

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE ADMINISTRATOR FOR THE DEPARTMENT OF YOUTH AND FAMILY DEVELOPMENT TO RENEW LIABILITY AND AUTO INSURANCE COVERAGE WITH TML RISK MANAGEMENT POOL FOR A ONE YEAR PERIOD, IN THE AMOUNT OF FORTY-EIGHT THOUSAND TWO HUNDRED THIRTEEN DOLLARS (\$48,213.00).

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CHATTANOOGA, TENNESSEE, That the Administrator for the Department of Youth and Family Development is hereby authorized to renew liability and auto insurance coverage with TML Risk Management Pool for a one year period, in the amount of \$48,213.00.

ADOPTED: _____, 2015

/mem

City of Chattanooga



Resolution/Ordinance Request Form

Date Prepared: June 24, 2015

Preparer: Chris Brown

Department: Youth & Family Development

Brief Description of Purpose for Resolution/Ordinance: Res./Ord. # _____ Council District # 7

Authorization for the Administrator of the Department of Youth and Family Development to renew liability and auto insurance coverage with TML Risk Management Pool for the amount of \$48,213.00. If approved a one year agreement will be executed. Other terms of this agreement are more fully described in the attached document.

Name of Vendor/Contractor/Grant, etc.	<u>TML Risk Management</u>	New Contract/Project? (Yes or No)	<u>No</u>
Total project cost	\$ <u>48,213.00</u>	Funds Budgeted? (YES or NO)	<u>Yes</u>
Total City of Chattanooga Portion	\$ <u>48,213.00</u>	Provide Fund	<u>2030</u>
City Amount Funded	\$ <u>48,213.00</u>	Provide Cost Center	<u>N00801</u>
New City Funding Required	\$ <u>N/A</u>	Proposed Funding Source if not budgeted	_____
City's Match Percentage	% <u>N/A</u>	Grant Period (if applicable)	_____

List all other funding sources and amount for each contributor.

<u>Amount(s)</u>	<u>Grantor(s)</u>
\$ _____	_____
\$ _____	_____
\$ _____	_____

Agency Grant Number _____

CFDA Number if known _____

Other comments: (Include contingency amount, contractor, and other information useful in preparing resolution)

Approved by: 
DESIGNATED OFFICIAL/ADMINISTRATOR

Reviewed by: FINANCE OFFICE

Please submit completed form to @budget, City Attorney and City Finance Officer

Revised: 1/26/09



CHATTANOOGA YOUTH AND FAMILY DEVELOPMENT

INSURANCE PROPOSAL

JULY 1, 2015



HISTORY OF BB&T INSURANCE SERVICES

BB&T Corporation is among the top largest financial institutions in the United States and is at the forefront of the consolidation that is taking place in the financial services and insurance industries. BB&T Insurance Services, Inc., a subsidiary of BB&T Insurance Holdings, Inc., sells and services a broad spectrum of insurance products including Commercial Property and Casualty, Personal Lines, Surety, Life and Employee Benefits.

Even though consolidation in the financial services industry has recently received attention, BB&T has been involved in the insurance industry since 1922, when they purchased an insurance agency in Wilson, NC. Today BB&T Insurance Holdings is the 5th largest insurance broker in the U.S. with \$19.5 billion in premium volume. This allows BB&T Insurance Services to partner with the very best insurance companies in the world to provide a comprehensive program of insurance-based products and services.

When you choose BB&T Insurance Services, you will be joining thousands of other businesses throughout the country that have made the decision to select a national agency who focuses on building long-term relationships with key local sales professionals. We feel strongly that choosing a quality insurance agency like BB&T Insurance Services is one of the key decisions a business will make.

We appreciate your interest and look forward to serving your insurance needs.

With regard to certain client services mentioned herein and which may be provided by vendors or third party administrators outside of the BB&T family, please be aware that certain states prohibit the referral to or rendering of services with independent vendors at a rate deemed preferential to BB&T insured customers. The rate must be mutually agreed to between the client and vendor.

Rv02-12-2015

CLIENT SERVICES

At BB&T Insurance Services, our goal is to secure your assets and protect your future. In addition to a comprehensive insurance program, we also provide ongoing services to our clients. At your request, and from time to time, we will:

- Obtain and review loss runs for each of your insurance coverages.
- Provide assistance in the resolution of your claims.
- Furnish information on paid claims and claims reserves.
- Review your insurance company's loss control activities and work with you and your insurance company to establish a comprehensive loss control plan.
- Provide premium allocation for each of your departments, locations and/or divisions.
- Review leases, rental agreements and other contracts to determine their insurance requirements so that you will know if your insurance program meets them. If it does not, we will work with you to address any shortcomings.
- Review your payrolls and sales at the end of six months to determine if the estimate used on the policy premium remains accurate.
- Monitor insurance company services. (Loss Control, Auditing, Claims, etc.)
- Verify audit calculations, dividend calculations and experience modifications.
- Conduct an annual review of insurance values, levels of coverage changes in exposures, etc. in your insurance program.

ADDITIONAL BB&T INSURANCE SERVICES PRODUCTS

Life and Financial Planning	Our life insurance professionals provide a variety of product solutions, including term, whole, universal and variable insurance, long-term care, as well as retirement and estate-planning options. Our health insurance professionals provide various types of individual health/medical insurance coverage.
Employee Benefits	We provide a comprehensive range of benefit services and innovative solutions to help our clients administer a complete, customized benefit package. The cornerstone is our unique CarePlus offering, which is designed to improve care and wellness for employees while lowering costs for employers. It features fully or self-insured employee benefits programs, two private exchange options and much more.
Personal Insurance	Personal Line advisors consult with clients to understand their needs and create insurance programs that offer adequate coverage and protection at very competitive rates. We monitor life events and other changes that can result in gaps and overlaps in coverage and recommend adjustments as needed.
BridgeTrust Title	Our residential and commercial title experts can handle everything from simple house refinances to complex commercial developments. We offer a product to protect our clients against losses caused by unreported or undiscovered problems with the title to their business property or real estate.

02/15 Edition

OTHER BB&T PRODUCTS/SERVICES

Ask your agent for more details on the following products

Banking Services

Variety of checking accounts, savings accounts, CDs, credit card options, ATM services

Commercial Lending Services

Inventory/Accounts Receivable Financing, Equipment Lending, Plant Expansion/Business Acquisition, etc.

Merchant Services

Customized point-of-sale programs that accept every major credit card, Multiple data communication options, Equipment leasing, rental and purchase plans

BB&T Capital Markets

Equity Research, Investment Banking, Trading, Institutional Sales, Retail Brokerage, Commercial Banking, Industry Expertise

Asset Management

Offers a full range of investment strategies, including equity and fixed income investing, domestic, as well as, international

Cash Management

Comprehensive package of everyday financial tools, Information Reporting, Electronic Tax Payments, Check Consolidation, Overnight Investments

BB&T Commercial Finance

Can provide assistance if your business's cash flow does not match your sales, you have numerous slow accounts receivable, you are paying legal fees to collect money or it is difficult to maintain adequate accounts receivable staff

BB&T Investments

Provides Full Service Brokerage and Discount Brokerage

BB&T Equipment Finance

Vehicle Fleet Leasing/Management Services, Equipment Leasing and Financing, Corporate Leasing

Mortgage

Fixed-rate loans, Short-term balloon mortgages, Adjustable rate mortgages (ARMs), Federal Housing Administration loans (FHA), Veterans Administration loans (VA), Construction/Permanent loans with one-time closing, Community Home Ownership Incentive Program (Affordable Housing loans), Guaranteed Rural Housing loans, Low down payment programs, Minimum Documentation programs

International Services Division

Documentary Letters of Credit, Documentary Collections, Foreign Exchange, Specialized Import/Export Finance, Foreign Wire Transfers

Online Banking

Available 24 hours a day, seven days a week. Able to view account balances and transfer funds in real time

02/2015 Edition



**GENERAL LIABILITY, PERSONAL INJURY LIABILITY,
 ERRORS OR OMISSIONS LIABILITY,
 AUTOMOBILE LIABILITY, AND AUTOMOBILE PHYSICAL DAMAGE POLICY**

Policy Number
 TML-0315-16

DECLARATIONS

Renl/Rewrite of
 TML-0315-15

ITEM 1. INSURED

CHATTANOOGA YOUTH AND FAMILY DEVELOPMEN
(See Additional Named Insured Endorsement)
501 WEST 12TH STREET
CHATTANOOGA, TN 37405-3821

AGENT

BB & T HUFFAKER INSURANCE
735 BROAD ST. STE 100
CHATTANOOGA, TN 37402

ITEM 2. COVERAGE PERIOD: 7/1/2015 - 7/1/2016

12:01 A.M. at the Insured's mailing address.

ITEM 3. COVERAGE PARTS

In return for the payment of the premium, and subject to all of the terms of the policy, the TML Risk Management Pool agrees to provide you with the coverages shown below for which a premium charge is stated. Coverage for each policy coverage period applies independently even if this is part of a three year renewal cycle.

ONE YEAR POLICY PERIOD		
Coverage and Premium for this Coverage Period		
COVERAGE	COVERAGE PART	PREMIUM
General Liability	A/B	20,272
Law Enforcement Liability	A/B	0
Errors or Omissions Liability	C	23,270
Automobile Liability	D	11,113
Automobile Physical Damage	E	1,649
Other		
TOTAL		56,304

TENNESSEE MUNICIPAL LEAGUE RISK MANAGEMENT POOL
 5100 MARYLAND WAY, BRENTWOOD TN 37027

LIABILITY COVERAGE DECLARATIONS - PAGE 2

INSURED CHATTANOOGA YOUTH AND FAMILY DEVELOPM **Policy Number** TML-0315-16

ITEM 4. LIMITS OF COVERAGE

COVERAGE A - GENERAL LIABILITY and COVERAGE B - PERSONAL INJURY LIABILITY

- \$300,000 PER PERSON FOR BODILY INJURY OR PERSONAL INJURY AS LIMITED BY THE TORT LIABILITY ACT
- \$700,000 PER OCCURRENCE FOR BODILY INJURY OR PERSONAL INJURY AS LIMITED BY THE TORT LIABILITY ACT
- \$100,000 PER OCCURRENCE FOR PROPERTY DAMAGE AS LIMITED BY THE TORT LIABILITY ACT
- \$1,000,000 PER OCCURRENCE FOR EACH OTHER LOSS
- \$1,000,000 PER OCCURRENCE FOR CATASTROPHIC MEDICAL EXPENSES EXCESS OF BODILY INJURY
- \$1,000 PER PERSON AND \$10,000 PER ACCIDENT FOR MEDICAL PAYMENTS
- \$100,000 PER OCCURRENCE FOR FIRE DAMAGE
- \$100,000 PER OCCURRENCE FOR IMPOUNDED PROPERTY DAMAGE OR COMMANDEERED PROPERTY DAMAGE
- \$100,000 PER OCCURRENCE FOR NON-MONETARY DEFENSE COSTS

COVERAGE C - ERRORS OR OMISSIONS LIABILITY \$1,000,000 PER OCCURRENCE

- \$1,000,000 PER OCCURRENCE/POLICY AGGREGATE FOR EMPLOYMENT PRACTICES LIABILITY - See Endorsement
- \$1,000,000 PER OCCURRENCE/POLICY AGGREGATE FOR PRIVACY & NETWORK LIABILITY - See Endorsement
- \$1,000,000 PER OCCURRENCE FOR EMPLOYEE BENEFITS/FIDUCIARY LIABILITY
- \$100,000 PER OCCURRENCE FOR NON-MONETARY DEFENSE COSTS

COVERAGE D - AUTOMOBILE LIABILITY and COVERAGE E - AUTOMOBILE PHYSICAL DAMAGE

This policy provides only those coverages where a designation symbol is shown under Covered Autos below. Entry of one or more of the symbols from Item 5 indicates the autos that are covered autos.

Coverages	Covered Autos	Limits
LIABILITY	<u>1,2,3</u>	\$300,000 PER PERSON FOR BODILY INJURY AS LIMITED BY THE TORT LIABILITY ACT \$700,000 PER OCCURRENCE FOR BODILY INJURY AS LIMITED BY THE TORT LIABILITY ACT \$100,000 PER OCCURRENCE FOR PROPERTY DAMAGE AS LIMITED BY THE TORT LIABILITY ACT \$1,000,000 PER OCCURRENCE FOR EACH OTHER LOSS \$1,000,000 PER OCCURRENCE FOR CATASTROPHIC MEDICAL EXPENSES EXCESS OF BODILY INJURY
MEDICAL PAYMENTS	<u>1</u>	\$1,000 PER PERSON AND \$10,000 PER ACCIDENT
UNINSURED MOTORISTS	<u>1,2,3</u>	\$300,000 PER OCCURRENCE FOR BODILY INJURY AND \$100,000 PER OCCURRENCE FOR PROPERTY DAMAGE
COMPREHENSIVE	<u>1, 2</u>	SEE AUTOMOBILE PHYSICAL DAMAGE ENDORSEMENT(S)
COLLISION	<u>1, 2</u>	SEE AUTOMOBILE PHYSICAL DAMAGE ENDORSEMENT(S)

ITEM 5. DESCRIPTION OF COVERED AUTOMOBILES - DESIGNATION SYMBOLS

Symbol	Description
1	OWNED AUTOS ONLY - Only those autos you own, including those autos that you acquire during the coverage period.
2	HIRED AUTOS ONLY - Only those autos you lease, hire, rent, or borrow, including any auto you lease, hire, rent, or borrow from any of your employees.
3	NONOWNED AUTOS ONLY - Only those autos you do not own, lease, hire, rent, or borrow that are used in connection with your business, including autos owned by your employees, but only while used in your business.

COMMERCIAL AUTOMOBILE

Schedule of Vehicles

No	Clt#	Year	Make	Model	VIN#	St	R	M	U	Comp	Coll
1		1996	Chevrolet	US Bus	1GBKH31K6T3309658	TN		X	X	\$250	\$500
2		1995	Chevrolet	Wayne Chpr.	1GBHG31K4SF116998	TN		X	X	\$250	\$500
3		1999	International	Elect T 444E	1HVBBABNXXH661591	TN		X	X	\$250	\$500
4		1999	International	Elect T 444E	1HVBBABN8XH661590	TN		X	X	\$250	\$500
5		1996	Chevrolet	US Bus Sturdibus	1GBKH31K7T3301911	TN		X	X	\$250	\$500
6		2002	Blue Bird	Blue Bird	1GDJG31R321177259	TN		X	X	\$250	\$500
7		2002	Blue Bird	GMC	1GDJG31R321179328	TN		X	X	\$250	\$500
8		2002	Blue Bird	GMC	1GDJG31R521178770	TN		X	X	\$250	\$500
9		2002	Blue Bird	GMC	1GDJG31R421177240	TN		X	X	\$250	\$500
10		2003	Chevrolet	GMC	1GBHG31U831188174	TN		X	X	\$250	\$500
11		1992	Chevrolet	Carpenter	2GBHG31K2N4109977	TN		X	X	\$250	\$500
12		2002	Thomas Built	GMC	1GDJG31R111179915	TN		X	X	\$250	\$500
13		1998	Ford	Windstar	2FMZA5143WBD37476	TN		X	X	\$250	\$500
14		2002	Blue Bird	Micro Bird Bus	1GBJG31R521196937	TN		X	X	\$250	\$500
15		2002	Thomas Built	GMC	1GDJG31R411228461	TN		X	X	\$250	\$500
16		2002	Thomas Built	GMC	1GDJG31R311230010	TN		X	X	\$250	\$500
17		2002	Blue Bird	BUS	1GBJG31R321196287	TN		X	X	\$250	\$500
18		1995	Chevrolet	Bussett	1GBHG31K3SF131685	TN		X	X	\$250	\$500
19		1994	Chevrolet	Bussett	1GBHG31K1RF131954	TN		X	X	\$250	\$500
20		1991	Chevrolet	Bussett	2GBHG31K0M4123343	TN		X	X	\$250	\$500
21		1993	Chevrolet	Bussett	2GBHG31KXP4151848	TN		X	X	\$250	\$500
22		1991	Chevrolet	Bussett	2GBHG31KOM4114982	TN		X	X	\$250	\$500
23		1993	Chevrolet	Bussett	2GBHG31K1P4107057	TN		X	X	\$250	\$500
24		2006	Ford	Expedition	1FMPU15576LA97570	TN		Y	Y	\$250	\$500
25		1995	Chevrolet	Truck	1GCHK3412252253779	TN		Y	Y	\$250	\$500
26		1995	Chevrolet	Truck	1GBHK34K0SE256496	TN		Y	Y	\$250	\$500
27		2012	Ford	Escape XLT	1FMCU0DG7CK833240	TN		Y	Y	\$250	\$500
28		2000	Chevrolet	Silverado LS	2GCEK19T9Y1284179	TN		Y	Y	\$250	\$500
29		2013	Ford	Cargo Van	1FTNE2EW2DDB26035	TN		Y	Y	\$250	\$500

St = State Garaged
 R = Rental Reimbursement
 M = Medical Payments
 U = Uninsured Motorist
 Comp = Comprehensive Deductible
 Coll = Collision Deductible

PREMIUM SUMMARY/PAYMENT TERMS

Coverage	Company	AM Best Rating	Expiring w/dividend Credit	Renewal w/dividend credit
Package GL/Auto	Tennessee Municipal League		\$50,478 (\$11,447)	\$56,304 (\$8,091)
Estimated Annual Total			\$39,031	\$48,213

Premium(s) contained in this document are valid for 30 days unless otherwise noted.

Per TML , the insured's budget increased over the 2014 term which caused them to go into a higher premium bracket for the 2015 renewal. The insured's budget for the 2014 term was \$9,274,829 versus \$11,964,012 for 2015. This is due to the increase in the Early Head Start Child Care Partnership for 150 additional children.

Disclaimer

This Proposal/Schedule of Coverage appearing herein is only illustrative and is not intended as a policy of insurance, binder or statement of coverage, or as an amendment, modification or waiver of the terms and conditions of any policy of insurance. In every instance, the policy is the only accepted statement of coverage. Specimen copies of insurance policies are available upon request prior to binding of coverage.

The first named insured listed will be responsible for handling all communications, including but not limited to, payment of premium, request for policy changes and loss information, and receipt of cancellation notices.

There is no coverage for any current or past joint venture, partnership, or corporation that is not shown as a named insured.

Higher liability limits of coverage than those contained in this document may be available. We recommend that you consider increasing your liability limits to minimize the risk of being underinsured in the event of a large claim filed against you.

Audit

Coverage recommendations and premiums are reflective of the information (payrolls, locations, operations, product data, financial data, loss experience, etc.) provided by you to us and submitted to insurer(s) for quotation(s). If there are changes or other areas that require evaluation, discussion, and revision prior to binding coverage, please bring these to our attention immediately. In addition, liability, auto and workers compensation policies are based upon estimates of annual sales or payrolls. An audit of these policies may result in return or additional premiums.

Payment Terms

Direct Bill Accounts

- The agency will not notify the client in the event of pending or final cancellation notice.

Agency Bill Accounts

- Invoices are due on the effective or transaction date, whichever is later.
- Payment should be made by invoice as no statements will be issued.
- Payments must be made no later than the 28th day after due date to avoid cancellation.

Minimum and/or Fully Earned Premium and Fees May Apply

(Refer to individual coverage page(s) for details)

Binding Conditions

(Refer to individual coverage page(s) for details)

Subjectivities

(Refer to individual coverage page(s) for details)

PROVIDER SECURITY STANDARDS

The following is a brief summary of the measures that we have taken as your agent/broker to review and report to you objectively on the financial security of your insuring companies. Information is included on A.M. Best Company, our primary security rating source, and the internal policies and standards, which we have established to address this important issue for our customers.

BB&T Insurance Services Market Security Review – BB&T Insurance Services has established and continues to maintain an internal “Market Security Review Committee” composed of senior management representatives from the Finance, Marketing, Branch, Wholesale and Administrative Divisions of the company. This committee’s purpose is to develop and implement a policy, procedure, and standard for the financial security of all insurers, intermediaries, and associations used by BB&T Insurance Services.

This committee meets periodically to review the current listing of all companies, intermediaries and associations, which are actively used by BB&T Insurance Services. It will also act on any pending requests received from throughout the agency to have new providers activated, and to inactivate any providers that do not meet current BB&T Insurance Services standards.

BB&T Insurance Services, Inc. Provider Classifications :

“Approved Provider” – Any provider whose Best’s rating is “A-” or higher. The Best’s rating of an “approved” provider will be included on all BB&T Insurance proposals delivered to clients or prospects.

“Acceptable Provider” – Any provider whose Best’s rating is “B+” or higher, but below “A-.” The Best’s rating of an “acceptable” provider will be included on all BB&T Insurance proposals delivered to clients or prospects.

In addition, these providers which have been reviewed by the BB&T Insurance Services Market Security Review Committee and the client, may be considered acceptable security based on other factors. The client may be required to sign a form of disclaimer or acknowledgement of receipt of this information.

“Restricted Provider” – Any domestic insurance provider whose Best’s rating is “B” or lower, or which has no Best’s rating and has not been given an exception by the BB&T Insurance Services Market Security Review Committee. These providers will be accessible only upon presentation of a hold harmless letter after a request for the provider has been submitted to the committee. The Best’s rating of any “restricted” provider (if available) will be included on all BB&T Insurance Services proposals delivered to clients or prospects.

“Prohibited Provider” – All other providers not mentioned in one of the paragraphs above. These providers will not be set up for active use in the BB&T Insurance Services management system at any time, for any reason.

History – A.M. Best Company was incorporated in 1899 as the first rating agency in the world to offer reliable information on the financial condition of U.S. insurance companies. The *Best’s Rating Guide* was first published in 1900, and has since become a cornerstone of the security review process by continuously evaluating the financial integrity of over 4,100 insurance companies. In 1984, the first edition of the *Best’s International Rating Guide* was published, reporting on the claims-paying ability of over 950 international insurers.

The information used by Best’s to rate insurance carriers is provided by the companies themselves as a part of their normal filings with the National Association of Insurance Commissioners, those states in which the company is licensed, the SEC and/or with its shareholders. Rating reviews are performed annually on each insurance company and on an interim basis as conditions dictate.

Best's Rating System – The Best's rating system is designed to evaluate a wide range of objective and subjective factors that affect the overall performance of an insurance company (not applicable to associations or intermediaries). These factors deal with the company's financial strength, its operational performance, and its ability to meet its financial obligations to policyholders, as follows:

• Profitability	• Spread of Risk
• Quality of Reinsurance Program	• Leverage/Capitalization
• Quality and Diversification of Assets	• Liquidity
• Adequacy of Policy Loss Reserves	• Adequacy of Policyholder's Surplus
• Capital Structure	• Management Experience and Objectives

Best's Rating Symbols – A typical Best's rating is composed of two parts. The **"Security"** portion provides an alphabetical indication of the quality of the security provided by a company to its policyholders. This rating is further defined in three categories, "Secure", "Vulnerable", or "Not Assigned". The **"Financial Size"** (FSC) portion of the Best's rating uses Roman numerals to rank companies based on the dollar amount of their policyholder's surplus and contingent reserve funds.

While comparative rankings for security or financial size by themselves may not adequately portray the complete financial health of a company, the combination of the two has proven to be reliable in predicting the ability of a company to meet its claims obligations in a timely manner, both now and in the near future. The actual rating symbols used by Best and their meanings are:

AM BEST'S RATINGS

Assigned to insurers which meet Best's standards for the quantitative and qualitative analysis of the company's financial condition and operating performance. For further information, see the [Best's Guide to Ratings -www.ambest.com](http://www.ambest.com)

<p>Secure Ratings</p> <p>A++, A+..... Superior A, A-..... Excellent B++, B+..... Good B, B-..... Fair</p>	<p>Vulnerable Ratings</p> <p>C++, C+..... Marginal C, C-..... Weak D..... Poor E..... Regulatory F..... In Liquidation S..... Rating Suspended</p>	<p>Affiliation Codes and Rating Modifiers</p> <p>g..... Group p..... Pooled r..... Reinsured u..... Under Review pd..... Public Data s..... Syndicate</p>
---	--	---

Guide to Best's Financial Size Categories (in \$Millions of Reported Policyholders' Surplus & Conditional Reserve Funds)

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

Not Rated Categories (NR) (Companies not assigned a Best's Rating or FPR are assigned to one of the five NRT categories which identifies the primary reason a rating opinion was not assigned to the company.)

NR-1..... Insufficient Data	NR-4..... Company Request
NR-2..... Insufficient Size and/or Operation Experience	NR-5..... Not Formally Followed
NR-3..... Rating Procedure Inapplicable	

NON-ADMITTED CARRIERS

An insurance company not licensed to do business in a given state. These insurers are not subject to the financial solvency and enforcement regulations that are required for admitted carriers. These insurers do not participate in any of the insurance guarantee funds. Therefore, these funds will not pay your claims or protect your assets if the insurer becomes insolvent and is unable to make payments as promised.

06/14 Edition

COMPENSATION STATEMENT

BB&T Insurance Services, Inc. BB&T Insurance Services of California, Inc.

Our principal remuneration for the placement and service of your insurance policy(ies) will be by commission (a proportion of the premium paid that is allowed to us by the insurance company(ies)) and/or a mutually agreed fee.

You should be aware that we may receive additional income from the following sources:

- **Interest or Investment Income** earned on insurance premiums,
- **Expense Allowances or Reimbursements** from insurance companies and other vendors for (a) educational and professional development programs; (b) managing and administering certain binding authorities and other similar facilities, including claims which may arise, and (c) attendance at insurance company meetings and events; all of which we believe enable us to provide more efficient service and competitive terms to those clients for whom we consider the use of such facilities appropriate.
- **Tier II Commission** (sometimes referred to as "extra compensation") is exclusive to the placement of employee benefits insurance and is based on premium volume of new business and/or premium retention.
- **Contingent Commission** (sometimes referred to as "profit sharing") which can be based on profitability, premium volume, premium retention and/or growth. If any part of your account is on a fee basis, we will not accept contingent commissions related to your account.

If you have questions or desire additional information about remuneration and other income, please contact your Agent who will put you in touch with our Senior Insurance Market Conduct Officer for assistance. If any part of your insurance program is placed through any BB&T-owned companies (including retail insurance broker McGriff, Seibels & Williams, Inc.; wholesale insurance brokers CRC Insurance Services Inc. and Crump Life Insurance Services Inc.; Florida domiciled insurance company, American Coastal Insurance Company; managing general underwriter AmRisc, LP; insurance premium finance company, Prime Rate Premium Finance Corporation, Inc. or affiliates; or BB&T Assurance Company, Ltd.) disclosure of that income will also be included.

7/1/14 Ed