



Applicant Name: **NORTHFIELD TOWNSHIP - WASHTENAW**
Policy Effective Date: 07/01/2017
Application Number: T000050047217

HCC Public Risk APPLICATION DECLARATION

I, as the authorized official of the applicant, to the best of my knowledge and belief, certify that the information provided in this application is true and that no material facts were withheld.

I understand that submitting this application does not bind me to complete the insurance but agree that should an insurance policy be issued, this application and the statements made therein shall form basis of the insurance policy.

Signature of authorized official: _____ Date _____

Print name of authorized official: _____

Title of authorized official: _____

PAR PLAN RISK CONTROL SPECIAL EVENTS GUIDELINES

The Risk Control Department defines "special events" as activities that are not directly related to the day-to-day operations of governmental entities, but may occur on premises owned or controlled by the entity. However, with today's litigious society, the "risks" associated with these activities must now be carefully examined for potential liability, both against the event sponsor and the governmental entity involved.

Special events are rated in four categories. The below definitions are not all-inclusive and serve as a guideline.

- **Low Hazard.** No physical activity by participants and no severe exposures to spectators, such as: Outdoor meetings, small theatrical performances, auctions, and social gatherings having no alcoholic beverages.
- **Medium Hazard.** Limited physical activity by participants and no severe exposure to spectators, such as: Dances, flea markets, picnics, parades with no floats, and "family type concerts".
- **High Hazard.** Considerable physical activity by participants and/or moderate to severe exposure to spectators, such as: Team sporting events (non-professional), circuses and carnivals with rides, stationary amusement structures (i.e. dunk tanks), inflatable play structures, parades with floats, marathons or similar events.
- **Special Hazard.** Fireworks displays, all functions where alcoholic beverages are served, rock concerts, professional or collegiate sporting events, and events with crowd size of over 5,000 persons.

The Risk Control Department will require a special event application be completed and submitted no later than 45 days prior to the event for underwriting approval. The purpose of the application is to provide an overall view of the event and checklist of exposures that may be present.

Items that will be required in addition to and forwarded with the completed application if being sponsored and / or held on entity owned property are:

- **Certificates of Insurance for any services or products being provided by outside vendors (i.e. moonwalks, performers, pony rides, children's games, carnival vendors, dunk tanks, fireworks, etc. This is not an all-inclusive list).** Limits of liability required should not be less than \$1,000,000 per occurrence and/or aggregate combined single limit for personal injury, bodily injury and property damage. Additionally, the entity and the entity Committee (if applicable) should be named as additional insured's on the vendor's policy.
- **Alcohol.** If an event is allowing alcohol to be sold, the vendor/entity selling the alcohol will need to secure the proper special event liquor license with the State and provide risk control proof of liability coverage. If a group other than the entity is sponsoring the alcohol, the entity will need to be named as an additional insured on the policy (unless being held on private property). Policy limit should be a minimum of \$1,000,00.00. For special events written through the Fair Program the minimum limit of liability is \$500,000.00. (special event application requires site plan for beer tent, in addition to regular site plan)
- **Fireworks.** An application along with a site plan must be submitted to be approved for coverage. Risk Control will continue to require a completed site plan, and certificates of insurance from vendor setting off the fireworks for coverage being placed through the Par-Plan Program. Minimum limit of liability is \$1,000,000.00. Remember if a pyrotechnic is not setting off the fireworks, coverage will not be offered through the Par-Plan Program. An application must be submitted for review just as above to place coverage through special risks.

If the entity elects to accept the pyrotechnics insurance, an application is still required and must indicate that choice accompanied along with a letter stating denial of Par-Plan coverage.

If the entity is just issuing a permit to another entity or private individual-by law it is still their responsibility to receive a site plan for review by their Fire Chief.

- **Parade / Float entries.** The entity may want to review the current policy of sponsoring the parade and encourage an outside organization to sponsor the parade and the entity's only involvement would be to grant permission to hold the parades.

In the event, the entity wishes to pursue sponsorship, participants wishing to be part of the parade and float entries must be required to complete and sign a registration form containing a hold harmless clause indemnifying the entity and from any and all claims.

All drivers must hold a valid driver's license, if driving a motor vehicle or float in the parade. Additionally, proof of insurance for private vehicles (as required by law) is required from participants. This may be accomplished by requesting a copy of the participant's declaration page showing these (3) areas of concern:

1. Current dates of coverage
2. Limits of Liability
3. Driver's personal vehicle listed on the policy

- **Emergency Vehicles.** Non-emergency personnel (even family members) shall not be allowed to ride on or in emergency vehicles under any circumstance. Should any mishaps occur the entity and department could be held liable. One of the exceptions to the governmental immunity protection afforded to municipal entities is from the negligent operation of municipal owned vehicles. Consequently, should someone other than an employee be injured, the municipality could possibly be exposed to a lawsuit in which the doctrine of common law would apply and possibly forfeit governmental immunity.

All of the above recommendations/requirements will help you in managing your risk exposures during your special event. Upon receipt of your application and our risk control review, we may then further assist you in making your event a pleasure for all.



TOKIO MARINE
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2017 SPECIAL EVENTS APPLICATION

TOKIO MARINE HCC - PUBLIC RISK GROUP

Date:

Entity Name	<input type="text"/>	Contact Person	<input type="text"/>
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Address	<input type="text"/>	City	<input type="text"/>	State	<input type="text"/>
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County	<input type="text"/>	Telephone#	<input type="text"/>
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Agent	<input type="text"/>	Agent Phone#	<input type="text"/>
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Is the Entity the Sponsor of the Event	<input type="checkbox"/> YES <input type="checkbox"/> NO
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Co-Sponsor?	<input type="checkbox"/> YES <input type="checkbox"/> NO (If yes, what Capacity)	<input type="text"/>
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Does the event take place on Entity-Owned Property?	<input type="checkbox"/> YES <input type="checkbox"/> NO
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Name & location of event (need area and/or address):	<input type="text"/>
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Desired Dates of Coverage:	<input type="text"/>	Rain Date:	<input type="text"/>
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Full schedule and description of all events to be covered (Brochure or Flyer Required)	<input type="text"/>
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Diagram/Site Plan is Required for ALL Activities. Diagram Attached?	<input type="checkbox"/> YES <input type="checkbox"/> NO
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If the event includes outside contractors or services (i.e. tractor pulls, horse pulls, carnival mid-ways, inflatable equipment, etc.), Please NOTE:

For Contracted Services and/or Vendors, an Insurance Certificate is required. The Independent Contractor or Vendor should have at least \$1,000,000 in Liability Coverage naming the Municipality as an Additional Insured and have a "Hold Harmless/Indemnification Waiver" for the Municipality.

An Insurance Certificate has been requested from Contractors and/or Vendors:	<input type="checkbox"/> YES <input type="checkbox"/> NO
Is it attached? (Copies of the Insurance Certificates should be included with the application.)	<input type="checkbox"/> YES <input type="checkbox"/> NO
Is the Entity named as an Additional Insured on Contractors and/or Vendors Policy?	<input type="checkbox"/> YES <input type="checkbox"/> NO



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Are alcoholic beverages allowed?	<input type="checkbox"/> YES <input type="checkbox"/> NO
If selling alcohol beverages, who is the license holder?	<input type="text"/>
<i>A diagram of the beverage tent indicating entrance, exit, fencing and ID check stations must be included.</i>	

Describe Security Protection (include Police, Fire, Ambulance on Call & Emergency Vehicle staging for entire event)
<input type="text"/>
Describe Emergency Evacuation Procedures (in case of Medical Emergency, Fire, Weather, etc.)
<input type="text"/>

Estimated Total Attendance per Day	<input type="text"/>
Number of Years that Event has been held	<input type="text"/>
Losses:	<input type="text"/>

Print Name	<input type="text"/>
Print Title	<input type="text"/>

Signature	<input type="text"/>
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Date	<input type="text"/>
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Please complete a legible Diagram/Site Plan and attach to the Application



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2017 FIREWORKS APPLICATION

MICHIGAN, INDIANA, ILLINOIS PUBLIC RISK GROUP

This application must be **COMPLETELY** filled out. It must be submitted to
Risk Control **30 DAYS** in advance of the display date.

The application **must** include the following:
Site Plan and All Pyrotechnic Documents



Entity Name					
Address					
County		City		State	Zip

Tel#		Agent	
Date		Contact Person	

Is the entity the Sponsor	Y <input type="checkbox"/>	N <input type="checkbox"/>	Co-Sponsor	Y <input type="checkbox"/>	N <input type="checkbox"/>
Does the event take place on entity-owned property? Y <input type="checkbox"/> N <input type="checkbox"/>					
Location of Event (Area and/or address)					

Desired Date(s) of Coverage		Rain Date	
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Full Schedule / Description of all events to be covered (Brochure or Flyer helpful)

Describe security protection (include Police, Fire, Ambulance on Call & Where)

Describe Emergency Evacuation Procedures (in case of Medical Emergency, Fire, Weather, etc.)

Estimated Total Attendance Per Day	
Number of Years Event Held?	
Have there been any losses?	
Who is shooting off Fireworks?	



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Part A – Professional Pyrotechnic Company

Name of Licensed Independent Contrador	<input type="text"/>
Has an Insurance Certificate been attached?	Y <input type="checkbox"/> N <input type="checkbox"/>

*If not, a Certificate **MUST** be requested and submitted before this application can be processed.*

Is the Entity named as an Additional Insured?	Y <input type="checkbox"/> N <input type="checkbox"/>		
Limit of Liability	\$ <input type="text"/>	Company	<input type="text"/>
Is the firing crew (or pyrotechnicians) going to conduct an inspection after the display of the fallout area for the purpose of locating any unexploded aerial shells or live components?*			
Y <input type="checkbox"/> N <input type="checkbox"/>			
If the answer is "NO", who will be performing this task? <input type="text"/>			

- * The MUNICIPALITY needs to review the Pyrotechnic Company's / Independent Contractor's Certificate of Insurance and/or Contract to see if the Pyrotechnic Company's Independent Contractor's Firing Crew is responsible for the clean-up of the unfired shells after the event has ended. (This is in compliance with the NATIONAL FIRE PROTECTION ASSOCIATION (NFPA) 1123 – CODE FOR FIREWORKS DISPLAY).
- * In the event the Fireworks Company does not want to be responsible, every effort should be made to change this so the Pyrotechnics perform this task. However, if this cannot be accomplished, the Municipality **MUST** designate a spotter whose responsibility is to ensure that all shells have detonated. If there are any unexploded shells, the area must be secured until the unexploded shells have been found and disposed of properly.

Part B – Fireworks Display Information

Shell Sizes	<input type="text"/>	Number being shot off?	<input type="text"/>
Are Fireworks being shot off overwater?	Y <input type="checkbox"/> N <input type="checkbox"/>		
If yes, where?	<input type="text"/>		
Has the N.F.P.A. Code 1123 been complied with?	Y <input type="checkbox"/> N <input type="checkbox"/>		
What is the closest distance (in feet) between the spectators and the shooting area? **	<input type="text"/>		

**There must be a minimum distance of 150 feet between the spectators and the fireworks ignition area or the Application will not be accepted.

PLEASE complete and attach a Site Plan showing the *Shooting Area, Spectator Area, Crowd Control Features, and Impact Area*. This should include all distances (in feet), structures in the area, direction the shells are shot, etc. A Risk Control Review cannot be performed without a site plan.



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Part C – Coverage Available through Tokio Marine HCC – Public Risk Group

THIS IS CONTINGENT UPON A COMPLETED RISK CONTROL REVIEW OF THE PLANNED FIREWORKS DISPLAY. A certificate of insurance is required from the pyrotechnic/independent contractor with liability limits of at least \$1,000,000 which shows evidence that the entity has been named as additional insured. This requires a signed Fireworks Application, with all answers completed, a site plan and all pyrotechnic documents attached.

<input type="checkbox"/>	\$1,000,000 Primary Policy
<input type="checkbox"/>	\$1,000,000 Excess Policy

Part D – Declination of All Coverage

☐

YES

☐

NO

PrintName	<input type="text"/>
PrintTitle	<input type="text"/>

Signature	<input type="text"/>
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Date	<input type="text"/>
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NOTE: If the entity is issuing a fireworks permit (for an organization or private individual), or allowing the use of entity owned property, it is still the responsibility of the entity to evaluate the qualifications and site plans of the display before issuing the permit. Additionally, the entity is to ensure that the display and operators are in compliance with NFPA 1123 requirements.

PLEASE COMPLETE & ATTACH A LEGIBLE SITE PLAN

CHANGES & DEVELOPMENTS

It is important that we be advised of any changes in your operations that may have a bearing on the validity and/or adequacy of your insurance. The types of changes that concern us include, but are not limited to, those listed below:

1. Changes in any operation such as expansion to another state, new products.
2. Mergers and/or acquisition of new companies or any new entities, including dba's.
3. Any newly assumed contractual liability, granting of indemnities, or hold harmless agreements.
4. Circumstances which may require increased liability insurance limits.
5. Any changes in fire or theft protection, such as the installation of or disconnection of sprinkler systems, burglar alarms, etc. This includes any alterations to same.
6. Immediate advice of any changes to scheduled equipment such as contractors' equipment, electronic data processing, vehicles, scheduled equipment, etc.
7. Property, of yours that is in transit, unless we have previously arranged for the insurance.
8. Any changes in existing premises including vacancy, whether temporary or permanent, alterations, demolition, etc. Also, any new premises purchased, constructed, or occupied.

Your insurance program will only be as good as the communications maintained between you and your insurance agent.

Coverage Considerations

Overview

- Coverages are highlighted here to review available coverages which you should consider. These coverages are included in the coverage section of this proposal only if quoted and highlighted as covered.
- A proposal for any of the coverages can be provided.
- The recommendations and considerations summarized in this section are not intended to identify all exposures.

All Coverages

- **Review** the named insured's additional insured(s), mortgagees, loss payees, and locations.
- **Premium Basis** for each coverage should be checked. These include: property values, sales, payroll, and vehicle schedules shown in this proposal.

Property

- **Building and contents** values should be reviewed to make sure the limits are adequate and the coinsurance requirement is satisfied. Improvements and Betterments should be considered at leased locations. An example of coinsurance is included in the definitions.
- **An appraisal** is recommended for your building and contents.
- **A business interruption worksheet** should be completed to determine if the limit is adequate. Extra expense should also be checked.
- **Building Ordinance or Law Coverage.** The endorsement is used to include protection for three additional coverage exposures: Coverage A – payment for the value of the undamaged part of a building when a building code requires its demolition following a partial loss; Coverage B – coverage for the expense of demolishing the undamaged portion of a building damaged by an insured peril including the cost of removing debris; and Coverage C – coverage for the increased costs of construction resulting from enforcement of construction or building laws. This applies to both the damaged and undamaged portion of the structure.
- **Property of others or employees' personal property** in your possession must be scheduled, as the basic form may exclude or provide a low sub-limit for each.
- **Bailees Customers Goods Floater.** This form is used to insure against loss to property of others that is in your possession, regardless of your legal liability.
- **Utility Services – Direct Damage and Time Element.** This coverage extends Direct Damage and Business Income and Extra Expense insurance to protect against losses due to the interruption of services by a facility that provides you with power, water or communications when caused by a covered peril.
- **Debris removal** limit may be increased.

- **Peril of Earthquake** may be available.
- **Peril of Flood** may be available.
- **Perils of sewer and drain backup** may be available.
- **Mobile equipment** may not be included or coverage limited under your contents coverage. Examples are tools, cameras, fine arts, musical equipment, and other mobile property. These should be reviewed.
- **Builders Risk & Installation Floater**
- **Boiler & Machinery/Equipment Breakdown.** This coverage provides protection for the repair or replacement of equipment, pipes, vessels, air conditioning, and refrigerated equipment, electrical panels, etc. that would be damaged or destroyed from a sudden and accidental breakdown. Coverage should be considered for business interruption.
- **Vacancy Clause.** Please note that when a building is as little as 33% unoccupied/vacant, there is language in all property policies, which limits coverage. Some policies reduce the payout, some exclude coverage for such perils as broken pipes, vandalism and other. If you experience this situation, please notify your agent to see if there are other options for you.

Crime

- **Higher limits** for employee dishonesty should be considered.
- **Computer Fraud, Forgery or Alteration and Money & Securities** should be considered.
- **3rd Party Employee Dishonesty** is recommended if your employees have access to client property.

General Liability

- **A formalized program** to review certificates should be established. Your company should require, from any subcontractor doing work on your behalf, certificates of insurance requiring that the subcontractors have limits of liability for General Liability, Automobile, and Workers Compensation at least as high as the limits you have. If you fail to do this, payments you make can be charges against your Workers Compensation or General Liability policies. This could result in substantial additional premium charges.
- **Any subcontractors should name your company as an Additional Insured**, and this should be noted on the certificate of insurance.
- **Hold Harmless Agreements** should be included in any contracts. Your attorney should review these.
- **Fire Legal Liability** limit should be reviewed. The building lease may include contractual transfer of loss.
- **Warehouse Legal exposure. Employee Benefits Liability** – this protects against suits alleging damage because of handling of employee benefits. As an example, this coverage would protect the insured if an employee, by error, is not added to the group health plan. This can be added to the present plan at a nominal cost if not included now.

- **Claims Made** – any situation that you feel could lead to a claim must be reported to the carrier prior to the policy expiration or extended reporting period to avoid potential claim denial.

Automobile

- **Drive Other Car** coverage and schedule of individuals should be reviewed.
- **Broadened PIP** including names of family members
- **Higher limits** of uninsured and underinsured motorist should be considered. This is often excluded on the Umbrella policy.
- **Rental Reimbursement** coverage is available.
- **All electronic equipment that is not standard must be scheduled.**
- **Garage Liability**
- **Garagekeepers' Legal Liability**
- **Hired Auto Physical Damage**
 - Assure proper coverage for your hired/rented auto physical damage. You need to have a clear company procedure for employees' short-term hired/rented car physical damage. Adopt one of the following procedures (each may have a limit for the value of any one vehicle):
 - Add Hired Auto Physical Damage to your existing automobile policy, if not currently provided.
 - Employees place rental contracts only on credit cards providing this rental physical damage coverage.
 - Require employees to accept physical damage coverage through the auto rental company. This is the most expensive option of the three.
 - Because of high value exposures, an established company procedure is important.
 - Any autos you lease, hire, rent, or borrow from any of your employees or partners or members of their household should be reviewed.

Michigan Law (MCLA 500.3101) requires that the owner or registrant of a motor vehicle registered in this state must have insurance or other approved security for the payment of no-fault benefits on the vehicle at all times. **An owner or registrant who drives or permits a vehicle to be driven upon a public highway without the proper insurance or other security is guilty of a misdemeanor.**

Workers Compensation

- **Monopolistic states** cannot be added as noted. Other states must be added. Coverage for monopolistic states must be obtained through the State fund. Some insurance carriers are not writing coverage in certain states that are not monopolistic. (OH, ND, WA)
- **Stop gap** coverage can be provided for monopolistic states.
- **Endemic Disease and Repatriation** coverage should be added if foreign travel exposure exists.
- **Advise your agent if you will be traveling to other countries.**
- **Workers Compensation Insurance is required by Law in the State of Michigan. There are severe consequences to an employer who fails to carry workers compensation insurance.**

Umbrella

- **Higher limits** should be considered.

Deductibles

- **Higher deductibles** may be beneficial in premium savings for property, inland marine, boiler & machinery, and auto physical damage.

Other Coverage Considerations

Professional Liability Exposures – lawyer, medical, architects, design & engineer, contractors design & building, real estate and miscellaneous.

Employment Related Practices Liability – protects your business from allegations that an employee's rights were violated. Coverage responds to a complaint or charge brought by past, present or prospective employees such as: wrongful termination, breach of any oral or written employment contract, wrongful failure to employ or promote, or violation of Family and Medical Leave Act.

Directors and Officers Liability

Domestic Transit and Ocean Marine

Foreign Exposures – liability including products, automobile, and workers compensation.

Earthquake

Flood

Back up of Sewer and Drains

Pollution Liability

Underground/Aboveground Storage Tanks

Fiduciary Liability

Bonds

- **ERISA** requires an Employee Dishonesty Bond for at least 10% of profit sharing/pension program's assets. Recommend providing a back-up bonding facility in case your current bond market should decline to continue to be a market.

Aviation & Watercraft

Kidnap and Ransom Insurance

Nuclear Liability, Mold/Fungi, EFIS

Product Guarantee and Recall

Credit/Bad Debt Insurance, including Foreign Credit

Employee Benefits – Berends Hendricks Stuit Insurance Agency can provide innovative and competitive Employee Benefits coverage.

Cyber Risk Liability

Co-Insurance Illustration

Co-insurance Formula:

Insurance carried/Insurance required x Loss – Deductible = Settlement

Example of Co-insurance Formula Applied to a Hypothetical Loss Situation

Property Value	\$1,000,000
Co-insurance Amount	80%
Deductible	\$500
Insurance Required	\$800,000 (80% of \$1,000,000)
Insurance Carried	\$400,000
Loss Incurred	\$200,000

Settlement determined by applying the co-insurance formula:

$\$400,000 \text{ (Insurance carried)} / \$800,000 \text{ (Insurance required)} = .50$

$.50 \times \$200,000 \text{ (Loss)} - \$500 \text{ (Deductible)} = \$99,500 \text{ Settlement}$

Note:

If the property in the above example is insured for the full insurance required (\$800,000) the insured would recover \$199,500. In this example, the insured will suffer a \$100,000 penalty for not being insured to the proper limit.