



All Risks, LTD.  
10150 York Road  
Hunt Valley, MD 21030

## Insurance Proposal

January 16, 2018

### POTOMAC INSURANCE EXCHANGE

Attn: TaNoah Morgan  
9701 APOLLO DR STE 100 Largo, MD 20774

**Applicant:** For Kids By Parents  
1385 Kimblewick Road  
Potomac, MD 20854

**Submission #:** APP4483128

**Policy Period:** 01/16/2018 12:01 AM To 01/16/2019 12:01 AM

**Coverage:** Liability

**Issuing Company:** Penn-America Insurance Company

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We are pleased to submit our proposal for the above captioned applicant.

Please read the attached quote carefully as coverage offered may be more limited than coverage requested.

Minimum earned premium may apply to this policy. See attached carrier quote for specifics. Please note that all fees are fully earned at inception.

Please review any minimum and deposit, audit, and/or cancellation provisions on the attached carrier quote for details regarding possible return premiums and additional premium charges.

I look forward to hearing from you, and please call if you have any questions.

Thank you for your business.

Regards,

Wes Gilbert  
Brokerage Underwriter  
All Risks, LTD.  
wgilbert@allrisks.com  
410-828-5810 Ext. 3091



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Hunt Valley, MD 21030

## Insurance Proposal

### Cost Summary

General Liability Premium	\$1,059.00
Policy Fee	\$250.00
MD Surplus Lines Tax	\$31.77

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<b>Total Policy Cost</b>	<b>\$1,340.77</b>
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### Minimum Earned

Note: There may be a minimum earned on this policy. Please refer to the carrier quote for more details on the minimum earned percentage.

**Agent Commission: 0.0%**



## Insurance Proposal

### Subjectivities

- Signed and completed Acord Application or equivalent.
- Signed TRIA form if insured is accepting or rejecting terrorism coverage
- Completed Surplus Lines Affidavit
- Signed and completed Supplemental Application.
- A written request to bind coverage is required prior to binding.
- Signed Surplus Lines Disclosure Diligent Effort or Declining Carrier Form (prior to binding)

**The Subjectivities outlined above are required prior to binding. Please forward all requested information with your bind request. No coverage is considered bound until confirmed in writing from All Risks, Ltd. and all subjectivities have been addressed.**

### Conditions

- General Liability is minimum & deposit and policy is subject to audit.

**Note that if we do not receive the required information as outlined above, we will be unable to issue a binder if requested.**

### Remarks

Please refer to carrier terms, conditions, forms and subjectivities attached.



**COMMERCIAL GENERAL LIABILITY QUOTATION**

<b>Quote Date:</b> 1/16/2018	<b>Quote No:</b> 1857644
<b>Proposed Effective date:</b> 1/16/2018	<b>Quote Prepared by:</b> Wes Gilbert
<b>Named Insured:</b> For Kids by Parents, Inc.	<b>Preparer's Contact Information:</b> wgilbert@allrisks.com
<b>Penn America Agency:</b> All Risks - Northeast	<b>Policy Term:</b> 12
<b>Previous Policy Number:</b>	<b>Quote Type:</b> New Business
<b>Retail Agency:</b> Potomac Insurance Exchange	<b>Retail Agent:</b> TaNoah Morgan
<b>Retail Agent Contact Info:</b>	

Thank you for the opportunity to review your submission. Please review carefully, as the coverage may not be as requested on the application. This Quotation is good for 30 days or until the proposed effective date whichever occurs first. Based on the date of quotation and the proposed effective date this quotation will expire on: 2/15/2018

**UNDERWRITING COMPANY:** Penn-America Insurance Company (Non-Admitted) A.M. Best A (Excellent) XI

**BUSINESS DESCRIPTION:**

**PRIMARY BUSINESS LOCATION:** 1385 Kimblewick Road Potomac, MD 20854

**COMMERCIAL GENERAL LIABILITY COVERAGE**

EACH OCCURRENCE LIMIT	\$1,000,000	
GENERAL AGGREGATE LIMIT	\$2,000,000	
PRODUCTS/COMPLETED OPERATIONS AGGREGATE LIMIT	\$1,000,000	
PERSONAL AND ADVERTISING INJURY	\$1,000,000	
DAMAGE TO PREMISES RENTED BY YOU LIMIT	\$100,000	ANY ONE PREMISES
MEDICAL EXPENSE LIMIT	\$5,000	ANY ONE PERSON
DEDUCTIBLE: BI \$0 PD \$0		
<input type="checkbox"/> PER OCCURRENCE		
<input checked="" type="checkbox"/> PER CLAIM		

Loc	State	Code	Description	Basis	Exposure	Premises		Prod/Completed Ops		Total Calculated Premium	Class Minimum / Target Premium
						Rate	Premium	Rate	Premium		
-	MD	58057	Plastic or Rubber Goods Mfg. - household	Gross Sales	10,000	0.409	\$4	1.324	\$13	\$17	\$1,000

**OPTIONAL COVERAGES**

	CLASS	LIMIT	PREMIUM
Cyber Liability Coverage	33900 - Cyber Manufacture - Other	\$50,000	\$59

<b>GENERAL LIABILITY PREMIUM</b> (May reflect Company Minimum/Target GL Premium)	<b>\$1,059</b>
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IF ELECTED, THE TERRORISM CHARGE IS 5% OF THE ANNUAL POLICY PREMIUM FOR ALL LINES OF COVERAGE. THE 5% CHARGE SHOULD BE CALCULATED AFTER ALL OTHER PREMIUM CALCULATIONS HAVE BEEN COMPLETED. A MINIMUM ANNUAL PREMIUM OF \$ 100 PER POLICY SHALL APPLY.

<b>MINIMUM AND DEPOSIT</b>	100% . See endorsement S1003. Policy may be subject to audit.
<b>MINIMUM EARNED</b>	In the event of cancellation by the insured a 25% minimum earned premium shall apply.

<b>Premium</b>	\$1,059
TRIA Charge (If Elected)	\$
<b>Premium Excluding TRIA</b>	\$1,059
<b>Premium including Taxes and Fees</b>	\$1,059.00

**PRIOR TO BINDING PLEASE SUBMIT:**

- Completed and signed and dated Application
- Any other documents per Penn America underwriting guidelines, e.g. loss runs

Subject to Completed Supplemental Application.

Subject to a signed "No known loss" letter.

CG 21 33 - Fill in: All work involving aerospace, agricultural, aircraft, automotive, chemical, marine, military, mining and gas industries; and latex gloves

Subject to :

MD Declining Carrier - Signed & Dated

TRIA form - Signed, Marked & dated

3 years currently valued Loss runs or a NO Known Loss letter from inception of the company to bind date if no prior insurance coverage.

ACORDs 125 & 126 Fully completed with limit & exposure info, Signed & Dated

**NOTICE:**

This quotation is based primarily on the information you have provided, or will provide as a condition of binding coverage. If the risk being quoted requires underwriting approval, this quotation is an "indication" only subject to underwriter approval. The coverages, limits, and terms & conditions may vary from those being requested by you and/or your client. This proposal contains private, privileged, and confidential information belonging to the sender and is provided for the sole benefit of the addressee. If you have received this proposal in error please contact Penn America immediately.

COMMERCIAL LINES COMMON POLICY DECLARATIONS SCHEDULE OF FORMS AND ENDORSEMENTS

QUOTE NUMBER:1857644

NAMED INSURED:

Form / Edition Date / Form Name

Common Policy

EAA100 [01-12] IN WITNESS CLAUSE  
EAA146 [12-09] TERRORISM EXCLUSION  
EAA230 [02-15] SERVICE OF SUIT  
IL0003 [09-08] CALCULATION OF PREMIUM  
IL0017 [11-98] COMMON POLICY CONDITIONS  
IL0021 [09-08] NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT  
IL0985 [01-15] DISCLOSURE PURSUANT TO TERRORISM RISK INSURANCE ACT  
NAA105 [06-16] GLOBAL INDEMNITY PRIVACY NOTICE  
NAA124 [01-15] DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE  
NAA169 [05-17] CLAIMS REPORTING PROCEDURES  
NAA223 [10-17] CYBER LIABILITY RESOURCES NOTICE  
S1003 [08-91] MINIMUM EARNED PREMIUM  
S1100 [09-16] PENN-AMERICA COMMON POLICY DECLARATIONS  
S2002 [08-02] COMBINED PROVISIONS ENDORSEMENT  
S2051 [04-97] LIMITATION-DESIGNATED PRODUCTS

Commercial General Liability

CG0001 [04-13] CGL COVERAGE FORM  
CG2107 [05-14] EXCLUSION - ACCESS OR DISCLOSURE OF CONFIDENTIAL OR PERSONAL INFORMATION AND DATA-RELATED LIABILITY - LIMITED BODILY INJURY EXCEPTION NOT INCLUDED  
CG2109 [06-15] EXCLUSION - UNMANNED AIRCRAFT  
CG2133 [11-85] EXCLUSION - DESIGNATED PRODUCTS  
CG2147 [12-07] EMPLOYMENT RELATED PRACTICES EXCL  
CG2155 [09-99] TOTAL POLLUTION EXCLUSION WITH A HOSTILE FIRE EXCEPTION  
CG2167 [12-04] FUNGI OR BACTERIA EXCLUSION  
CG2196 [03-05] SILICA OR SILICA-RELATED DUST EXCLUSION  
CG2426 [04-13] AMENDMENT OF INSURED CONTRACT DEFINITION  
EPA1797 [04-17] CYBER LIABILITY INSURANCE ENDORSEMENT  
S2000 [06-01] GL COVERAGE PART DECLARATIONS

Form Schedule

S1007 [12-00] SCHEDULE OF FORMS AND ENDORSEMENTS

## DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE

You are hereby notified that under the federal Terrorism Risk Insurance Act, as amended ("the Act"), you have a right to purchase insurance coverage for losses arising out of acts of terrorism, as defined in Section 102(1) of the Act: The term "act of terrorism" means any act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act 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 an air carrier or vessel 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. UNDER THE FORMULA, THE UNITED STATES GOVERNMENT GENERALLY REIMBURSES 85% OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURANCE COMPANY PROVIDING THE COVERAGE. GOVERNMENT REIMBURSEMENT WILL DECREASE 1% EACH YEAR STARTING JANUARY 1, 2016, UNTIL REACHING 80% ON JANUARY 1, 2020. 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 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.**

**COVERAGE FOR "INSURED LOSSES" AS DEFINED IN THE ACT IS SUBJECT TO THE COVERAGE TERMS, CONDITIONS, AMOUNTS AND LIMITS IN THIS POLICY APPLICABLE TO LOSSES ARISING FROM EVENTS OTHER THAN ACTS OF TERRORISM.**

**YOU SHOULD KNOW THAT UNDER FEDERAL LAW, YOU ARE NOT REQUIRED TO PURCHASE COVERAGE FOR LOSSES CAUSED BY CERTIFIED ACTS OF TERRORISM.**

The Act provides that a separate premium is to be charged for insurance for an "act of terrorism" covered by the Act.

**Should you choose to purchase coverage for an "act of terrorism", as defined in the Act, you must pay a premium of \$100.**



Note: If you do not pay the premium as noted above, you will not have Terrorism Coverage under this policy, as defined in the Act.

<b>Name of Insurance Company:</b>
<b>Name of Applicant:</b>
<b>Policy Number (if applicable):</b>
<b>Policy Period (if applicable):</b>

Terrorism Coverage

**DECLINATION FORM**

**Insured:** For Kids By Parents, Inc. (hereinafter, "FKBP")

**Policy #:**

**Effective:**

**AUTHORIZED INSURERS WHO DECLINED THE RISK**

<b>INSURER</b>	<b>INSURER'S REPRESENTATIVE</b>	<b>DATE DECLINED</b>
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1. \_\_\_\_\_

2. \_\_\_\_\_

3. \_\_\_\_\_

**NAME AND TITLE OF PERSON WHO CONDUCTED THE DELIGENT SEARCH RESULTING IN THE ABOVE DECLINATIONS:**

**NAME**

\_\_\_\_\_  
Joseph M. Conrad III

**TITLE**

\_\_\_\_\_  
CEO, FKBP

**WE APPRECIATE YOUR PROMPT ATTENTION TO THIS MATTER.**

\_\_\_\_\_  
3/10/2018  
**DATE**

\_\_\_\_\_  
*Joseph M Conrad III*  
**AGENT'S SIGNATURE**



## **Maryland Surplus Lines Disclosure Form Instructions**

**The following forms are being provided to you in compliance with Maryland Regulation 31.03.06.09.**

**The “DISCLOSURE REGARDING SURPLUS LINES INSURANCE” and “CERTIFICATION OF DELIVERY OF DISCLOSURE” are included with your quote. The following actions are required:**

- **For RESIDENTIAL Property you must secure the insured’s signature and return the original, signed form to us in order to bind coverage. You must provide a copy of this form to the insured and retain a copy with your files for a period of three (3) years.**
- **For NON-RESIDENTIAL Property you must provide the insured with a copy of the disclosure. You DO NOT need to return a copy to us. Please retain a copy with your files for a period of three (3) years.**

**For NON-RESIDENTIAL Property only:**

- **Have the insured sign the “CERTIFICATION ON DELIVERY OF DISCLOSURE” upon delivery of the binder or policy.**
- **Retain a copy for your files for a period of three (3) years.**

### **Definition of Residential Property per the Maryland Regulation:**

- (1) “Residential property” means a home, townhouse, condominium, or other habitable structure that is used principally for a residence.**
- (2) “Residential property” includes common elements of a condominium.**
- (3) “Residential property” does not include:**
  - a. A vacant structure**
  - b. A structure with both commercial and residential use if more than 50 percent of the structure is devoted to commercial use; or**
  - c. An apartment building that contains more than four apartment units**

Policy #:

Insured Name:

## DISCLOSURE REGARDING SURPLUS LINES INSURANCE

Please Read the Following Carefully Before Purchasing Insurance From a Surplus Lines Insurer.

This policy is issued by a surplus lines insurer that has been approved by the Maryland Insurance Administration to issue insurance policies in the surplus lines insurance market. Surplus lines insurers are not under the jurisdiction of the Maryland Insurance Administration and do not possess a certificate of authority to transact insurance business in the State of Maryland. Because surplus lines insurers are not under the jurisdiction of the Maryland Insurance Administration, your ability to seek assistance from the State if you have a problem with your insurance company is limited.

The Property and Casualty Insurance Guaranty Corporation provides a fund that permits claimants or policyholders to receive payment of covered claims if their insurance company becomes insolvent (i.e., bankrupt) and is unable to pay the claims. However, this fund does not apply to surplus lines insurers. If a surplus lines insurer becomes insolvent (i.e. bankrupt), any claim that you have against the surplus lines insurer will not be covered by the fund administered by Property and Casualty Insurance Guaranty Corporation.

If you have any questions regarding this disclosure or surplus lines insurance, please contact the Maryland Insurance Administration at 410-468-2340.

For all policies covering residential property, this form must be signed and dated by the Insured.

\_\_\_\_\_  
INSURED'S SIGNATURE

\_\_\_\_\_  
DATE

\_\_\_\_\_  
PRINT NAME

Policy #:

Insured Name:

Surplus Lines Placement of Risk

**Certification on Delivery of Disclosure**

This form is required under COMAR 31.03.06.09 when a risk, other than a residential property risk, is placed in the surplus lines market.

I hereby certify that the policy or binder covering the non-residential risk described in the Surplus Lines Affidavit filed with the Maryland Insurance Administration was delivered to the insured with a Disclosure Regarding Surplus Lines Insurance as required by Maryland Regulation 31.03.06.09.

\_\_\_\_\_  
Signature of Insurance Producer

\_\_\_\_\_  
Name

\_\_\_\_\_  
Date

\_\_\_\_\_  
For Kids By Parents, Inc.  
Insured Name