
Coverage A.5 Sudden and Abrupt Discharge, Release or Escape of Pollutants	\$3,000,000	\$3,000,000	See Location schedule	See Location schedule
Disciplinary Proceedings:				
Shared General Aggregate Limit:	\$3,000,000			
Policy Basis:	Claims Made			

Total Policy Limit:	
Total Policy Aggregate Limit:	\$3,000,000

Site Pollution Schedule					
#	Location	Applies to Coverage Part	Each Pollution condition Limit	Deductible/ SIR	Retroactive Date
1	1455 VICTORIA WAY Saint Paul, MN ,55102	Coverage A.5 Sudden and Abrupt Discharge, Release or Escape of Pollutants	\$3,000,000	SIR: \$5,000	Not Applicable Day to Discover Pollution condition(if other than shown in the Coverage Form) : 7 Days Day to Report Pollution condition(if other than shown in the Coverage Form) : 21 Days

Coverage Description
Disclosure Pursuant to Terrorism Risk Insurance Act
Environmental Common Policy Declarations
Site Pollution & Environmental Supplemental Declarations
Schedule of Covered Locations
Forms Schedule
Site Pollution & Environmental Coverage Form
Common Policy Conditions
Exclusion-Mold & Legionella
Application Warranty
Cap on Losses from Certified Acts of Terrorism
Service of Suit
Policy Changes
Changes - Civil Union
Minimum Earned & Minimum Retained Premium; Minimum Earned Premium Percentage: 25% Minimum Retained Premium Percentage: 100%
Trade or Economic Sanctions
Emergency Response Hotline
Privacy Notice
Common Policy Surplus Lines Notification Supplement to Declarations
US Treasury Dept Office of Foreign Assets Control; (OFAC) Advisory Notice to Policyholders
Notice to Policyholders Potential Restrictions to Terrorism

Premium Summary

Coverage	Term	Carrier	AM Best Rating	Admitted or Non-Admitted	Minimum Earned Premium	Expiring Term Premium	Proposed Term Premium
Property	12 mo.	EMC	A	Admitted	n/a	\$15,275.98	\$27,598.95
General Liability	12 mo.	EMC	A	Admitted	n/a	\$9,746.00	\$10,148.00
Linebacker	12 mo.	EMC	A	Admitted	n/a	\$4,613.00	\$4,613.00
Automobile	12 mo.	EMC	A	Admitted	n/a	\$732.00	\$727.00
Inland Marine	12 mo.	EMC	A	Admitted	n/a	\$1,988.00	\$1,988.00
Crime	12 mo.	Travelers	A	Admitted	n/a	\$1,471.00	\$1,471.00
Worker's Compensation	12 mo.	Accident Fund	A	Admitted	n/a	\$36,686.00	\$34,370.00
Umbrella	12 mo.	EMC	A	Admitted	\$100	\$4,252.00	\$4,468.00
Pollution	12 mo.	Evanston	A	Non-Admitted	25%	\$4,317.00	\$4,096.00*
Cyber	12 mo.	Beazley	A	Admitted	n/a	\$4,094.00	\$6,160.00
TOTAL ESTIMATED ANNUAL PREMIUM						\$ 81,703.98	\$ 95,639.95

*plus fees

Terrorism Option: Due to the Terrorism Risk Insurance Act of 2002, you now have the right to purchase coverage for losses arising out of the Acts of Terrorism, as defined in Section 102 (1) of the act. Under Federal Law you may purchase this terrorism coverage for an additional premium as follows. Please note the additional premium is not included in the above quote. We will require written confirmation at the time of binding if you elect or reject this coverage.

Binding Requirements:

- "Client Authorization to Bind" signed by the insured

Payment Terms:

- EMC, Travelers & Accident Fund policies - Direct Billed to Insured.
- Beazley & Evanston policies will be billed in full by USI Insurance.

Note:

In evaluating your exposure to loss, we have been dependent upon information provided by you. If there are other areas that need to be evaluated prior to binding of coverage, please bring these areas to our attention. Should any of your exposures change after coverage is bound, such as your beginning new operation, hiring employees in new states, buying additional property, etc., please let us know so proper coverage(s) can be discussed.

Higher limits may be available. Please contact us if you would like a quote for higher limits.

Agency Bill Payment Options

We sincerely appreciate the opportunity to service your insurance needs. We believe good credit relationships are established by making our clients aware in advance of the terms of our payment procedures.

OUR BASIC PAYMENT PLAN IS THAT ALL PAYMENTS ARE DUE ON OR BEFORE THE EFFECTIVE DATE OF COVERAGE. THERE ARE THREE METHODS OF PAYMENT AVAILABLE:

-CASH ON EFFECTIVE DATE
-PREMIUM FINANCING BY A PREMIUM FINANCE COMPANY
-INSURANCE COMPANY PAYMENT PLAN, IF AVAILABLE

Please note that USI Insurance Services LLC and its subsidiaries and affiliates do not provide customer financing.

In some instances, you will receive invoices covering additions or changes to your coverage, endorsements. These invoices are payable upon receipt. You will receive a monthly statement of your account as a reminder as we realize that it is occasionally possible to miss a payment through oversight. Accounts with payments past due are subject to cancellation for non-payment. This is a serious situation as your insurer may refuse to reinstate coverage even if payment is made later. Accounts are subject, but not limited to, reasonable attorney fees, interest, collection fees and/or court costs incurred in connection with collection of past due balances.

PAYMENTS: Please remember to return the remittance copy of the invoice with your payment in the provided envelope. Otherwise, all payments will be applied to your oldest balance or left as unapplied if we cannot identify the applicable invoice being paid.

CREDITS: Credit invoices may be applied against other invoices due us. Please indicate in your remittance or contact us as to where to apply credit invoices on your account.

These payment procedures will apply for any and all policy renewals or future business written.

If you have any questions concerning our payment procedures or any other matters pertaining to account payments, please contact your insurance representative.

Client Authorization to Bind

Important Information - Coverage cannot be bound when severe weather is threatening regardless of the expiration date.

After careful consideration of your proposal dated May 11, 2021, we accept your insurance program as presented with the following exceptions, changes, and/or recommendations:

Client Signature

Date Signed

Nova Classical Academy



USI Disclosures

Direct Bill DISCLOSURE: The Insurance Company operates independently for the financing of your insurance premium. Your agreement to finance this premium is directly with the insurance company and not USI Insurance Services.

If payment is not received by the due date, the insurance company could cancel your insurance policy(s) for non-payment of premium. The insurance company has the right to honor the cancellation date and **NOT** offer reinstatement or rewrite the insurance coverage.

We are not in a position to make monthly reminders or verify that your payment was received. Please take the necessary action to avoid possible cancellation of your insurance policy(s) which you are paying directly to the insurance company.

expected to be received by us, and, if applicable, compensation expected to be received on any alternative quotes pertinent to your placement upon your request.

USI Privacy Notice

Our Privacy Promise to You

USI provides this notice to you, our customer, so that you will know what we will do with the personal information, personal financial and health information (collectively referred to as the “protected information”) that we may receive from you directly or receive from your health care provider or receive from another source that you have authorized to send us your protected information. We at USI are concerned about your privacy and assure you that we will do what is required of us to safeguard your protected information.

What types of information will we be collecting?

USI collects information from you required both for our business and pursuant to regulatory requirements. Without it, we cannot provide our products and services for you. We will be collected protected information about you from:

- Applications or other forms, such as name, address, Social Security number, assets and income, employment status and dependent information;
- Your transactions with us or your transactions with others, such as account activity, payment history, and products and services purchased;
- Consumer reporting agencies, such as credit relationships and credit history. These agencies may retain their reports and share them with others who use their services;
- Other individuals, businesses and agencies, such as medical and demographic information; and
- Visitors to our websites, such as information from on-line forms, site visitorship data and on-line information collection devices, commonly called “cookies.”

What will we do with your protected information?

The information USI gathers is shared within our company to help us maximize the services we can provide to our customers. We will only disclose your protected information as is necessary for us to provide the insurance products and services you expect from us. USI does not sell your protected information to third parties, nor does it sell or share customer lists.

We may also disclose all of the information described above to third parties with which we contract for services. In addition, we may disclose your protected information to medical care institutions or medical professionals, insurance regulatory authorities, law enforcement or other government authorities, or to affiliated or nonaffiliated third parties as is reasonably necessary to conduct our business or as otherwise permitted by law.

Our Security Procedures

At USI, we have put in place the highest measures to ensure the security and confidentiality of customer information. We will handle the protected information we receive by restricting access to the protected information about you to those employees and agents of ours who need to know that information to provide you with our products or services or to otherwise conduct our business, including actuarial or research studies. Our computer database has multiple levels of security to protect against threats or hazards to the integrity of customer records, and to protect against unauthorized access to records that may harm or inconvenience our customers. We maintain physical, electronic, and procedural safeguards that comply with federal and state regulations to safeguard all of your protected information.

Our Legal Use of Information

We retain the right to use ideas, concepts, know-how, or techniques contained in any nonpublic personal information you provide to us for our own purposes, including developing and marketing products and services.

Your Right to Review Your Records

You have the right to review the protected information about you relating to any insurance or annuity product issued by us that we could reasonably locate and retrieve. You may also request that we correct, amend or delete any inaccurate information by writing to us at the above address.

Insurance Carrier Ratings

As a service to our clients, USI is furnishing an assessment by a financial rating service of the insurance companies included in our proposal. We are including the legends used by this service.

All ratings are subject to periodic review, therefore, it is important to obtain updated ratings from each service. Should you desire further information concerning the financial statements of any of the insurance companies being proposed, so that you can make your own assessment of the financial strength of the companies being offered, it is available from USI at your request.

USI has made no attempt to determine independently the financial capacity of the insurance companies that we are including in our proposal as we believe the nationally recognized services are better equipped to comment.

A. M. BEST RATINGS

A++ & A+	Superior	D	Poor
A & A-	Excellent	E	Under Regulatory Supervision
B++ & B+	Good	F	In Liquidation
B & B-	Fair	S	Rating Suspended
C++ & C+	Marginal	NR	Not Rated

FINANCIAL SIZE CATEGORY

(In \$ Thousands)

Class I	Less than		1,000
Class II	1,000	to	2,000
Class III	2,000	to	5,000
Class IV	5,000	to	10,000
Class V	10,000	to	25,000
Class VI	25,000	to	50,000
Class VII	50,000	to	100,000
Class VIII	100,000	to	250,000
Class IX	250,000	to	500,000
Class X	500,000	to	750,000
Class XI	750,000	to	1,000,000
Class XII	1,000,000	to	1,250,000
Class XIII	1,250,000	to	1,500,000
Class XIV	1,500,000	to	2,000,000
Class XV	2,000,000	to	or greater

RATING "NOT ASSIGNED" CLASSIFICATIONS

NR-1 Insufficient Data

NR-3 Rating Procedure Inapplicable

NR-5 Not Formally Followed

NR-2 Insufficient Size and/or Operating Experience

NR-4 Company Request