

**GUAM CONSOLIDATED COMMISSION ON UTILITIES
RESOLUTION NO. 23-FY2017**

RELATIVE TO APPROVING THE PROPERTY INSURANCE, GENERAL LIABILITY INSURANCE, DIRECTORS AND OFFICERS LIABILITY INSURANCE, AUTOMOBILE INSURANCE, CYBER INSURANCE AND CRIME INSURANCE BID IN GUAM WATERWORKS AUTHORITY (“GWA”) BID NUMBER GWA 2017-12 AND AUTHORIZING GWA TO PETITION THE GUAM PUBLIC UTILITIES COMMISSION (“PUC”) FOR APPROVAL UNDER THE CONTRACT REVIEW PROTOCOL

WHEREAS, under 12 G.C.A. § 14105, the Consolidated Commission on Utilities (“CCU”) has plenary authority over financial, contractual and policy matters relative to the Guam Waterworks Authority (“GWA”); and

WHEREAS, the Guam Waterworks Authority (“GWA”) is a Guam Public Corporation established and existing under the laws of Guam; and

WHEREAS, under Sections 6.05 and 6.06 of the Bond Indenture for GWA’s 2010, 2013, 2016 System Revenue Bond Series and 2014 Refunding Bonds respectively, GWA is required to maintain or cause to be maintained insurance with responsible insurers in types and amounts that is usually maintained by prudent operators of systems similar and similarly situated to GWA’s system; and

WHEREAS, on December 06, 2016, the CCU adopted Resolution No. 08-FY2017 relative to authorizing GWA to deploy an invitation to bid to procure property insurance and authorizing GWA to petition the PUC for approval under the contract review protocol; and

WHEREAS, on December 12, 2016, GWA petitioned the Guam Public Utilities Commission (PUC) for approval of GWA’s Invitation to Bid; and

WHEREAS on December 29, 2016, after careful consideration of GWA’s December 12, 2016 Petition to the PUC and the December 27, 2016 ALJ report, GWA’s Petition was approved pursuant to PUC GWA Docket No. 17-01; and

1 **WHEREAS**, on February 14, 2017 GWA issued Bid No. GWA 2017-12 which sought
 2 competitive sealed bids for three (3) and or five (5) year terms for property insurance, general
 3 liability insurance, directors and officers liability insurance, automobile insurance, cyber
 4 insurance and crime insurance to cover GWA's system, assets, and key officers and personnel
 5 with coverage amounts, deductibles and terms deemed appropriate by GWA's Risk Consultant,
 6 Iris Limited; and

7
 8 **WHEREAS**, at the bid opening held on March 07, 2017, AM Insurance, a local
 9 insurance brokerage firm, and the sole bidder, submitted a firm and fixed bid (Exhibit A, Exhibit
 10 B and Exhibit C – Parts 1 – 4) to provide the aforementioned lines of insurance; and

11
 12 **WHEREAS**, GWA's Risk Consultant, GWA's Chief Financial Officer and GWA's
 13 Procurement Administrator have reviewed the bid and determined that the bid presented by AM
 14 Insurance was a responsive and responsible bid; and

15
 16 **WHEREAS**, given the fact that AM Insurance bid was responsive and responsible,
 17 GWA's Management recommends that the Bid be awarded to AM Insurance for a Five (5) Year
 18 Term and total combined premium of Four Million Five Hundred Twenty Eight Thousand Eight
 19 Hundred Four Dollars (\$4,528,804) subject to approval of the bid by the PUC under the Contract
 20 Review Protocol; and

21

<u>Line of Insurance</u>	<u>Annual Premium</u>		<u>Total Premium</u>	
	<u>3 Year Term</u>	<u>5 Year Term</u>	<u>3 Year Term</u>	<u>5 Year Term</u>
Property	\$ 760,681	\$ 701,530	\$ 2,282,043	\$ 3,507,650
Liability	115,000	115,000	345,000	575,000
D & O	17,213	15,921	51,638	79,606
Auto	47,906	40,065	143,717	200,323
Crime	5,670	5,245	17,010	26,225
Cyber	28,000	28,000	84,000	140,000
TOTAL PREMIUMS	\$ 974,470	\$ 905,761	\$ 2,923,408	\$ 4,528,804

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1 **WHEREAS**, the CCU finds that the recommendation of GWA's Management to award
2 the bid subject to the approval of the PUC is prudent under best business practices and in
3 conformity with the existing Bond Indenture for GWA's System Revenue Bonds; and

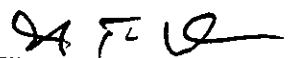
4 **NOW BE IT THEREFORE RESOLVED**, the Consolidated Commission on Utilities
5 does hereby approve the following:

- 6 1. The recitals set forth above hereby constitute the findings of the CCU.
- 7 2. The CCU finds that the terms of the bid submitted by AM Insurance is prudent,
8 fair and reasonable under the circumstances and as such GWA is authorized to
9 issue a Notice to Proceed with AM Insurance (See Exhibits A, B and C).
- 10 3. The CCU hereby authorizes the management of GWA to enter into a contract
11 with AM Insurance and its affiliated sureties for a five (5) year term and total
12 combined premium of Four Million Five Hundred Twenty-Eight Thousand Eight
13 Hundred Four Dollars (\$4,528,804).
- 14 4. The General Manager for GWA is authorized to execute all documents and
15 undertake all reasonable actions necessary to place and maintain the policies over
16 the five (5) year term in the manner of similarly situated and prudent operators of
17 systems similar to GWA's system as required by the various Bond Indentures.
- 18 5. The CCU finds that the approval authorized in Section 1 is subject to GWA
19 obtaining the approval of the PUC under the Contract Review Protocol.

20
21 **RESOLVED**, that the Chairman certified and the Board Secretary attests to the adoption
22 of this Resolution.


23
24 **DULY AND REGULARLY ADOPTED**, this 21st day of March 2017.

25
26 Certified by:

27 

28 **JOSEPH T. DUENAS**
29 Chairperson

26 Attested by:

27 
28 **J. GEORGE BAMBA**
29 Secretary

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I, J. George Bamba, Board Secretary of the Consolidated Commission on Utilities as evidenced by my signature above do hereby certify as follows:

The foregoing is a full, true and accurate copy of the resolution duly adopted at a regular meeting by the members of the Guam Consolidated Commission on Utilities, duly and legally held at a place properly noticed and advertised at which meeting a quorum was present and the members who were present voted as follows:

AYES:	<u>4</u>
NAYS:	<u>0</u>
ABSTENTIONS:	<u>0</u>
ABSENT:	<u>1</u>

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RESOLUTION NO. 23-FY2017

EXHIBIT A



GUAM WATERWORKS AUTHORITY

Gloria B. Nelson Public Service Building
688 Route 15, Mangilao GU 96913

MEMORANDUM

TO: Miguel C. Bordallo, P.E., General Manager

FROM: Evaluation Committee Members

SUBJECT: **PROPERTY INSURANCE, GENERAL LIABILITY INSURANCE, DIRECTORS AND OFFICERS LIABILITY INSURANCE, AUTOMOBILE INSURANCE, CRIME INSURANCE AND CYBER INSURANCE.**

Ref: Recommendation of Award

Invitation for Bid No: GWA 2017-12 was officially announced and advertised in the Pacific Daily News, Guam Times and Guam Waterworks Authority Website, subject bid opened on March 7, 2017 @ 10:00 am as scheduled.

Seven (7) firms registered and downloaded bid packages via GWA's website, namely:

- Am Insurance
- Trans Pacific Ins. Brokers
- AON Risk Solutions
- AXS Ins.
- Alfa Ins.
- DelTek
- Damon Harper

Of the 7, one submitted a seal bid, namely:

- Am Insurance

Evaluation:

The evaluation committee determined, Am Insurance proposal deemed responsive complying with all terms, condition and requirements set forth in the invitation for bid, bid price for the following insurance category below was also found acceptable, therefore the committee members recommends award to proceed with the 5-year premium on all insurance listed below.

<u>Property Insurance:</u>	<u>3 year Premium</u>	<u>5 Year Premium</u>
Billed Annually:	\$2,282,043.00	\$3,507,650.00
	\$760,681.00	\$701,530.00
 <u>Liability Insurance:</u>		
	\$345,000.00	\$575,000.00
Billed Annually	\$115,000.00	\$115,000.00
Assessment fee (2%)	Included	Included
 <u>Director & Officers</u>		
	\$50,625.00	\$78,045.00
Billed Annually	\$16,875.00	\$15,609.00
Assessment fee (2%)	\$1,012.50	\$1,560.90
 <u>Automobile Insurance:</u>		
	\$142,541.10	\$198,509.60
Billed Annually	\$47,513.70	\$39,701.92
Assessment fee (2%)	\$392.07	\$362.67
 <u>Crime Insurance:</u>		
	\$17,010.00	\$26,225.00
Billed Annually	\$5,670.00	\$5,245.00
 <u>Cyber Insurance</u>		
	\$84,000.00	\$140,000.00
Billed Annually	\$28,000.00	\$28,000.00

Concurred by the committee members:

 3.9.17

Greg Cruz, Chief Financial Officer

 3/9/17

Vince Guerrero, Supply Management Adm.

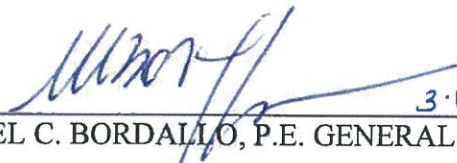
 3/09/17

Stephan Mondina, Buyer Supervisor II

Your approval is greatly appreciated.

In consideration of the foregoing, please indicate your approval of this recommendation by your signature below.

APPROVED DISAPPROVED

 3.10.17

MIGUEL C. BORDALLO, P.E. GENERAL MANGER

RESOLUTION NO. 23-FY2017

EXHIBIT B

GUAM WATERWORKS AUTHORITY

Gloria B. Nelson Public Service Building
688 Route 15, Mangilao GU, 96913
Tel: (671) 300-6027 Fax: (671) 649-3750

NOTICE OF CONDITIONAL AWARD

Date: *March 1, 2017*

AM Insurance
J&G Comm. & Prof. Bldg. Suite 113F, 215A Chalan Santo Papa
P.O. Box 2797 Hagåtña, Guam 96932
Tel: (671) 477-2632/42 Fax: (671) 477-2602
E-Mail Address: amuna@amibrokers.com

Re: Invitation for Bid Number: IFB 2017-12 for:
PROPERTY INSURANCE, GENERAL LIABILITY INSURANCE, DIRECTORS AND OFFICERS LIABILITY INSURANCE, AUTOMOBILE INSURANCE, CRIME INSURANCE AND CYBER INSURANCE.

Hafa Adai Annmarie,

The Guam Waterworks Authority ("GWA") has considered the bid submitted by AM Insurance for the above described reference in response to its Advertisement for Bids, you are hereby notified that the bid offer for the above reference term of 5 years, has been accepted by GWA, they are as follows:

<u>Property Insurance:</u>	<u>3 year Premium</u>	<u>5 Year Premium</u>
	\$2,282,043.00	\$3,507,650.00
Billed Annually:	\$760,681.00	\$701,530.00
<u>Liability Insurance:</u>		
	\$345,000.00	\$575,000.00
Billed Annually	\$115,000.00	\$115,000.00
Assessment fee (2%)	Included	Included
<u>Director & Officers</u>		
	\$50,625.00	\$78,045.00
Assessment fee (2%)	\$1,012.50	\$1,560.90
Billed Annually	\$16,875.00	\$15,609.00
Assessment fee (2%)	\$337.50	\$312.18
<u>Automobile Insurance:</u>		
	\$142,541.10	\$198,509.60
Assessment fee (2%)	\$1,176.21	\$1,813.35

Billed Annually	\$47,513.70	\$39,701.92
Assessment fee (2%)	\$392.07	\$362.67

Crime Insurance:

Billed Annually	\$17,010.00	\$26,225.00
	\$5,670.00	\$5,245.00

Cyber Insurance

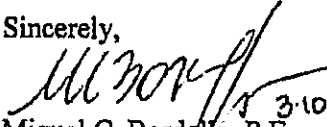
Billed Annually	\$84,000.00	\$140,000.00
	\$28,000.00	\$28,000.00

You are also advised that any obligation incurred by your firm prior to execution of the contract is entirely at your own risk and GWA shall have no obligation to reimburse costs incurred prior to execution of the contract.

Please note this Notice of Award is conditional on obtaining the approval of the Guam Consolidated Commission on Utilities for any award over \$250,000 and the approval of the Guam Public Utilities Commission where the total value over the life of the contract exceed \$1M. Also, award is conditional upon providing any documents relative to the bid if required or Guam law.

You are required to return an acknowledged copy of this Conditional Notice of Award to the Procurement Administrator.

Sincerely,


Miguel C. Bordallo, P.E.
General Manager

3-10-17

ACCEPTANCE OF CONDITIONAL NOTICE OF AWARD

Receipt of the above Notice of Conditional Award for GWA Bid No. 2017-12 is hereby acknowledged.

By: 
Signature

Title: PRESIDENT / GENERAL MGR
(please print)

Dated this 13TH day of MARCH, 2017.

***** END OF CONDITIONAL NOTICE OF AWARD *****

AM Insurance
 Price Comparison Current Premiums vs. Proposed Premiums

Line of Insurance	A Current Annual Premium	B Proposed Annual Premium (3 years)	C Annual Savings (B-A)	D Total 3Yr Premium	E Proposed Annual Premium (5 years)	F Annual Savings (E-A)	G Total 5Yr Premium
Property	1,069,500	760,681	(308,819)	2,282,043	701,530	(367,970)	3,507,650
Liability	92,500	115,000	22,500	345,000	115,000	22,500	575,000
D&O	20,813	17,213	(3,600)	51,638	15,921	(4,891)	79,606
Auto	22,601	47,906	25,304	143,717	40,065	17,463	200,323
Crime	6,993	5,670	(1,323)	17,010	5,245	(1,748)	26,225
Cyber	-	28,000	28,000	84,000	28,000	28,000	140,000
	<u>\$ 1,212,407</u>	<u>\$ 974,469</u>	<u>\$ (237,938)</u>	<u>\$ 2,923,408</u>	<u>\$ 905,761</u>	<u>\$ (306,646)</u>	<u>\$ 4,528,804</u>

x
3 years

x
5 years

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Total Savings for 3 years
 Total Savings for 5 years

\$ (713,813) (\$237,938 x 3Yrs)

\$ (1,533,231) (\$306,646 x 5Yrs)

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EXHIBIT C (1 of 4)

PROPOSAL
for
**PROPERTY, GENERAL LIABILITY, D&O
LIABILITY, AUTOMOBILE & CRIME
INSURANCE**



GUAM WATERWORKS AUTHORITY

INVITATION FOR BID: GWA IFB No. 2017-12

Submission Deadline: 10:00 a.m. March 7, 2017

To:

Guam Waterworks Authority
Attn: Mr. Vince Guerrero, Procurement Administrator
Gloria B. Nelson Public Service Building
688 Route 15
Mangllao, Guam 96913

Submitted by:



ACCESS TO MARKETS FOR INSURANCE
INTERNATIONAL INSURANCE BROKERS

J&G Comm. & Prof. Bldg., Suite 113F, 215A Chalan Santo Papa
P. O. Box 2797 Hagáña, Guam 96932
Tel: (671) 477-2632/42 Fax: (671) 477-2602
E-Mail Address: amuna@amibrokers.com



AM INSURANCE
ACCESS TO MARKET FOR INSURANCE
INTERNATIONAL INSURANCE BROKERS

- ▼ Office: Suite 113, Building F, Ada's Commercial & Professional Center, 215-A Chalan Santo Papa, Agaña
- ▼ Mailing Address: P.O. Box 2797, Hagåtña, Guam 96932 USA
- ▼ Phone: (671) 477-2632 & 477-2642 • Fax: (671) 477-2602

March 7, 2017

Guam Waterworks Authority
Attn: Mr. Vince Guerrero
Procurement Administrator
Gloria B. Nelson Public Service Building
688 Route 15
Mangilao, Guam 96913

**Re: Letter of Transmittal
Invitation For Bid No. IFB 2017-12 (Property, General Liability, D&O, Auto & Crime
Insurance)**

Hafa Adai,

Enclosed is our proposal for Insurance Coverages as requested in the caption Invitation for Bid. AM Insurance (AMI) has had the pleasure of servicing the Guam Waterworks Authority (GWA) for the past 8 years and hopes to continue working together on the agency's insurance program. AMI has the ability to understand the ever changing insurance needs required by GWA and is able to provide innovative and responsive services to benefit your agency.

I trust that you will find all the documents in order and our proposal competitive. Let us know if you have any questions regarding our submission.

Sincerely,
Yan Magahet,


ANNMARIE T. MUÑA
President/General Manager

/trg

1	Introduction
2	Required Documents Broker Questionnaire Major Shareholder Disclosure Affidavit Non-Collusion Affidavit Cert. of Non-Employment of Convicted Sexual Offenders AM Insurance Errors & Omissions Insurance
3	Bid Bond
4	Bid Price
5	Carrier Rating Insurance Licenses
6	Broker Qualification & Experience
7	Claims Handling Procedures
8	Policy Specimens



INTRODUCTION...

AM Insurance ("Access to Markets for Insurance"/AMI) is an aggressive Insurance Broker, specializing in providing brokerage services to individuals, businesses, government entities, religious and non-profit organizations. The agency is managed by Annmarie T. Muna whose extensive experience and contacts in the insurance industry have afforded her the reputation of being one of the region's top professional brokers.

AM Insurance was established in January 1994, with only two employees. The company began as a sole proprietorship and incorporated in June 1996. After three years of hard work, AMI built a dossier of accounts totaling over ten million dollars in insurance premiums which consists mostly of large Government and Commercial Accounts. All employees of AMI go through extensive training which enables them to provide personalized administrative and underwriting assistance, as well as prompt and efficient claims support.

AM Insurance is well versed with Insurance Programs required by various government agencies. They currently service the Guam Waterworks Authority, Port Authority of Guam, Commonwealth Ports Authority, University of Guam and the Guam International Airport Authority.

In fact, Ms. Muña has personally participated in almost every insurance bid the Government of Guam has put out over the past 30 years. She has kept herself abreast with the developments and has firsthand knowledge of the increasing property values and widening operations liability exposures.

As a licensed surplus lines broker, she combines her knowledge and expertise of the local insurance industry with her contacts that are able to access both the London and U.S. Markets to provide tailor-made Insurance Programs to fit each client's needs. AM Insurance has a team of professionals with collectively over 80 years experience in the insurance industry. The staff is trained to provide efficient administrative assistance, risk management support, & claims services whenever it is needed.

With AM Insurance, GWA is assured of uninterrupted professional services available virtually on a 24-hour basis. Representatives are on call to service GWA at any given time.

The contact persons are as follows:

A M Insurance Office
Tel: 477-2632/2642/53/56
Fax: 477-2602
E-Mail: amuna@amibrokers.com

Annmarie T. Muña
Tel: 472-2646
Cell: 687-6001
E-Mail: amuna@amibrokers.com

Tricia R. Granillo
Tel: 477-2659
Cell: 687-3575
E-Mail: tgranillo@amibrokers.com

BROKER QUESTIONNAIRE

Name of Firm: AM Insurance

Address: P.O. Box 2797
Hagatna, GU 96932

Telephone: (671) 477-2632

Fax: (671) 477-2602

Email: amuna@amibrokers.com

Web Site: (if any): _____

Year Established: 1994

Principal: Annmarie Muna

Total Personnel: 13

Annual Commercial Premium: \$17,300,000

MAJOR SHAREHOLDER DISCLOSURE AFFIDAVIT

TERRITORY OF GUAM }

HAGATNA, GUAM }

I, the undersigned Annmarie Muna, being first duly sworn, depose and says:

1. That the persons who have held more than ten percent (10%) of the company's share during the past twelve months preceding the submission of the bid are as follows (if none, so state):

<u>NAME</u>	<u>ADDRESS</u>	<u>PERCENTAGE OF SHARES HOLD</u>
Annmarie Muna	PO Box 2797 Hagatna, GU 96932	40
Ikushi Harada	PO Box 2797 Hagatna GU 96932	40
Ana A. Muna	PO Box 2797 Hagatna, GU 96932	10

TOTAL NUMBER OF SHARES 90

2. Persons who have received or are entitled to receive a commission, gratuity or other compensation for procuring or assisting in obtaining business related to the bid for which this affidavit is submitted are as follows:

<u>NAME</u>	<u>ADDRESS</u>	<u>AMOUNT OF COMMISSIONS, GRATUITY OR OTHER COMPENSATION</u>
N/A		

Further, affiant sayeth naught.

Date: 3/3/17



Signature of individual if bidder is a sole proprietorship; partner, if the bidders is a partnership; officer, if the bidder is a corporation (or other authorized person).

Subscribed and sworn to before me this 3rd day of March, 2017.

Notary Public
In and for the Territory of Guam



JOYCELYN N. CAMACHO
NOTARY PUBLIC
In and for Guam, U.S.A.
My Commission Expires: June 07, 2017
P.O. Box 25153 Barrigada, Guam 96921

NON-COLLUSION AFFIDAVIT

Guam)
)ss:
Tamuning)

I, Annmmarie Muna first being duly sworn, depose and say:
(Name of Declarant)

1. That I am the President/General Manager of AM Insurance
(Title) (Name of Company or Person Bidding/RFP)

2. That in making the foregoing proposal or bid, that such proposal or bid is genuine and not collusive or sham, that said bidder/offeror has not colluded, conspired, connived or agreed, directly or indirectly, with any bidder or person, to put in a sham or to refrain from bidding or submitting a proposal and has not in any manner, directly or indirectly, sought by agreement or collusion, or communication or conference, with any person, to fix the bid price of affiant or any other bidder, or to secure any overhead, project or cost element of said bid price, or of that of any bidder, or to secure any advantage against the GUAM WATERWORKS AUTHORITY or any person interested in the proposed contract; and

3. That all statements in said proposal or bid are true.

4. This affidavit is made in compliance with 2 G.A.R. § 3126(b).

So sayeth Annmarie Muna [Signature] 3/3/17
(Declarant)

Signed on this 3rd day of March 2017, before me a Notary Public in and for Guam, personally appeared Annmarie T. Muna, known to me to be the authorized representative of AM Insurance, whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same as his free and voluntary act and deed on behalf of AM Insurance, for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the date last above written.

) Seal (

Notary Public

[Signature]
JOYCELYN N. CAMACHO
NOTARY PUBLIC
In and for Guam, U.S.A.
My Commission Expires: June 07, 2017
P.O. Box 25153 Barrigada, Guam 96921

CERTIFICATION OF NON-EMPLOYMENT OF CONVICTED SEXUAL OFFENDERS

Pursuant to Guam Public Law 28-24, as amended by Guam Public Law 28-98, if a contract for services is awarded to the bidder or offeror, then the service provider must warrant that no person in its employment who has been convicted of a sex offense under the provisions of Chapter 25 of Title 9 of the Guam Code Annotated or of an offense defined in Article 2 of Chapter 28 of Title 9 of the Guam Code Annotated, or who has been convicted in any other jurisdiction of an offense with the same elements as heretofore defined, or who is listed on the Sex Offender Registry, shall provide services on behalf of the service provider while on government of Guam property, with the exception of public highways. If any employee of a service provider is providing services on government property and is convicted subsequent to an award of a contract, then the service provider warrants that it will notify the Government of the conviction within twenty-four hours of the conviction, and will immediately remove such convicted person from providing services on government property. If the service provider is found to be in violation of any of the provisions of this paragraph, then the Government will give notice to the service provider to take corrective action. The service provider shall take corrective action within twenty-four hours of notice from the Government, and the service provider shall notify the Government when action has been taken. If the service provider fails to take corrective steps within twenty-four hours of notice from the Government, then the Government in its sole discretion may suspend temporarily any contract for services until corrective action has been taken.

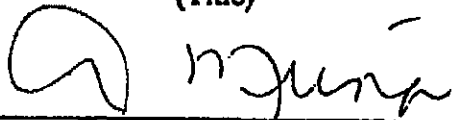
I, Anmarie Muna being a duly authorized representative acknowledge the
(print name)
directive as describe above and ensure the Bid Proposal as submitted addresses the
directive.

AM Insurance

(Company Name)

President/General Manager

(Title)


(Signature)

3/3/17

(Date)

PROFESSIONAL INDEMNITY INSURANCE

Dongbu Insurance Co., Ltd.

Seoul, Korea



NAMED INSURED: AM INSURANCE, P.O. BOX 2797, Hagatna, Guam 96932
AM PROPERTIES, P.O. BOX 2797, Hagatna, Guam 96932
ANNMARIE T. MUNA, P.O. Box 2797, Hagatna, Guam 96932
Y MAGAS, INC. P.O. Box 2797 Hagatna, Guam 96932

POLICY NO.: 277247-716586 (KMPL0001-A08)

PERIOD: From 27 September 2016 to 27 September 2017 both days at 12:01am
Local Standard time at the address of the Insured

INTEREST: To indemnify the Insured in respect of their legal liability for financial
or Economic loss suffered by third parties arising as a result of acts,
errors or omissions committed or alleged to have been committed by
the Insureds in the provision of their professional services as specified
in the Proposal Forms

LIMITS OF INDEMNITY: \$2,000,000 any one claim and in the annual aggregate.

TERRITORIAL LIMITS: Worldwide

CONDITIONS: Insurance Brokers and Agents Errors and Omissions
Deductible: \$10,000.00 each and every claim
excluding costs paid expenses
War and Terrorism exclusion
Excluding claims arising out of or relating to claims and
or circumstances which could give rise to a claim of
which the insured is aware prior to inception
Excluding Limits made by associated companies unless
emanating from an independent third party
Contracts Rights of Third Parties

Nuclear Incident Exclusion Clause
Racketeer Influenced and Corrupt Organizations Exclusion
Endorsement
30 days Cancellation Clause
Asbestos and Mold. Exclusions amended for Insurance Brokers
Retroactive Exclusion Clause
Remuneration and Bid Rigging Exclusions
Excluding claims arising out of mortgage broking or real
estate transactions
Endorsement No.1

**CHOICE OF LAW
& JURISDICTION**

This insurance shall be governed by and construed in accordance with
the laws of Guam and the exclusive jurisdiction of the USA including
Guam courts. The seat of arbitration shall be Guam.

PREMIUMS \$20,000.00
2% ASSESSMENT FEE \$400.00

**PREMIUM
PAYMENT
TERMS** 60 Days

INFORMATION

The following information was provided to insurer(s) to support the assessment of the risk at
the time of underwriting.

Date: 09/26/2016



Authorized Signature
Moylan's Insurance Underwriters, Inc.
General Agent

THE SCHEDULE

Policy No: 277247-716586 (KMPL0001-A08)

NAMED INSURED and ADDRESS:

AM INSURANCE, P.O. BOX 2797, Hagatna, Guam 96932
AM PROPERTIES, P.O. BOX 2797, Hagatna, Guam 96932
ANNMARIE T. MUNA, P.O. Box 2797, Hagatna, Guam 96932
Y MAGAS, INC. P.O. Box 2797 Hagatna, Guam 96932

Period of Insurance: From: 27th September 2016
To: 27th September 2017 both days at 12:01 a.m.
Standard Time at address of Insured stated above

Limits of Liability and Deductibles:

- A. The liability of 'Underwriters for "each claim", including claims expenses, which is first made against the Insures, during the, Policy Period shall not exceed **USD 2,000,000**
- and subject to that limit for each claim the total of Underwriters' liability for all claims, including claims expenses; first made against the Insured during The Policy Period shall not exceed in the "aggregate" **USD 2,000,000**
- B. The Limit of Liability afforded under the policy shall be subject to a deductible amount of **USD 10,000** which shall be applicable to "each claim ,"and shall not inclusive of "claims expenses" as more fully set forth in the Policy.

**INSURANCE BROKERS AND
AGENTS ERRORS AND
OMISSIONS INSURANCE**

NOTICE

**THIS IS A CLAIMS MADE
POLICY**

EXCEPT TO SUCH EXTENT AS MAY BE PROVIDED OTHERWISE HEREIN, THIS POLICY IS LIMITED TO INDEMNITY FOR ONLY THOSE CLAIMS THAT ARE FIRST MADE AGAINST THE INSURED DURING THE POLICY PERIOD. PLEASE REVIEW THE POLICY CAREFULLY:

In consideration of the payment of The premium and the undertaking of the Insured to pay the deductible as described herein and in reliance upon the statements in the application attached hereto and made a part hereof, and subject to the Limits of Liability shown in the Schedule, and subject to all the terms of this Insurance, Underwriters agree With the Named Insured as follows.

INSURING AGREEMENTS

1. COVERAGE: CLAIMS MADE PROVISION

The Underwriters will indemnify the Insured for all sums which the Insured shall become legally obligated to pay as damages by reason of any negligent act error or omission committed or alleged to have been committed by the Insured or by any person for whose negligent acts, errors or omissions the Insured is legally responsible which arise out of the conduct of the Insured's professional activities as Insurance Brokers, Insurance Agents or General Insurance Agents, provided always that:

(a) a claim is first made against the insured during the Policy Period by reason of such negligent act, error or omission, and

(b) the Insured has no knowledge, on or prior to the effective date of this Policy, that such negligent act, error or omission may give rise to a claim against the Insured, or, there are no prior policy or policies which provide insurance for such liability or claims resulting from such negligent act, error or omission whether or not the deductible provisions and amount of such prior policy or policies are different from this Policy.

2. DISCOVERY CLAUSE

If during the Policy Period the insured shall first become aware of any facts or circumstances which may subsequently give rise to a claim against the Insured by reason of any negligent act, error or omission for which coverage would be

afforded hereunder, and if the Insured shall DURING THE POLICY PERIOD stated in the Schedule give written notice to Underwriters of such facts or circumstances, any such claim subsequently made against the Insured arising out of such negligent act, error or omission shall be deemed for the purpose of this Insurance to have been first made during the Policy Period stated in the Schedule. The Insured shall co-operate fully with Underwriters or its representatives as provided in Condition I and any investigation conducted by Underwriters or its representatives shall be subject to the terms set forth in this Insurance.

3. LIMITS OF LIABILITY:

The liability of Underwriters for each claim made during the Policy Period, including claims expenses, shall not exceed the amount stated in the Schedule for "each claim". Subject to that limit for each claim, the total Limit of Underwriters' Liability for all claims made during the Policy Period, including claims expenses, shall never exceed the amount stated in the Schedule as "aggregate". The inclusion herein of more than one Insured or the making of claims or the bringing of suits by more than one person or organization, shall not operate to increase the Limit of Underwriters' Liability for each claim or in the aggregate.

4. DEDUCTIBLE:

The deductible amount stated in the Schedule shall be paid by the Named Insured, shall be applicable to each claim, and shall include claim payments and claims expenses; whether or not claim payment is made.

5. DEFENSE AND SETTLEMENT:

(a) The Insured shall not admit liability for or settle any claim or incur any claims expenses in connection therewith without the written consent of the Underwriters, who shall be entitled at any time to take over and conduct in the name of the Insured the defense of any claims, and the Insured shall continue to co-operate fully with the Underwriters in such

(b) The Underwriters shall not settle any claim without the consent of the Insured. If however the Insured shall refuse to consent to any settlement recommended by the Underwriters and shall elect to contest or continue any legal proceedings in connection with such claim, then the Underwriters' liability for the claim shall not exceed the amount for which the claim could have been so settled including the claims expenses incurred with their consent up to the date of such refusal.

DEFINITIONS

1. THE INSURED

The unqualified word "Insured" whenever used in this Policy means:

(a) the individual, partnership or corporation designated as the Named Insured in the Schedule:

(b) any partner, executive officer, director, or salaried employee of the Named Insured while acting within the scope of his duties as such:

(c) any former partner, executive officer, director or salaried employee of the Named Insured for acts committed while acting within the scope of his duties as such.

2. POLICY PERIOD:

The terms "Policy Period" whenever used in this Policy shall mean the period from the inception date of this policy to the expiration date as set forth in the Schedule or its earlier termination date, if any.

3. CLAIM:

The unqualified word "claim" whenever used in this Policy shall mean a written demand received by the Insured for money or services, including the service of suit or demand for arbitration against the Insured. The filing of suit, or the filing of demand, for arbitration, shall not constitute a claim within the meaning of the policy.

4. CLAIMS EXPENSES;

"Claims Expenses" means:

(a) fees charged by an attorney designated by Underwriters,

(b) all other fees, costs and expenses incurred by Underwriters in the investigation, adjustment, defense and appeal of a claim, and

(c) the reasonable fees charged by an attorney designated by the Insured with the written consent of Underwriters.

EXCLUSIONS

The Insuring Agreements and all other provisions of this Policy shall not provide indemnity or claims expenses for claims:

(a) Arising out of any dishonest, fraudulent, criminal or malicious act committed or alleged to have been committed by, or at the direction of the insured.

(b) For punitive or exemplary damages, fines or penalties,

(c) For bodily injury to, or sickness, disease or death of any person, or injury to or destruction of any tangible property, including the loss of use thereof,

(d) For libel, slander, invasion of privacy or discrimination,

(e) By any Insurer arising out of any alleged negligent act, error or omission by the Insured in their capacity as Insurance Agents or General Insurance Agents of that Insurer, unless that Insurer has obtained a judgment against the Insured in any Court in respect of that claim,

(f) Arising out of the commingling of monies or accounts, or loss of monies received by the Insured or credited to the Insured's

(g) Arising out of, due to or involving directly or indirectly the insolvency, receivership, bankruptcy liquidation or financial inability to pay, by any Insurance Company, Agent, Broker or Intermediary with which the Insured has placed or obtained coverage for a client or an account.

(h) By any entity or individual which is wholly or partially owned, operated or managed by the Insured or which wholly or partially owns, operates or manages the Insured, or which is wholly or partially under the same common ownership, operation or management as the Insured.

(i) Arising out of the Insured's activities as a managing agent or managing general agent unless otherwise endorsed on the Schedule.

CONDITIONS

1. INSURED'S DUTIES IN THE EVENT OF CLAIM OR SUIT:

The Insured shall, as a condition precedent to their right to be indemnified under this Insurance, give to Underwriters immediate notice in writing of any claim first made against them, co-operate with Underwriters and upon Underwriters' request submit to examination and interrogation by Underwriters' representative, under oath if required, and attend hearings, depositions and trials, and assist in effecting settlement, securing and giving evidence, obtaining the attendance of witnesses and assisting in the conduct of suits as well as the giving of a written statement or statements to Underwriters' representatives and meetings with such representatives for the purposes of investigation and/or defense, and all without charge to Underwriters.

2. SUBROGATION:

In the event of any payment under this Policy, Underwriters shall be subrogated to all the Insured's right of recovery there for against any person or organization and the Insured shall execute and, deliver instruments and papers and do whatever else is necessary to secure such rights. The Insured shall do nothing to prejudice such rights.

3. ACTION AGAINST UNDERWRITERS:

No action shall be against Underwriters unless, as a condition precedent thereto, the Insured shall have fully complied with all the terms of this Policy, nor until the amount of the Insured's obligation to pay shall have been fully and finally determined either by judgment against the Insured after actual trial, or by written agreement of the Insured, the claimant and Underwriters.

4. FALSE OR FRAUDULENT CLAIMS:

If the Insured shall proffer any claim knowing same to be false or fraudulent, as regards amount or otherwise this insurance shall become null and void and all coverage hereunder shall be forfeited.

5. APPLICATION:

By acceptance of this Policy the Insured agrees that the statements in the application are his representations, that this Policy is issued in reliance upon the truth of such representations and that this Policy embodies all agreements existing between himself and Underwriters, or any of its agents, relating to this insurance.

6. OTHER INSURANCE:

Subject to the limitation of coverage as set forth in Insuring Agreement I (b) regarding the application of a prior policy or policies, this insurance is in excess of the amount of the applicable deductible of this Policy and any other valid and collectible insurance available to the Insured whether such other insurance is stated to be primary, contributory, excess, contingent or otherwise.

7. ASSIGNMENT:

Assignment of interest under this Policy shall not bind Underwriters until their consent is endorsed hereon. In the event of the death or incompetency of the Insured this Policy shall cover the Insured for any claims first made against the Insured or its legal representatives during the Policy Period and which would otherwise be covered by this Policy.

This Policy may be cancelled by the Named Insured by a written notice stating when thereafter such cancellation shall be effective. If cancelled by the Named Insured, Underwriters shall retain the customary short rate proportion of the Premium hereon.

This Policy may be cancelled by Underwriters by mailing to the Named Insured written notice stating when, not less than thirty (30) days thereafter, such cancellation shall be effective, but this Policy may be cancelled as aforesaid by not less than ten days notice when the cancellation is being effected by reason of the Insured's non-payment of premium. The mailing of notice as aforementioned shall be sufficient notice and the effective date of cancellation stated in the notice shall become the expiration date of the policy. Delivery of such written notice by the Named Insured, or Underwriters' shall be equivalent to mailing. If cancelled by Underwriters, earned Premium shall be computed pro rata.

Premium adjustment may be made at the time cancellation is effected or as soon as practicable thereafter. The cheque of the Underwriters or any of its representatives, mailed or delivered, shall be sufficient tender of any refund due to the Named Insured.

8. SERVICE OF SUIT:

It is agreed that in the event of the failure of Underwriters hereon to pay any amount

claimed to be due hereunder, the Underwriters hereon, at the request of the Insured, will submit to the jurisdiction of a Court of competent jurisdiction within the United States. Nothing in this Clause constitutes or should be understood to constitute a waiver of Underwriters' rights to commence an action in any Court of competent jurisdiction in the United States, to remove an action to a United States District Court, or to seek a transfer of a case to another Court as permitted by laws of the United States or of any State in the United States. It is further agreed that service of process in such suit may be made upon the designee named in the Schedule and that in any, suit instituted against any one of them upon this Contract, Underwriters will abide by the final decision of such Court or of any Appellate Court in the event of an appeal,

The above named are authorized and directed to accept service of process on behalf of Underwriters in any such suit and/or upon the request of the Insured to give a written undertaking to the Insured that they will enter a general appearance upon Underwriters behalf in the event such suit shall be instituted.

Further, pursuant to any statute of any state, territory or district of the United States which makes provision there for, Underwriters hereon hereby designate the Superintendent, Commissioner, or Director of Insurance or other officer specified for that purpose in the statute, or his successor or successors in office, as their true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the Insured or any beneficiary hereunder arising out of this Contract of Insurance and hereby designates the above-named as the person to whom-said officer is authorized to mail such process or a true copy thereof.

CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999 CLARIFICATION CLAUSE

A person who is not a party to this contract has no right under the Contracts (Rights Of Third Parties) Act 1999 to enforce any term of this Contract but this does not affect any right or remedy of a third party which exists or is available apart from the Act.

NUCLEAR INCIDENT EXCLUSION CLAUSE-LIABILITY-DIRECT (BROAD) (U.S.A)

For attachment to insurances of the following classifications in the U. S. A. its territories and Possessions, Puerto Rico Ad the Canal Zone:

Owners, Landlords and Tenants Liability, Contractual Liability, Elevator Liability, Owners or Contractors (including railroad) Protective Liability, Manufacturers and Contractors Liability, Product Liability, Professional and Malpractice Liability, Storekeepers Liability, Garage Liability; Automobile Liability (including Massachusetts Motor Vehicle or Garage Liability), not being insurances of the classifications to which the Nuclear Incident Exclusion Clause-Liability-Direct (Limited) applies.

This Policy does not apply:

- I. Under any Liability Coverage, injury, sickness, disease, death or destruction:
 - (a) with respect to which an Insured under the Policy is also an Insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters or Nuclear Insurance Association of Canada, or would be insured under any such policy but for its termination upon exhaustion of its limit of liability; or
 - (b) resulting from the hazardous properties of nuclear material and with respect to which (1) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (2) the insured is, or had this Policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.
- II. Under any Medical Payments Coverage, or under any Supplementary Payments Provision relating to immediate medical or surgical relief, to expenses incurred with respect to bodily injury, sickness, disease or death resulting from the, hazardous properties of nuclear material and arising out of the operation of a nuclear facility by any person or organization.
- III. Under any Liability Coverage, to injury, sickness, disease, death or destruction resulting from the hazardous Properties of nuclear material, if:
 - (a) the nuclear material (1) is at any nuclear facility owned by, or operated by or on behalf of, an insured or (2) has been discharged or dispersed therefrom;
 - (b) the nuclear material is contained in spent fuel or waste at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of an insured; or

(c) the injury, sickness, disease, death or destruction arises out of the furnishing by an insured of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any nuclear facility, but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion (c) applies only to injury to or destruction of property at such nuclear facility.

IV. As used in this endorsement:

"hazardous properties" include radioactive, toxic or explosive properties; "nuclear material" means source material, special nuclear material or by-product material; "source material", "special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy Act 1954 or in any law amendatory thereof; "spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a nuclear reactor; "waste" means any waste material (1) containing by-product material and (2) resulting from the operation by any person or organization of any nuclear facility included within the definition of nuclear facility under paragraph (a) or (h) thereof; "nuclear facility" means:

(a) any nuclear reactor,

(b) any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing spent fuel, or (3) handling, processing or packaging waste,

(c) any equipment or device used for the processing, fabricating or alloying of special nuclear material if at any time the total amount of such material in the custody of the insured at the premises where such equipment device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235,

(d) any structure, basin, excavation, premises or place prepared or used for the storage or disposal of waste, and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations; "nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material. With respect to injury to or destruction of property the word "injury" or "destruction" includes all forms of radioactive contamination of property.

It is understood and agreed that except as specifically, provided in the foregoing to the contrary, this clause is subject to the terms, exclusions, conditions and limitations of the Policy to which it is attached.

*NOTE: As respects policies which afford liability coverages and other forms of coverage in addition, the words underlined should be amended to designate the liability coverage to which this clause is to apply.

R. I. C. O. EXCLUSION

In consideration of the premium charged, it is hereby understood and agreed that there shall be no liability hereunder in respect of any loss payments or claim expenses directly or indirectly brought about by, arising out of, or attributable to:

any actual or alleged violation of the Racketeer Influenced and Corrupt Organizations Act, 18 USC Sections 1961 et seq., or any comparable state law, and any amendments thereto, or any rules or regulations promulgated thereunder.

**RETROACTIVE EXCLUSION CLAUSE
(U.S.A./CANADA)
(Professional Indemnity Insurance)**

It is understood and agreed that, notwithstanding anything contained herein to the contrary, this Policy shall not indemnify the Insured in respect of any claim made against the Insured by reason of any negligent act, error or omission committed, or alleged to have been committed prior to 31st October 2008.

EXCLUSIONS

The following are added to Exclusions;

- (j) Arising out of or relating to claims and/or circumstances which could give rise to a claim of which the Insured is aware prior to inception
- (k) Arising out of mortgage broking or real estate transactions

ASBESTOS & MOLD-EXCLUSION FOR INSURANCE BROKERS

ASBESTOS EXCLUSION:

This Policy shall not apply to CLAIMS or CLAIMS EXPENSES arising directly or indirectly out of or resulting from or in consequence of, or in any way involving asbestos, or any materials in whatever form or quantity.

TOXIC MOLD EXCLUSION

In consideration for the premium charged, it is hereby understood and agreed that the coverage afforded by this Policy shall not apply to:

A. CLAIMS or CLAIMS EXPENSES which, either in whole or in part, directly or indirectly, are for, based upon, relate to, or arise out of:

(1) the actual, potential, alleged or threatened formation, growth, presence, release or dispersal of any fungi, molds, spores or mycotoxins of any kind; or

(2) any action taken by any party in response to the actual, potential, alleged or threatened formation, growth, presence, release or dispersal of fungi, molds, spores or mycotoxins of any kind, such action to include investigating, testing for, detection of, monitoring of, treating, remediating or removing such fungi, molds, spores or mycotoxins;

B. Any governmental or regulatory order, requirement, directive, mandate or decree that any party take action in response to the actual, potential, alleged or threatened formation, growth, presence, release or dispersal of fungi, molds, spores or mycotoxins of any kind, such action to include investigating, testing for, detection of, monitoring of, treating, remediating or removing such fungi, molds, spores or mycotoxins;

C. Underwriters will have no duty or obligation to defend any Insured with respect to any CLAIM or governmental or regulatory order, requirement, directive, mandate or decree which, either in whole or in part, directly or indirectly, is for, based upon, relates to, or arises out of the actual, potential, alleged or threatened formation, growth, presence, release or dispersal of any fungi, molds, spores or mycotoxins of any kind.

However, these exclusion shall not apply if the loss arises out of the Insured's professional services as an insurance broker or agent.

SYNDICATE 4000 PSA/MSA EXCLUSION

This policy provides no indemnity for loss or defense costs in connection with any claim directly or indirectly arising out of, based upon or in consequence of, resulting from, or in any way involving the actual or alleged payment of fees, commissions or other remunerations by or to any Insured or the permission of, aiding or abetting, or participation in the payment of fees, commissions or other remunerations to any other entity. This Policy also excludes any indemnity for loss or defense costs in connection with any claim directly or indirectly arising out of, based upon or in consequence of, resulting from, or in any way involving any actual or alleged bid rigging, market allocation or solicitation of non-competitive bids for insurance coverage.

CHOICE OF LAW AND JURISDICTION

This Policy shall be governed by and construed in accordance with the laws of Guam and the exclusive jurisdiction of the USA including Guam courts. The seat of arbitration shall be Guam.

IN WITNESS WHEREOF, the Company has caused this policy to be signed by its president and manager, but this policy shall not be valid unless countersigned on the Declarations page by a duly authorized representative of the Company.



Yonjo Choi
MANAGER



JEONG-NAM KIM
PRESIDENT

ENDORSEMENT NO. 1

Name Insured : Am Insurance, AM Properties, Annmarie T. Muna, Y Magas, Inc.

IT IS HEREBY UNDERSTOOD AND AGREED that Exclusion, (k) Arising out of mortgage broking or real estate transactions DOES NOT apply to the following:

- 1) Single Family Dwelling located in Santa Rita, Guam
- 2) Condominium Unit located at Villa Rosario
- 3) Any newly acquired properties owned by the Insured, subject to reporting by endorsement

Nothing herein contained shall be held to vary, alter, waive or change any of the terms, limits or conditions of the Policy, except as hereinafter set forth.

This endorsement is effective as of Inception of the Policy Period.

Attached to and forming part of Policy No. 277247-716588 (KMPL0001-A08) of Dongbu Insurance Co., Ltd.

By: 

Moylan's Insurance Underwriters, Inc.
General Agent

EXCLUSION OF CERTIFIED ACTS OF TERRORISM

This insurance does not apply to TERRORISM, including injury or damage arising, directly or indirectly, out of a "certified act of terrorism".

"Certified act of terrorism" means an act that is certified by the Secretary of Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism and Risk Insurance Act of 2002. The criteria contained in that Act for a "certified act of terrorism" includes the following:

1. The act resulted in aggregate losses in excess of \$5 million; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed on behalf of any foreign person or foreign interest, 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.

This endorsement fulfills the requirements of the U.S. Terrorism Risk Insurance Act of 2002.

Effective 09/27/2016

All other terms and conditions remain unaltered.

Attached to and forming part of Policy No. 277247-716586 (KMPL0001-A08)

issued to AM Insurance, AM Properties, Annmarie T. Muna, Y Magas, Inc.

effective 09/27/2016

Date: 09/28/2016

Dongbu Insurance Company Ltd.

By: 

Authorized Representative
Moylan's Insurance Underwriters, Inc.
General Agent

My commission expires

BID AND PERFORMANCE BOND FOR GOODS AND SERVICES
AS REQUIRED UNDER 5 G.C.A. § 5212

KIC-14328-B

KNOW ALL MEN BY THESE PRESENTS, that

AN INSURANCE

(Name of Contractor)

as Principal, herein after called the Principal and
DONGBU INSURANCE CO., LTD.

(Name of Surety)

as duly admitted insurer under the laws of the Territory of Guam, as Surety,
hereafter called the Surety, are held and firmly bound unto the Guam Waterworks
Authority for the sum
of ONE THOUSAND & 00/100

Dollars (\$1,000.00), for payment of which sum will and truly to be made, the
said Principal and the said Surety bind ourselves, our heirs, executors,
administrators, successors and assigns, jointly and severally firmly by these
presents:

WHEREAS, the Principal has submitted a bid for and is anticipated to enter into a
contract in the amount specified below, GWA IEB NO. 2017-12 PROPERTY INSURANCE,
GENERAL LIABILITY INSURANCE, DIRECTORS AND OFFICERS LIABILITY INSURANCE,
AUTOMOBILE INSURANCE AND CRIME INSURANCE

NOW, THEREFORE, if the Guam Waterworks Authority shall accept the bid and
the Principal shall not withdraw said bid within sixty (60) calendar days after the
opening of bids, and shall within twenty one (21) calendar days after the prescribed
forms are presented to him for signature, enter into a Contract with the Guam
Waterworks Authority in accordance with the terms of such bid. This bond shall
also be held by the Guam Waterworks Authority to secure the faithful
performance of such Contract and for the prompt payment of labor, goods, services
and materials furnished in the prosecution thereof. In the event of the failure of the
Principal to enter into such Contract, or if the Principals (Contractor) fails to
perform in accordance with the requirements set out under the Bid or any other
written instrument requirement performance thereunder, the Surety, on behalf of
the Principals shall pay to the Guam Waterworks Authority the differences not to
exceed the penalty hereof between the amounts specified in said bid and such
larger amount for which the Guam Waterworks Authority may in good faith
contract with another party to perform work covered by said bid or an appropriate

liquidated amount as specified in the Invitation for Bids then this obligation shall be null and void, otherwise to remain in full force and effect.

NOW, THEREFORE, THE CONDITIONS OF THIS OBLIGATION is such that, if the contractor shall promptly and faithfully perform said Contract, and shall promptly make payment to all claimants as hereinafter defined for all labor and material used or reasonably required for use in the performance of the Contract, then this obligation shall be void; otherwise it shall remain in full force and effect, subject, however, to the following conditions:

- A. The Surety hereby waives notice of any alteration or extension of the time made by the Authority provided the same is within the scope of the Contract or any modification thereto.
- B. Whenever the contractor shall be and is declared in default by the Authority to be in default under the Contract, the Authority having performed its obligations hereunder, the Surety may promptly remedy the default or shall promptly:
 - 1. Complete the Contract in accordance with its terms and conditions; or
 - 2. Obtain a bid or bids for completing the Contract in accordance with its terms and conditions, and upon determination by the Authority and the Surety of the lowest responsible bidder, arrange for a Contract between such bidder and the Authority, and make available as work progresses (even though there should be a default or a succession of defaults under the Contract or Contracts or completion arranged under this paragraph) sufficient funds to pay the cost of completion, less than balance of the Contract price, but not exceeding, including other costs and damages for which the Surety may be liable hereunder, the amount set forth in the first paragraph hereof. The term "balance of the Contract Price," as used in this paragraph shall mean the total amount payable by the Authority to Contractor under the Contract and any amendments thereto, less the amount properly paid by the Authority to Contractor. No right of action shall accrue on this bond to or for use of any person or corporation other than the Authority or successors of the Authority.
- C. A claimant is defined as one having a direct contract with the Contractor or with a subcontractor of the Contractor for labor, material, or both, used or reasonably required for use in the performance of the Contract, labor and material

being construed to include that part of water, gas, power, light, heat, oil, gasoline, telephone service or rental of equipment directly applicable to the Contract.

D. The above named Contractor and Surety hereby jointly and severally agree with the Authority that every claimant as herein defined, who has not been paid in full before the expiration of a period of ninety (90) days after the date of which the last of such claimant's work or labor was done or performed, or materials were furnished by such claimant, may sue on this bond for use of such claimant, prosecute the suit to final judgment for such sum or sums as may be justly due the claimant, and have execution thereon. The Authority shall not be liable for the payment of any costs or expenses of any such suit.

E. No suit or action shall be commenced hereunder by any claimant:

1. Unless claimant, other than one having a direct contract with the contractor, shall have given written notice to any two (2) of the following entities named below:

(a) the Contractor; (b) the Guam Waterworks Authority, or (c) the Surety above named, within ninety (90) days after such claimant did or performed the last of the work or labor, or furnished the last of the materials for which said claim is made, stating with substantial accuracy the amount claimed and the name of the party to whom the materials were furnished, or for whom the work or labor was done or performed. Such notice shall be personally served by mailing the same by registered mail or certified mail, postage prepaid, in an envelope addressed to the Contractor at any place the principal maintains an office or conducts its business.

2. After the expiration of one (1) year following the date on which the last of the labor was performed or material was supplied by the party bringing suit.

3. Other than in a court of competent jurisdiction in and for the Territory of Guam.

F. The amount of the bond shall be reduced by and to the extent of any payment or payments made in good faith hereunder.

SIGNED AND SEALED THIS 1ST day of MARCH, 2017, A.D.

IN THE PRESENCE OF:
(Note: If the Principals are Partners, each must execute the Bond)

(WITNESS)

(TITLE)

JEONG NAM KIM *K.S. Chl*
(MAJOR OFFICER OF SURETY)

PRESIDENT & CEO
(TITLE)

[Signature]
CECILIA A. ANAS
SURETY DIVISION MANAGER

[Signature]
AM INSURANCE
(CONTRACTOR) (SEAL)

Anmeria Muna, President +
CM
(TITLE)

JONG FYO JEONG *K.S. Chl*
(MAJOR OFFICER OF SURETY)

EXECUTIVE VP
(TITLE)

MOYLAN'S INSURANCE UND., INC.
(RESIDENT GENERAL AGENT)

GOVERNMENT OF GUAM
DEPARTMENT OF REVENUE AND TAXATION
OFFICE OF THE INSURANCE COMMISSIONER
CERTIFICATE OF AUTHORITY

RENEWAL 218

Know All Men By These Presents That:

Name **DONGBO INSURANCE COMPANY, LTD.**

Address **891-10, DAECHEI-DONG,
SEOUL, KOREA** **KANGNAM-GU**

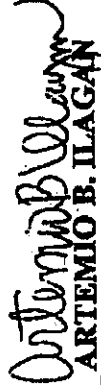
Classes of Insurance Authorized } ACCIDENT & HEALTH
FIDELITY & SURETY
FIRE
MARINE
MISCELLANEOUS
MOTOR VEHICLE
PROP. DAMAGE & LIABILITY
WORKMENS COMP

Having complied with the Insurance Law of Guam, is hereby authorized to transact as an insurer, the above named Classes of Insurance in Guam from the 01 day of July, 20 16, to the 01 day of July, 20 17, unless authority is revoked for failure to comply with the law.

General Agent(s):

MOYLAN'S INSURANCE UNDERWRITERS INC

In Witness Whereof, I have hereunto subscribed my name officially and have hereon impressed my Seal of Office at the City of Hagåtña, Guam on this 03 day of June A.D. 20 16.


ARTEMIO B. ILAGAN
Insurance Commissioner

공증인가 동방종합법무법인

Registered No. 2016-309

NOTARIAL CERTIFICATE

DONG BANG LAW & NOTARY OFFICE INC.
187, Toegye-ro, Jung-gu, Seoul, Korea



DECLARATION (진 술 서)

*I do hereby solemnly and sincere declare that the attached
power of attorney exactly corresponds to the original.*
(본인은 별첨된 위임장이 원본과 불립없음을 진술합니다)

Appendix Document Title: *Power of Attorney*

2016. .1. 28

Signature *Hojin Choe*
Print Name(영문이름): *Hojin Choe*



POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

That Dongbu Insurance Co., Ltd., a corporation organized and existing under and by virtue of the laws of the Republic of Korea, having its principal office at the address of Dongbu Financial Center, 432, Teheran-ro, Gangnam-Gu, Seoul, the Republic of Korea, does hereby nominate, constitute and appoint Moylan's Insurance Underwriters, Inc., a corporation organized and existing under and by virtue of the laws of the Territory of Guam, having its principal office at the address of 102 Julale Center, 424 West O'Brien Drive, Hagatna, Guam, its true and lawful attorney-in-fact to make, execute, seal and deliver on its behalf any and all bonds, undertakings, contracts and other writings of suretyship for it and on its behalf.

IN WITNESS WHEREOF, Dongbu Insurance Co., Ltd. has caused these presents to be signed by its appropriate officers and to be affixed of its corporate seal thereunto on this 1st day of Jan., 2016.



DONGBU INSURANCE CO., LTD.

Handwritten signature of Jong Pyo Jeong in black ink.

JONG PYO JEONG, Executive Vice President

Handwritten signature of Bu Heui Yoo in black ink.

BU HEUI YOO, Secretary

[제42호 서식]

공증인가 동방종합법무법인

(영문사서본인용지)

등부 2016 년 제 309 호

Registered No. 2016 - 309

인 증

NOTARIAL CERTIFICATE

위

진술서

에

CHOE, HO-JIN

기재된

최호진

은

personally appeared before
me and admitted his(her)

본 공증인의 면전에서 위 사서증서에
자기가 기명날인 한 것임을 자인하였다.

subscription to the attached

DECLARATION

This is hereby attested on

2016년 1월 28일

this 28th day of JAN.

이 사무소에서 위 인증한다.

2016 at this office.

서울지방검찰청소속

BELONG TO SEOUL CENTRAL DISTRICT PROSECUTORS' OFFICE

공증인가 동방종합법무법인

DONG BANG LAW & NOTARY OFFICE INC.

서울특별시 중구 퇴계로 187

187, Toegye-ro, Jung-gu, Seoul, Korea

공증담당

변호사

Attorney at law(Rep.) **Seo, Keon Il**

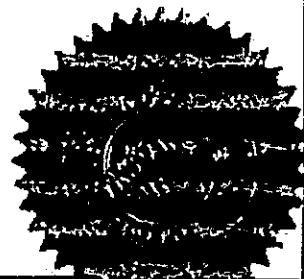
This office has been authorized by the Minister of Justice,
the Republic of Korea, to act as Notary Public since
Apr. 26. 1984.under Law No.5

공증인가 동방종합법무법인

Registered No. 2017 - 203

NOTARIAL CERTIFICATE

DONG BANG LAW & NOTARY OFFICE INC.
187, Toegye-ro, Jung-gu, Seoul, Korea





Dongbu Insurance

Dongbu Financial Center, 432, Teheran-ro
Gangnam-gu, Seoul, Korea 135-523
Tel: +82-2-3011-5825
Fax: +82-505-181-1023
www.dongbu.com

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

That Dongbu Insurance Co., Ltd., a corporation duly organized and existing under and by virtue of the laws of the Republic of Korea, and having its principal office at the address of Dongbu Financial Center, 432, Teheran-ro, Gangnam-Gu, Seoul, the Republic of Korea, does hereby make, constitute and appoint Shin Chul Kim, Guam Branch Manager of this Company, its true and lawful attorney-in-fact, for it, and in its name, place and stead to proceed all the necessary requirements and steps for its business operation in Guam and its neighboring islands, giving and granting unto its attorney full power and authority to do and perform all and every act and thing whatsoever, requisite, necessary and proper to be done in the premises, as fully, to all intents and purposes, as it might or could do, with full power of substitution and revocation, hereby ratifying and confirming all that its attorney, or his substitute, shall lawfully do, or cause to be done, by virtue hereof.

IN WITNESS WHEREOF, Dongbu Insurance Co., Ltd. has caused its corporate name to be subscribed hereto by its appropriate officer, and its corporate seal to be affixed, attested by its secretary, on this 1st day of Jan., 2017

DONGBU INSURANCE CO., LTD.

JEONG NAM KIM, President & CEO

Acknowledged

SHIN CHUL KIM
Guam Branch Manager

Attest:

BU HEUI YOO
Secretary

동부 2017 년 제 203 호

Registered No. 2017 - 203

인 증

NOTARIAL CERTIFICATE

위 위임장
기재된 동부화재
해상보험 (주)
대표이사 김정남 의

Ho-Jin, Choe
attorney - in fact of
JEONG NAM KIM
President & CEO
DONGBU INSURANCE CO., LTD
appeared

대리인 최호진 는
본 공증인의 면전에서 위 본인이
기명날인 한 것임을 자인하였다.

before me and admitted said
principal's subscription to the
attached

POWER OF ATTORNEY

2017년 1월 17일
이 사무소에서 위 인증한다.

This is hereby attested on
this 17th day of Jan.
2017 at this office.

서울중앙지방법검찰청소속	BELONG TO SEUL CENTRAL DISTRICT PROSECUTOR'S OFFICE
공증인가 동방종합법무법인	DONG BANG LAW & NOTARY OFFICE INC.
서울특별시 중구 회계로 187	187, Toegye-ro, Jung-gu, Seoul, Korea
공증담당	
변호사	


 Attorney at law (Rep.) **Seo, Keon Ik.**

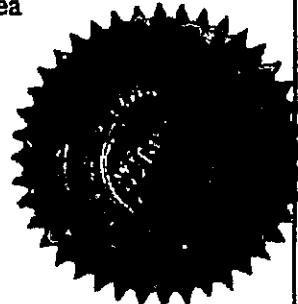
This office has been authorized by the Minister of Justice, the Republic of Korea, to act as Notary Public since Apr. 26. 1984. under Law No. 5

공증인가 동방종합법무법인

Registered No. 2017 — 204

NOTARIAL CERTIFICATE

DONG BANG LAW & NOTARY OFFICE INC.
187, Toegye-ro, Jung-gu, Seoul, Korea

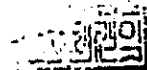




Dongbu Insurance

Dongbu Financial Center, 432, Teheran-ro
Gangnam-gu, Seoul, Korea 135-523
Tel: +82-2-3011-5825
Fax: +82-505-181-1023
www.kdongbu.com

POWER OF ATTORNEY



KNOW ALL MEN BY THESE PRESENTS:

That I, Jeong Nam Kim, President & CEO of Dongbu Insurance Co., Ltd., a corporation duly organized and existing under and by virtue of the laws of the Republic of Korea, having its principal office at the address of Dongbu Financial Center, 432, Teheran-ro, Gangnam-Gu, Seoul, the Republic of Korea, does hereby nominate, constitute and appoint Shin Chul Kim, Branch Manager of the Company's Guam Branch at 233 Julale Center, 424 West O'Brien Drive, Hagatna, Guam 96910, my true and lawful attorney-in-fact to make, execute, seal and deliver any and all bonds, undertakings, contracts and other writings of suretyship for the Company and in my behalf.

IN WITNESS WHEREOF, Dongbu Insurance Co., Ltd. has caused these presents to be signed by me and the Corporate Secretary, and to be affixed of its corporate seal thereunto on this 1st day of Jan., 2017

DONGBU INSURANCE CO., LTD.

JEONG NAM KIM, President & CEO

BU HEUI YOO, Secretary

등부 2017 년 제 204 호

Registered No. 2017 - 204

인 증

NOTARIAL CERTIFICATE

위 위임장 에
 기재된 동부화재
 해상보험 (주)
 대표이사 김정남 의
 대리인 최호진 는
 본 공증인의 면전에서 위 본인이
 기명날인 한 것임을 자인하였다.


Ho-Jin, Choe
 attorney - in fact of
JEONG NAM KIM
 President & CEO
DONGBU INSURANCE CO.,LTD
 appeared
 before me and admitted said
 principal's subscription to the
 attached

POWER OF ATTORNEY

2017년 1월 17일
 이 사무소에서 위 인증한다.

This is hereby attested on
 this 17th day of Jan.
 2017 at this office.

서울중앙지방법검찰청소속 BELONG TO SEOUL CENTRAL DISTRICT PROSECUTORS' OFFICE
 공증인가 동방종합법무법인 DONG BANG LAW & NOTARY OFFICE INC.
 서울특별시 중구 퇴계로 187 187, Toegye-ro, Jung-gu, Seoul, Korea
 공증담당
 변호사


 Attorney at law(Rep.) Seo, Keon Ik

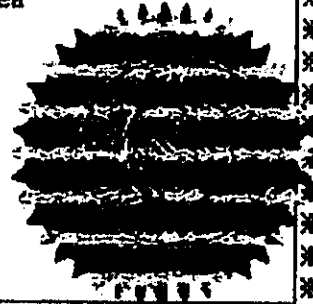
This office has been authorized by the Minister of Justice,
 the Republic of Korea, to act as Notary Public since
 Apr. 26. 1984. under Law No. 5

공증인가 동방종합법무법인

Registered No. 2017 - 205

NOTARIAL CERTIFICATE

DONG BANG LAW & NOTARY OFFICE INC.
187, Toegye-ro, Jung-gu, Seoul, Korea



DECLARATION (진 술 서)

I do hereby solemnly and sincere declare that the attached certificate exactly corresponds to the original.

(본인은 별첨된 증명서사본이 원본과 틀림없음을 진술합니다)

Appendix Document Title: power of attorney

2017

2017. 1. 17

Signature *Hojin Choe*
Print Name(영문이름): *Hojin Choe*



Dongbu Insurance

Dongbu Financial Center, 432, Teheran-ro
Gangnam-gu, Seoul, Korea 135-523
Tel: +82-2-3011-5825
Fax: +82-505-181-1023
www.idongbu.com

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS :

That I, Jong Pyo Jeong, Executive Vice President of Dongbu Insurance Co., Ltd., a corporation duly organized and existing under and by virtue of the laws of the Republic of Korea, having its principal office at the address of Dongbu Financial Center, 432, Teheran-ro, Gangnam-Gu, Seoul, the Republic of Korea, does hereby nominate, constitute and appoint Shin Chul Kim, Branch Manager of the Company's Guam Branch at 233 Julale Center, 424 West O'Brien Drive, Hagatna, Guam 96910, my true and lawful attorney-in-fact to make, execute, seal and deliver any and all bonds, undertakings, contracts and other writings of suretyship for the Company and in my behalf.

IN WITNESS WHEREOF, Dongbu Insurance Co., Ltd. has caused these presents to be signed by me and the Corporate Secretary, and to be affixed of its corporate seal thereunto on this 1st day of Jan., 2017.

DONGBU INSURANCE CO., LTD.

JONG PYO JEONG, Executive Vice President

BU HEUI YOO, Secretary

등부 2017 년 제 205 호

Registered No. 2017 - 205

인 증

NOTARIAL CERTIFICATE

위

진 술 서

에

HOJIN, CHOE

기재된

최 호 진

personally appeared before
me and admitted his(her)

은

본 공증인의 면전에서 위 사서증서에
자기가 기명날인 한 것임을 자인하였다.

subscription to the attached

DECLARATION

This is hereby attested on

2017년 1월 17일 . . . this 17th day of JAN .

이 사무소에서 위 인证한다.

2017 at this office.

서울중앙지방법검찰청소속

BELONG TO SEOUL CENTRAL DISTRICT PROSECUTORS' OFFICE

공증인가 동방종합법무법인

DONG BANG LAW & NOTARY OFFICE INC.

서울특별시 중구 퇴계로 187, 3층
(필동1가, 국제빌딩)

3F.187, Toegye-ro, Jung-gu, Seoul, Korea

공증담당

변 호 사



Attorney at law(Rep.) **Seo, Keon Ik**

This office has been authorized by the Minister of Justice,
the Republic of Korea, to act as Notary Public since
Apr. 26. 1984.under Law No.5

ACKNOWLEDGEMENT

Guam, U.S.A.)
CITY OF Hagatna) ss:

On this 20th day of Jan., 2017, I certify that the attached document is a certified copy of the original Power of Attorney executed by Jeong Nam Kim and Jong Pyo Jeong, President and C.E.O. and Executive Vice President, respectively of Dongbu Insurance Co., Ltd. appointing Shin Chul Kim, as Attorney-in-Fact and that to my knowledge, are neither public records nor publicly recordable documents.

IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal the day and year first above written.



[Signature]
(Official Signature and Seal of Notary)

ACKNOWLEDGEMENT

Guam, U.S.A.)
CITY OF Hagatna) ss:

CECILIA A. ANAS
NOTARY PUBLIC
In and for Guam, U.S.A.
My Commission Expires: March 28, 2018
P.O. Box 315726 Tarragon, Guam 96931

On this 20th day of Jan., 2017, I certify that the attached document is a certified copy of the original Power of Attorney executed by Jeong Nam Kim and Jong Pyo Jeong, President and C.E.O. and Executive Vice President, respectively of Dongbu Insurance Co., Ltd. appointing Moylan's Insurance Und., Inc., to be their Attorney-in-Fact and that to my knowledge, are neither public records nor publicly recordable documents.

IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal the day and year first above written.



[Signature]
(Official Signature and Seal of Notary)

ACKNOWLEDGEMENT

Guam, U.S.A.)
CITY OF Hagatna) ss:

CECILIA A. ANAS
NOTARY PUBLIC
In and for Guam, U.S.A.
My Commission Expires: March 28, 2018
P.O. Box 315726 Tarragon, Guam 96931

On this 20th day of Jan., 2017, before me personally appeared Shin Chul Kim, known to me to be the person who signed the document and acknowledged his appointment by Dongbu Insurance Co., Ltd. as Attorney-in-Fact for its business operations on Guam and the neighboring islands.

IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal the day and year first above written.



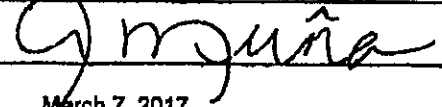
[Signature]
(Official Signature and Seal of Notary)

CECILIA A. ANAS
NOTARY PUBLIC
In and for Guam, U.S.A.
My Commission Expires: March 28, 2018
P.O. Box 315726 Tarragon, Guam 96931

BID RESPONSE FORM – PROPERTY INSURANCE

Limit	Deductible	3 Year Premium	5 Year Premium
\$30,000,000	\$1,000,000 Cat. \$100,000 all other	\$2,282,043.00 (\$760,681.00 Billed Annually)	\$3,507,650.00 (\$701,530.00 Billed Annually)

Carrier	Carrier's Financial Rating
Dongbu Insurance Co. Ltd.	A XV

Bidder: AM Insurance
 By: 
 Date: March 7, 2017

ALTERNATE QUOTE: DEDUCTIBLE CHANGES

Limit	Deductible	3 Year Premium	5 Year Premium
\$30,000,000	Cat - 5% of claim, Minimum \$250,000 Maximum \$1,000,000 \$50,000 all other	\$2,580,468.75 (\$860,156.25 Billed Annually)	\$4,300,781.25 (\$860,156.25 Billed Annually)

Carrier	Carrier's Financial Rating
Sompo Japan Nipponkoa	A XV

BID RESPONSE FORM – CYBER INSURANCE (OPTIONAL)

MUST BE PURCHASED WITH PROPERTY INSURANCE FROM DONGBU

Limit	Deductible	3 Year Premium	5 Year Premium
\$5,000,000	\$50,000	\$84,000.00 (\$28,000.00 Billed Annually)	\$140,000.00 (\$28,000.00 Billed Annually)

Carrier	Carrier's Financial Rating
Dongbu Insurance Co., Ltd.	A XV

Bidder: AM Insurance

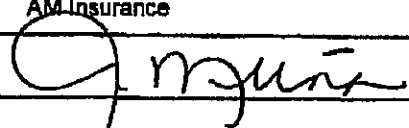
By: 

Date: March 7, 2017

BID RESPONSE FORM - LIABILITY INSURANCE

Limit	Deductible	3 Year Premium	5 Year Premium
\$50,000,000 CSL	\$300,000 eel	\$345,000.00 <small>includes 2% Assessment Fee</small> <small>(\$115,000.00 Billed Annually)</small>	\$575,000.00 <small>includes 2% Assessment Fee</small> <small>(\$115,000.00 Billed Annually)</small>

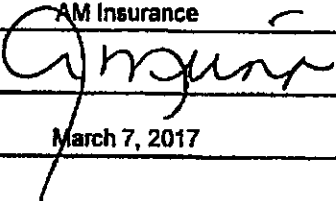
Carrier	Carrier's Financial Rating
Dongbu Insurance Co. Ltd.	A XV

Bidder: AM Insurance
By: 
Date: March 7, 2017

**BID RESPONSE FORM – DIRECTORS' & OFFICERS LIABILITY
INSURANCE**

Limit	Deductible	3 Year Premium	5 Year Premium
\$2,000,000 CSL	Nil	\$50,625.00 plus \$1,012.50 2% Assessment Fee (\$16,875.00 Billed Annually) plus \$337.50 2% Assessment Fee	\$78,045.00 plus \$1,560.90 2% Assessment Fee (\$15,609.00 Billed Annually) plus \$312.10 2% Assessment Fee
Carrier		Carrier's Financial Rating	
Dongbu Insurance Co. Ltd		A XV	

Bidder: AM Insurance

By: 

Date: March 7, 2017

BID RESPONSE FORM -- AUTOMOBILE INSURANCE

Limit	Deductible	3 Year Premium	5 Year Premium
\$2,000,000 CSL	\$100,000	\$142,541.10 plus \$1,176.21 2% Assessment Fee	\$198,509.80 plus \$1,813.35 2% Assessment Fee
\$1,000.00 \$1,000.00 each Collision Loss		(\$47,513.70 Billed Annually) plus \$392.07 2% Assessment Fee	(\$39,701.92 Billed Annually) plus \$362.67 2% Assessment Fee
Carrier		Carrier's Financial Rating	
Dongbu Insurance Co. Ltd.		A XV	

Bidder: AM Insurance

By: *[Signature]*

Date: March 7, 2017

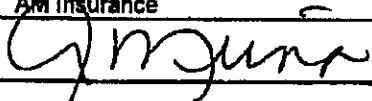
ALTERNATE QUOTE: INCLUDING COLLISION COVER

Limit	Deductible	3 Year Premium	5 Year Premium
Actual Cash Value	Collision: \$1,000.00 each loss Comprehensive: \$1,000.00 each loss	\$159,952.02 plus \$1,176.21 2% Assessment Fee (\$53,317.34 Plus \$392.07 2% Assessment Fee Billed Annually)	\$220,273.25 plus \$1,813.35 2% Assessment Fee (\$44,054.65 plus \$362.67 2% Assessment Fee Billed Annually)
Carrier		Carrier's Financial Rating	
Dongbu Insurance Co. Ltd.		A XV	

BID RESPONSE FORM – CRIME INSURANCE

Limit	Deductible	3 Year Premium	5 Year Premium
\$1,000,000	Nil	\$17,010.00 (\$5,670.00 Billed Annually)	\$26,225.00 (\$5,245.00 Billed Annually)

Carrier	Carrier's Financial Rating
Dongbu Insurance Co., Ltd.	A XV

Bidder: AM Insurance
By: 
Date: March 7, 2017

INSURANCE PROPOSAL

Prepared for

GUAM WATERWORKS AUTHORITY IFB 2017-12

March 01, 2017

This quotation is valid for 30 days from its date of issued

Prepared by: Ross Aguon

Moylan's Insurance thanks you for the opportunity to discuss your insurance needs. This summary is a brief overview of your insurance coverage and is based on the exposure information you provided. Please refer to the policies for complete terms, conditions, limitations, definitions and exclusions.

*Disclaimer: The abbreviated outlines of coverages used throughout this summary are not intended to express any legal opinion as to the nature of coverage. They are only visuals to a basic understanding of coverages.
This is just an illustration of the cost of insurance*



MOYLAN'S INSURANCE UNDERWRITERS, INC.

Home of the Good Guys and Gals

424 W O'Brien Dr Ste 102 Hagatna GU 96910

GWA IFB. NO. 2017-12

Proposal No. IP0998

Prepared By: Ross Aguon

Senior Commercial Underwriter/ Government & Specialty Lines

Carriers: Dongbu Insurance Co., Ltd.
 Rated A Excellent by A.M. Best's
 A- By S&P, FSC XV
 Policy Period : May 01, 2017 to May 01, 2018
 With an Additional 2 OR 4 year renewal option



PROPERTY INSURANCE

Description/Coverage	Limits of Insurance
Blanket Coverage for All risks of direct physical loss or damage to all Real and Personal Property of every kind and description belonging to the Insured, or in which the Insured has insurable interest.	\$30,000,000.00 blanket any one occurrence
Including:	
<ul style="list-style-type: none"> • Earthquake, Windstorm, Flood, Typhoon, and Tidal Wave • Loss of Revenue/ Business Interruption and Extra Expense Extension • Boiler Explosion and Machinery Breakdown 	
SUB-LIMITS:	
Personal Property in Transit	\$ 250,000.00
Valuable Papers and Records and Computer Media	\$1,000,000.00
Automatic Acquisition	\$1,000,000.00
Boiler Explosion and Machinery Breakdown	\$5,000,000.00
Personal Property in Transit	\$ 250,000.00
Boiler Explosion and Machinery Breakdown	\$5,000,000.00
Denial of Access	\$1,000,000.00
Suppliers' and Customers'	\$1,000,000.00
Debris Removal	\$1,000,000.00
Mold Damage (in the aggregate)	\$250,000.00
Self-Insured Retentions	
Each and Every Loss in respect of EARTHQUAKE, WINDSTORM, FLOOD, TYPHOON, and TIDAL WAVE	\$1,000,000.00
Each and Every Loss in respect of all other perils	\$100,000.00

GWA IFB. NO. 2017-12
 Proposal No. IP0998
 Prepared By: Ross Aguon
 Senior Commercial Underwriter/ Government & Specialty Lines

Cancellation

90 days prior written notice by Email and Certified Mail

Endorsements Applicable

- Schedules
- Waiver of Subrogation – Tenants
- Valuation
- Misrepresentation & Fraud
- Cancellation Clause (90 days)
- Automatic Acquisition
- Waiver of Coinsurance or Average Clause
- Demolition Cost
- Increased Cost of Construction
- Demolition and Increased Time to Rebuild
- Business Interruption Extension
- Extra Expense Extension
- Denial of Access
- Jurisdiction
- Preservation of Property
- Damage to Building Exterior
- Damage to Building Interior
- Earthquake Damage
- All Risk Endorsement
- Multi-Year Policy Endorsement
- Payment Schedule Agreement

Annual Premium

\$848,312.00

Three Year Premium

\$760,681.00 (Billed Annually)

Five Year Premium

\$701,530.00 (Billed Annually)

GWA IFB. NO. 2017-12

Proposal No. IP0998

Prepared By: Ross Aguon

Senior Commercial Underwriter/ Government & Specialty Lines

CYBER COVERAGE

CYBER INSURANCE

COVERAGE	LIMIT	DEDUCTIBLE/ WAITING PERIOD
Security and Privacy Liability	\$5,000,000 in the aggregate, including claims expenses	\$50,000 each and every loss including claims expenses
Multimedia & Intellectual Property Liability	\$5,000,000 in the aggregate, including claims expenses	\$5,000,000 each claim & in the aggregate including claims expenses
Network Interruption & Recovery	\$5,000,000 each claim & in the aggregate	Network Expenditure \$50,000 each claim Loss of Business Income Coverage: 8 hours waiting period
Event Support Expenses	\$5,000,000 each claim & in the aggregate	\$50,000 each and every claim
Privacy Regulation Defense & Penalties	\$5,000,000 each claim & in the aggregate including claims expenses	\$50,000 each and every claim including claims expenses
Network Extortion	\$5,000,000 each claim & in the aggregate	\$50,000 each and every claim
Electronic Theft, Computer Fraud and Telecommunications Fraud	\$100,000 each claim & in the aggregate	\$50,000 each and every claim
Social Engineering Fraud	\$25,000 each claim & in the aggregate	\$50,000 each and every claim
Reputational Damage	\$5,000,000 each claim & in the aggregate	\$50,000 each and every claim
Payment Card Industry Fines or Penalties	\$1,000,000 each claim & in the aggregate including claims expenses	\$50,000 each and every claim including claims expenses

Annual Premium	\$28,000.00
Three Year Premium	\$28,000.00 (Billed Annually)
Five Year Premium	\$28,000.00 (Billed Annually)

*****CYBER COVERAGE ONLY AVAILABE IF PURCHASED IN CONJUNCTION WITH THE PROPERTY POLICY FROM DONGBU**

GWA IFB. NO. 2017-12
Proposal No. IP0998
Prepared By: Ross Aguon
Senior Commercial Underwriter/ Government & Specialty Lines

COMPREHENSIVE 3D

Limit of Liability:	Aggregate	\$1,000,000.00
	Employee Dishonesty -	\$1,000,000.00
	Loss Inside Premises -	\$100,000.00
	Loss Outside Premises -	\$100,000.00
	Money Orders and Counterfeit Paper	\$100,000.00
	Depositors Forgery -	\$100,000.00
	Check Forgery	\$100,000.00
	Third Party Computer Fraud	\$100,000.00
	Costs	\$100,000.00
Deductible	\$50,000.00 for all sections of coverage except in respects of Loss Inside Premises & Loss Outside Premises which will be \$10,000.00	
Territory	GUAM	
Endorsements Applicable	<ul style="list-style-type: none">- Territory – Guam- Jurisdiction- Multi-Year Policy Endorsement- Payment Schedule Agreement	
Annual Premium	\$6,300.00	
Three Year Premium	\$5,670.00 (Billed Annually)	
Five Year Premium	\$5,245.00 (Billed Annually)	

DIRECTORS AND OFFICERS INCLUDING EMPLOYMENT PRACTICE CLAIMS

Limit of Liability	\$2,000,000.00 Aggregate for Coverages A & B combined (including Defense Costs)	
Employment Related Practice Sublimit	\$1,000,000.00 (part of and not in addition to the limit)	
Co-Insurance	100%	
Self Retention	NIL	
Cancellation	90 days prior written notice by Email and Certified Mail	
Territory	Worldwide including the USA and Canada	
Required Conditions	<ul style="list-style-type: none">- Retroactive Date: April 12, 2012- Territory – Worldwide- Jurisdiction- Cancellation Clause	

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Endorsements:

Security Holder Derivative Action Inclusion Clause; Territory, Cancellation Clause, Jurisdiction, Punitive Damage Exclusion Clause; Nuclear Energy Liability Exclusion Endorsement; Prior Acts Exclusion Endorsement; Retention Endorsement; Failure to Maintain Insurance Exclusion Endorsement; Captive Insurance Company Exclusion Endorsement; One VS One Exclusion Endorsement (Insured VS Insured Exclusion Endorsement); Closely-Held Clause; Company Securities Claims (Entity Cover); Regulatory Exclusion Clause; SEC Exclusion; Erisa Exclusion; Year 2000 Exclusion, Multi-Year Endorsement, Payment Schedule Agreement, Exclusion of Certified Acts of Terrorism

Notice 1: Except to such extent as may otherwise be provided herein, the coverage of this policy is limited generally to liability for only those claims that are first made against the Insured during the policy period.

Notice 2: The limit of liability available to pay judgment or settlements shall be reduced by amounts incurred for legal defense. Amount incurred for legal defense shall be applied against the retention amount.

Notice 3: The Insurer does not assume any duty to defend; however, the Insurer may advance defense costs payments prior to the final disposition of claim.

Annual Premium	\$18,750.00 (Plus \$375.00 - 2% Assessment Fee)
Three Year Premium	\$16,875.00 (Plus \$337.50 - 2% Assessment Fee) (Billed Annually)
Five Year Premium	\$15,609.00 (Plus \$312.18 - 2% Assessment Fee) (Billed Annually)

AUTOMOBILE INSURANCE

No. of Vehicles 184 (per schedule)

Coverage	Limits of Insurance	Deductible
A./B. Bodily Injury and Property Damage Liability	\$2,000,000.00 Combined Single Limit – each accident	Nil
C. Medical Payments	\$1,000.00 each person	Nil
D. Comprehensive	Actual Cash Value	\$1,000.00
E. Collision	Actual Cash Value	\$1,000.00
Hired and Non-Owned Auto Liability	Included	Nil

Cancellation 90 days prior written notice by Email and Certified Mail

Endorsements Applicable:

- Valid Drivers License Waiver
- Under-Age Driver Waiver
- Operator Waiver
- Newly Acquired and Substitute Vehicles
- Errors & Omissions Clause
- Racing, Pace-making or Speed Testing
- Jurisdiction
- Waiver of Sovereign Immunity
- Deductible Endorsement
- Cancellation Clause
- Exclusion of Certified Acts of Terrorism
- Combined Single Limit Endorsement
- Hired & Non-Owned Auto Liability
- Payment Schedule Agreement
- Multi-Year Endorsement

Annual Premium \$52,793.00 (Plus \$435.63 – 2% Assessment Fee)
Three Year Premium \$47,513.70 (Plus \$392.07 – 2% Assessment Fee)
Five Year Premium \$39,701.92 (Plus \$362.67 – 2% Assessment Fee)

ALTERNATIVE QUOTE TO INCLUDE COMPREHENSIVE

Annual Premium \$59,241.49 (Plus \$435.63 – 2% Assessment Fee)
Three Year Premium \$53,317.34 (Plus \$392.07 – 2% Assessment Fee)
Five Year Premium \$44,054.65 (Plus \$362.67 – 2% Assessment Fee)

MAKE	MODEL	YEAR	VIN.#	ACTUAL CASH VALUE
FORD	F-150 P/U 4WD	2012	1FTMF1EM7BFC81831	\$ -
YALE	FORKLIFT	1995	GP25TEJUAE2185	\$ -
INTERNATIONAL	DUMP TRUCK	1992	1HTSHPCT8NH433383	\$ -
TOYOTA	PICKUP 4X4	1991	JT4RN01P1M7041416	\$ -
KENWORTH	TRACTOR TRUCK	1993	1XK0D60XXRS617660	\$ -
WALKER	WATER TANKER	1992	1W9P82G26N1029887	\$ -
TOYOTA	TACOMA 4X2	2000	4TANL42N9YZ826324	\$ 4,000.00

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TOYOTA	TACOMA 4X2	2000	4TANL42N9YZ625318	\$	4,000.00
WALKER	WATER TANKER	1992	1W9P82G24N1029886	\$	-
WALKER	WATER TANKER	1992	1W9P82G28N1029886	\$	-
WALKER	WATER TANKER	1992	1W9P82G22N1029885	\$	-
NISSAN	FRONTIER 4X2	2000	1N6DD21S6YC307391	\$	-
NISSAN	FRONTIER 4X2	2000	1N6DD21S4YC344911	\$	-
GMC	DEISEL TANKER	1992	1GDM7H1J5NJ518041	\$	-
GMC	CARGO VAN	2000	1GCHG39R4Y1186066	\$	-
NISSAN	FRONTIER 4X2	2001	1N6SDD21S91C321470	\$	-
NISSAN	FRONTIER 4X2	2001	1N6SDD21S91C319718	\$	-
WORK HORSE	VAN	2000	5B4KP42YX13326943	\$	-
FORD	RANGER 4X4	2001	1FTYR16U41PA50127	\$	4,100.00
FREIGHT LINER	DUMP TRUCK	2001	1FVHALCG61LJ21985	\$	-
FREIGHT LINER	TRUCK, VELOCITY	1992	1FVHBXCS71HJ21974	\$	-
TOYOTA	TACOMA 4X2	2001	5TENL42N41Z857954	\$	4,100.00
TOYOTA	TACOMA 4X2	2001	5TENL42N31Z854446	\$	4,100.00
TOYOTA	TACOMA 4X2	2001	5TENL42N81Z875503	\$	4,100.00
TOYOTA	TACOMA 4X2	2001	5TENL42N01Z861483	\$	4,100.00
ZIEMAN 4245-A	TRAILER	2002	1ZCT35A2622P24324	\$	-
FREIGHT LINER	BOOM TRUCK	2003	1FVHBXCS03HL85100	\$	-
FREIGHT LINER	BOOM TRUCK	2003	1FVHBXCS23HL85101	\$	-
NISSAN	FRONTIER 4X2	1998	1N6DD21S3WC309144	\$	-
NISSAN	FRONTIER 4X2	1998	1N6DD21S3WC317647	\$	-
TOYOTA	TACOMA 4X2	1998	4TANL42N9NZ066026	\$	-
FORD	F-150 4X4	1997	1FTDX1887VKD54525	\$	4,000.00
FORD	RANGER	2005	1FTYR10D35PA32344	\$	3,900.00
FORD	RANGER	2005	1FTYR10D55PA58184	\$	3,900.00
FORD	RANGER	2005	1FTYR10D75PA58185	\$	3,900.00
FORD	RANGER	2005	1FTYR10D55PA58824	\$	3,900.00
FORD	RANGER	2005	1FTYR10D35PA58823	\$	3,900.00
FORD	RANGER	2005	1FTYR10D75PA58825	\$	3,900.00
FORD	RANGER	2005	1FTYR10D25PA71848	\$	3,900.00
FORD	RANGER	2005	1FTYR10D05PA71845	\$	3,900.00
NISSAN	XTERRA 4X4	2006	5N1AN08W36C517990	\$	6,900.00
NISSAN	XTERRA 4X4	2006	5N1AN08W96C514544	\$	6,900.00
TOYOTA	TUNDRA	2000	5TBBT4810YS043534	\$	6,600.00
TOYOTA	TUNDRA 4X4	2001	5TBRN34151S185128	\$	4,900.00
NISSAN	FRONTIER	2001	1N6DD26S71C375391	\$	3,100.00
NISSAN	PATHFINDER	2000	JN8AR07Y8YW438050	\$	-
FORD	RANGER	2006	1FTYR10D88PA11183	\$	5,300.00
TOYOTA	4RUNNER	2002	JT3GN86R320234905	\$	5,300.00
FORD	RANGER	2006	1FTYR10D16PA58121	\$	5,300.00
FORD	RANGER	2006	1FTYR10D88PA28038	\$	5,300.00

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FORD	RANGER	2006	1FTYR10D56PA42391	\$	5,300.00
FORD	RANGER	2006	1FTYR10D76PA42392	\$	5,300.00
FORD	RANGER	2006	1FTYR10D96PA42393	\$	5,300.00
FORD	RANGER	2006	1FTYR10D86PA58116	\$	5,300.00
FORD	RANGER	2006	1FTYR10DX6PA58117	\$	5,300.00
FORD	RANGER	2006	1FTYR10D16PA58118	\$	5,300.00
FORD	RANGER	2006	1FTYR10D38PA58119	\$	5,300.00
FORD	RANGER	2006	1FTYR10DX6PA58120	\$	5,300.00
TOYOTA	TACOMA 4X4	2000	4TAWN74N4YZ581144	\$	7,400.00
TOYOTA	TACOMA	2005	5TETX22N15Z062429	\$	10,600.00
FORD	RANGER	2007	1FTYR10D77PA23567	\$	5,400.00
CASE	BACKHOE	2006	N6C411522	\$	-
FORD	RANGER	2001	1FTYR15UO1PA50125	\$	4,100.00
TEREX	BACKHOE	2006	SMFH64TC06EGS8803	\$	-
FORD	F-550	2000	1FDAF562YEC14493	\$	6,900.00
FORD	RANGER	2007	1FTYR10D17PA16254	\$	5,400.00
FORD	RANGER	2007	1FTYR10D77PA13007	\$	5,400.00
FORD	RANGER	2007	1FTYR10D97PA13008	\$	5,400.00
CHEVY	3500HD	2001	3GBKC34F61M110845	\$	4,200.00
PETERBILT	TRACTOR	2000	1XPFD0X2YN512802	\$	-
INTERNATIONAL	VACTOR	2007	1HTWCADR48J667839	\$	-
FORD	RANGER	2007	1FTYR10DX7PA28536	\$	5,400.00
INTERNATIONAL	VACTOR	2007	1HTTWGADT18J657832	\$	-
INTERNATIONAL	SLUDGE TRUCK	2008	3HTWCAAR58N561952	\$	-
FORD	RANGER	2007	1FTYR10D37PA46747	\$	5,400.00
FORD	RANGER	2007	1FTYR10D97PA54058	\$	5,400.00
FORD	RANGER	2007	1FTYR10D87PA46744	\$	5,400.00
FORD	RANGER	2007	1FTYR10D87PA4673	\$	5,400.00
FORD	RANGER	2007	1FTYR10DX7PA46745	\$	5,400.00
CHEVY	EXPRESS	2008	1GCHG30HX81107812	\$	9,400.00
NISSAN	FRONTIER	1998	1N8DD21SWC316804	\$	3,200.00
ZEIMAN/BOMAG	TRAILER - 1120	1989	ZP15647	\$	-
SUZUKI	G/VITARA	2008	JS3TE944X84102282	\$	4,400.00
SUZUKI	G/VITARA	2008	JSTE944984102774	\$	-
FORD	E150 CARGO/VAN	2008	1FTNE14W18DA82353	\$	8,400.00
FORD	E150 CARGO/VAN	2008	1FTNE14W38DA82354	\$	8,400.00
FORD	RANGER	2008	1FTYR10UX8PA97055	\$	7,900.00
FORD	RANGER/UT	2008	1FTYR10U78PA97069	\$	7,900.00
NISSAN	FRONTIER	2004	1N6DD26T24C466971	\$	4,800.00
NISSAN	FRONTIER	2000	1N68DD21S4YC304165	\$	-
FORD	F-350 CREW CAB	2008	1FDWX36Y88EE21376	\$	9,300.00
FORD	F-350 CREW CAB	2008	1FDWX36Y08EE21375	\$	9,300.00
FORD	RANGER/UT	2008	1FTYR10U38PA97067	\$	7,900.00

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FORD	RANGER/UT	2008	1FTYR10U78PA97072	\$	7,900.00
FORD	RANGER/UT	2008	1FTYR10U38PA97070	\$	7,900.00
FORD	RANGER/UT	2008	1FTYR10U38PA97070	\$	7,900.00
FORD	RANGER/UT	2008	1FTYR10U58PA97088	\$	7,900.00
FORD	RANGER/UT	2008	1FTYR10U58PA91643	\$	7,900.00
FORD	E-450 BOX VAN	2008	1FCLE49S180B44493	\$	-
FORD	F-350	2008	1FDWX36Y48EE21377	\$	9,300.00
FORD	RANGER	2008	1FTYR10U18PA97086	\$	7,900.00
FORD	F-350	2008	1FDWX36Y98EE21374	\$	9,300.00
BOB CAT	SKID STEER LDR	2003	519030317	\$	-
400 GALLON	WATER BUFFALO	N/A	ID #28-354	\$	-
400 GALLON	WATER BUFFALO	N/A	ID #8530	\$	-
Allmand	Mini Backhoe-4WD	2009	0015T623508	\$	-
Allmand	Mini Backhoe-2WD	2009	0008T53508	\$	-
Allmand	Mini Backhoe-2WD	2009	0009T53508	\$	-
Allmand	Mini Backhoe-2WD	2009	0010T53508	\$	-
Marksman-Trailer	RBET80X15-99WD/904	2009	1M9BE15289L516009	\$	-
Marksman-Trailer	RBET80X15-99WD/901	2009	1M9BE15229L516010	\$	-
Marksman-Trailer	RBET80X15-99WD/903	2009	1M9BE15249L516011	\$	-
Marksman-Trailer	RBET80X15-99WD/902	2009	1M9BE15249L516008	\$	-
FORD	RANGER	2007	1FTYR14D87PA42333	\$	8,000.00
FORD	RANGER	2007	1FTYR14DX7PA42334	\$	8,000.00
FORD	RANGER	2007	1FTYR14D37PA42336	\$	8,000.00
FORD	RANGER	2007	1FTYR14D17PA42335	\$	8,000.00
FORD	RANGER	2007	1FTYR14DX7PA44553	\$	8,000.00
FORD	RANGER	2007	1FTYR14D37PA44555	\$	8,000.00
FORD	RANGER	2007	1FTYR14D17PA44554	\$	8,000.00
FORD	RANGER	2007	1FTYR14D77PA44557	\$	8,000.00
FORD	RANGER	2007	1FTYR14D57PA44558	\$	8,000.00
FORD	RANGER	2007	1FTYR14D97PA44558	\$	8,000.00
FORD	RANGER	2008	1FTYR10D18PA43900	\$	5,800.00
FORD	RANGER	2008	1FTYR10DX8PA61540	\$	5,800.00
FREIGHT LINER	DUMPSTER R/O M2106	2014	3ALHCYDJ9EDFZ6338	\$	-
FORD	RANGER	2011	1FTKR1AD2BPA82488	\$	9,400.00
FORD	RANGER	2011	1FTKR1AD2BPA82491	\$	9,400.00
FORD	ESCAPE	2011	1FMCU9C7XCKA80888	\$	11,800.00
FORD	RANGER XCAB P/U 2WD	2011	1FTLR1EE7BPA84941	\$	13,000.00
FORD	ESCAPE, WAGON	2011	1FMCU9C70BK862769	\$	10,800.00
TOYOTA	TACOMA 4WD, DBL CAB	2011	5TFLU4EN8BX016972	\$	21,900.00
TOYOTA	TACOMA 4WD, DBL CAB	2011	5TFLU4EN8BX016682	\$	21,900.00
FORD	F-150 P/U 2WD	2011	1FTMF1CM4BKE05631	\$	12,900.00
FORD	F-150 P/U 2WD	2011	1FTMF1CM9BKE05639	\$	12,900.00
FORD	F-150 P/U 2WD	2011	1FTMF1CM7BKE05638	\$	12,900.00

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FORD	F-150 P/U 2WD	2011	1FTMF1CM3BKE05838	\$	12,900.00
FORD	F-150 P/U 2WD	2011	1FTMF1CM2BKE05830	\$	12,900.00
FORD	F-150 P/U 2WD	2011	1FTMF1CM6BKE05832	\$	12,900.00
FORD	F-150 P/U 2WD	2011	1FTMF1CMXBKE05834	\$	12,900.00
FORD	RANGER XCAB P/U 2WD	2011	1FTLR1EEXBPA83055	\$	13,000.00
FORD	RANGER XCAB P/U 2WD	2011	1FTLR1EE8BPA83053	\$	13,000.00
FORD	RANGER XCAB P/U 2WD	2011	1FTLR1EE8BPA83054	\$	13,000.00
FORD	RANGER XCAB P/U 2WD	2011	1FTLR1EE1BPA83058	\$	13,000.00
FORD	RANGER XCAB P/U 2WD	2011	1FTLR1EE5BPA84940	\$	13,000.00
FORD	RANGER XCAB P/U 2WD	2011	1FTLR1EE3BPA83057	\$	13,000.00
FORD	ESCAPE XLS	2012	1FMCU0C74CKA80883	\$	10,200.00
FORD	ESCAPE XLT	2012	1FMCU0D71CKA80883	\$	11,000.00
FORD	ESCAPE XLT	2012	1FMCU0D76CKA80880	\$	11,000.00
FORD	ESCAPE XLS	2012	1FMCU8C75CKA80889	\$	11,800.00
FORD	ESCAPE XLS 4X4, AWD	2012	1FMCU9C73CKA80888	\$	11,800.00
FORD	ESCAPE XLS FWD	2012	1FMCU0C76CKA80878	\$	11,800.00
FORD	ESCAPE XLS FWD	2012	1FMCU0C72CKA80876	\$	11,800.00
FORD	ESCAPE XLS FWD	2012	1FMCU0C79CKA80874	\$	11,800.00
FORD	ESCAPE XLS FWD	2012	1FMCU0C70CKA80875	\$	11,800.00
FORD	ESCAPE XLS FWD	2012	1FMCU0C75CKA80889	\$	11,800.00
CHEVROLET	VAN CG33705	2012	1GCZGUBG4C1152626	\$	19,500.00
FORD	E150 CARGO VAN	2012	1FTNE1EW0CDA07473	\$	16,000.00
FORD	E150 CARGO VAN	2012	1FTNE1EW7CDA07471	\$	16,000.00
FORD	ESCAPE XLT, AWD	2012	1FMCU9C74CKC57848	\$	11,800.00
OVERBILT	TILT TAG/TRAILER-Pintle	2013	1Z9KD3129C0058445	\$	-
OVERBILT	TILT TAG/TRAILER-Fixed	2013	1Z91D3523C0058446	\$	-
GROVE	Crane, 30T RT530E-2	2013	232329	\$	-
KENWORTH	DUMP TRUCK	2014	1NKDLOEXOER385558	\$	-
KENWORTH	DUMPSTER TRUCK	2001	2NK0HZ8X10M882398	\$	-
FORD	E150 CARGO VAN	2012	1FTNE1EW2CDA07474	\$	16,000.00
FORD	F-150 XCAB P/U 4WD	2012	1FTEX1EM0CKD41104	\$	18,400.00
FREIGHT LINER	JETTER M2106V	2013	1FVHC3DJ1DHFB6022	\$	-
Black Dot	Trailer MODELW5585ALD	2009	4P2FB0814RY098898	\$	-
FREIGHT LINER	DUMPSTER R/O M2106	2013	3ALHCYDJXDDFD5509	\$	-
JOHN DEERE	410, BACKHOE, 4WD	N/A	1T0410KXKCD234952	\$	-
JOHN DEERE	410, BACKHOE, 4WD	N/A	1T0410KXLCD234957	\$	-
YALE	FORKLIFT 2.5T	2003	YALE GPT25RH	\$	-
TOYOTA	FORKLIFT	1995	BFGU32-82009/2517584	\$	-
HYUNDAI	FORKLIFT 2.5T	2003	HHKHHF23CE0000259	\$	-
CASE	TRENCHER	2002	JAF0353150	\$	-

ABOUT US

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Moylan's Insurance Underwriters, Inc., Home of the Good Guys and Gals began with the vision of Kurt and Judith Moylan. In 1971, Moylan's Insurance opened its doors with only three employees and wrote property and casualty insurance in Agana.

Today, Moylan's Insurance is a multi-line insurance agency on the islands of Guam, the Commonwealth of the Northern Marianas Islands, Republic of Palau, Republic of the Marshall Islands, and the Federated States of Micronesia. Main office is located in Hagatna, Guam and there are 11 branches that extend from Guam to the outer island nations.

In May of 2001, Moylan's was honored by Legislative Certificate No. 16 from the 26th Guam Legislature commending and congratulating the company stating "Moylan's Insurance Underwriters, Inc. has been an important part of Guam's vibrant economy and has made many valuable contributions to our Island and its people. Moylan's Insurance Underwriters, Inc.'s commitment to furthering Guam's economic growth and improving the quality of life of our Island is to be commended."

Dongbu Insurance Company was formerly known as Korea Auto Fire Marine Insurance Company (KAFMIC). In 1995, they were acquired by the Dongbu Group. One of the top ten conglomerates in Korea. *Dongbu's has been rated A (Excellent) by A.M. Best.*

PRODUCT EXPERTISE

As a multi-line insurance agency, Moylan's is able to meet the needs of the clients through the various products we have available:

- Automobile Insurance
- Homeowners Insurance
- Value pack Insurance for home and auto
- Property Insurance
- General Liability Insurance
- Worker's Compensation Insurance
- Businessowner's Package Insurance
- Special Multi-Peril (SMP) Insurance
- Business Interruption
- Contract Bonds
- Personal Accident Insurance
- Travel Insurance

SERVICE EXPERTISE

Our primary goal is to work together with the client to achieve the objective the client needs to meet. Risk management initiatives and improvement of profit and efficiency within the organization. This will allow the agency to keep up to date on the loss exposures covered by the policies which the Insured will have.

Our risk management services include a suite of services in the areas of:

- Actuarial
- Alternative Risk Funding
- Automation
- Benchmarking
- Claims/Litigation management
- Cost Allocation
- Cost of Risk Assessment

GWA IFB. NO. 2017-12

Proposal No. IP0998

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Senior Commercial Underwriter/ Government & Specialty Lines

- Crisis Management
- Executive Personal Lines
- Insurance Program Design
- Investor Services
- Loss Control and Safety Engineering
- Risk Analysis
- Risk Financing
- Risk management Administration
- Strategic Planning Initiatives
- Periodic visitation of facilities
- Conducting safety inspections of the plant and assets of the Insured
- Facilitate interviews with designated representative of the Insured

In addition, the following services will also be afforded to the Insured:

1. Market and place required insurance coverage.
2. Assist with claims handling and processing.
3. Answer insurance coverage questions.
4. Assist in analyzing the loss exposures arising from existing or new operations.
5. Develop underwriting information and assist in gathering and organizing exposure and loss data for renewals.
6. Recommend coverage changes, as needed.
7. Review insurance binders, policies, certificates and other documents to ensure all wording is complete and accurate.
8. Structure insurance programs to eliminate gaps or overlaps between policies and to provide the limits and coverages requested by the Insured, to the extent such coverages and limits are available.
9. Service each policy issued to the Insured, including processing all changes, amendments and endorsements and verifying the accuracy of invoices.
10. Be available for consultation with the Insured regarding the coverages placed.
11. Provide early warning or advance notice of rate and coverage changes or renewal problems.
12. Maintain written records of the Insured's insurance transactions.

CLAIMS HANDLING

Equitable Adjusters & Services Company (EASCO), is a subsidiary company of Moylan's Insurance responsible to settle and provide claim assistance to its carriers. They have license claims adjusters to adjust and pay all claims.

In the event of major catastrophes, carriers can call on off-island adjusting firms to assist in claims handling and settlement, such as Miller International, a subsidiary of Miller Fisher Group from the United Kingdom.

STRONG BUSINESS PRESENCE

Through all our subsidiary corporations in Micronesia, Moylan's services a 3,000-mile area that is comparable to the size of the continental United States. With considerable growth over the past two decades, Moylan's has become the recognized name in insurance for the islands in the Pacific.

FUTURE

GWA IFB.
Proposal I
Prepared
Senior Co

Stamp: SUPERVISOR
Stamp: GWA IFB
Stamp: JUN 11 1981
Stamp: PORTLAND, OREGON

Moylan's plans to continue serving its clients with quality products and friendly service. We also have plans to increase our presence in the islands as new markets open and require our expertise. Moylan's has always been proud of its standard-setting reputation, and as we approach the new century, our family owned corporation has expansion in the making.



GUAHAN
INSURANCE SERVICES

INSURANCE PROPOSAL

Prepared for: Guam Waterworks Authority

Effective Date: May 1, 2017 – 5 Year Term

By: Jung Suk

Proposal Date: March 3, 2017

COMMERCIAL PROPERTY

Policy Information

Insurer : Sampo Japan Nipponkoa Insurance Inc. with an AM Best Rating of A+, XV

Location : All risks of the Insured throughout the Territory of Guam, U.S.A.

Description : All Real Property (Including Buildings and Aboveground / Underground Assets) and Business Personal Property (BPP - Contents) of the Insured or in which the Insured has an Insurable Interest, including Business Interruption with Extra Expense, Machinery and Plant Breakdown

Insured Value : As Per Schedule Below

Deductibles : As Per Schedule Below – Per Occurrence

Covered Causes of Loss : Risks of Direct Physical Loss or Damage, including Windstorm, Typhoon, Earthquake and Flood

Valuation Clause : 100% of the Current Replacement Value at the Time of Loss, subject to the limit of coverage provided by the Policy.

Exclusions of Note : Radioactive Contamination Exclusion; Electronic Data Recognition Exclusion; Electronic Data Exclusion; War & Terrorism Exclusion; Biological or Chemical Exclusion; Asbestos Clause; Microorganism Exclusion

Coverage Extensions of Note : Automatic Acquisitions; Waiver of Co-Insurance; Demolition Cost; Increased Cost of Construction; Professional Fees.

Conditions : Subject to Direct Physical Loss or Damage Policy Wording; Annual Review Clause

Premiums

Annual Premium \$ 860,156.25

COMMERCIAL PROPERTY

Policy Information

Description	
Total Declared Value	\$ 587,002,129

Schedule of Values & Limits

Description	Per Occurrence
Sum Insured	\$ 30,000,000
Sub Limit – Windstorm, Typhoon, Flood, Tidal Wave, Earthquake and Volcanic Action	\$ 30,000,000
Sub Limit – Personal Property in Transit (Any One Conveyance)	\$ 250,000
Sub Limit – Valuable Papers, Records and Computer Media	\$ 1,000,000
Sub Limit – Automatic Acquisitions	\$ 1,000,000
Sub Limit – Boiler and Machinery Breakdown	\$ 5,000,000
Sub Limit – Denial of Access	\$ 1,000,000
Sub Limit – Suppliers' and Customers'	\$ 1,000,000
Sub Limit – Mold (Aggregate)	\$ 250,000

Schedule of Deductibles

Description	Per Occurrence
Windstorm, Typhoon, Earthquake, Flood, Tidal Wave	5% of Claim Amount (Minimum \$250,000; Maximum \$1,000,000)
All Other Occurrence Combined for Material Damage and Business Interruption	\$ 50,000

RISK DETAILS

TYPE Commercial General Liability reinsurance

ORIGINAL INSURED The Guam Waterworks Authority, any director, officer, elected or appointed official, contract employee, servant, employee or volunteer worker acting for or on behalf of the Authority

ADDRESS Lot 2512, Municipality of Mangilao
688 Route 15
Fadian Mangilao
GUAM
96923

REINSURED Dongbu Insurance Company Ltd, Guam

PERIOD 36 months from 1st May 2017
to 1st May 2020
both days at 12:01am local standard time at the address of the Original Insured.

Or 60 months from 1st May 2017
to 1st May 2022
both days at 12:01am local standard time at the address of the Original Insured.

Period hereon: 1st May 2017 to 1st May 2018 both days at 12:01am local standard time at the address of the Original Insured.

BUSINESS Ownership, operation and maintenance of fresh and waste water facilities

LIMIT OF INDEMNITY Section A - Public Liability USD 50,000,000 any one occurrence
Section B - Pollution Liability USD 15,000,000 any one occurrence and in the aggregate
Section C - Products Liability USD 50,000,000 any one occurrence and in the aggregate

TERRITORIAL LIMITS Guam but worldwide in respect of Products.

CONDITIONS Underwriters agree to waive sight of retention
Subject to the express terms of this Reinsurance, Reinsurers are liable under this Reinsurance to the extent that the Reassured is liable under the contract protected hereunder.
Claims Control Clause as attached
NMA1998 Service of Suit Clause as attached
LMA3100 Sanction Limitation and Exclusion Clause
This reinsurance is subject to notice of cancellation at the anniversary date.
Notice of cancellation with effect from 1st May 2018 is hereby given
Annual Review Clause as attached

Original Conditions

Wording: NVA07 Intl CGL plus Personal Injury Extension as attached

Excess USD 300,000 each and every loss
Employees, officials and directors of the Insured are covered whilst attending meetings worldwide subject to the policy terms, conditions and limitations

If Underwriters desire to cancel this policy other than for non-payment of premium, they shall give not less than ninety (90) days' prior written notice by e-mail and Certified Mail to:
Greg P Cruz, Chief Financial Officer
PO Box 3010
Hagatna
Guam 96923
e-mail gpcruz@guamwaterworks.org

Additional Insureds, waivers of subrogation, indemnities and contractual agreements, hold harmless agreements and cross liability clauses shall be held covered subject to notification to Insurers as soon as is practicable

Including the Insured's liability arising out of any events held throughout the year on the Insured's premises

Including the liability of the Insured for bodily injury and/or property damage caused by an occurrence arising out of the giving or serving of alcoholic beverages by the Insured at functions incidental to the Insured's business, subject to a policy limit of USD 1,000,000 any one occurrence. Such limit is included within and not in addition to the limit of liability shown in the policy

In the event of a claim under this policy, Insurers waive the right to invoke the legal defence of sovereign immunity

**EXPRESS
WARRANTIES**

None
(Other than those that may be expressly contained within the policy conditions, wordings, clauses and in addition to any implied warranties under the law to which this insurance is subject - failure to comply with a warranty will, in normal circumstances, void this insurance policy).

**CONDITIONS
PRECEDENT**

None
(Other than those that may be expressly contained within the policy conditions, wordings, clauses and in addition to any implied warranties under the law to which this insurance is subject - failure to comply with any such Condition Precedent may result in the cancellation of or denial of coverage under this policy).

SUBJECTIVITIES

None
(Other than those that may be expressly contained within the policy conditions, wordings, clauses to which this insurance is subject - failure to comply with any such Subjectivities may result in the cancellation of this policy and the issuance of a policy premium refund on a pro rata basis).

**CHOICE OF LAW
& JURISDICTION**

This insurance shall be governed by and construed in accordance with the laws of Guam and the exclusive jurisdiction of the Guam courts. The seat of arbitration shall be Tamuning

**PREMIUM
PAYMENT
TERMS**

It is a condition of this contract of reinsurance that the premiums due must be paid to and received by Reinsurer on or before midnight on the dates specified

If this condition is not complied with this policy shall terminate from midnight on the due date of the first breach with the Reinsured hereby agreeing to pay premium calculated at not less than pro rata temporis

- 1) 1st July 2017 - 50%
- 2) 1st October 2017 - 50%

The second instalment is to be paid as an Additional Premium and not as deferred

TAXES PAYABLE
BY REINSURED
WHICH ARE
ADMINISTERED
BY REINSURERS

None

RECORDING,
TRANSMITTING &
STORING
INFORMATION

Where the Broker maintains risk and claim data/information/documents the
Broker may hold data/information/documents electronically

INSURER
CONTRACT
DOCUMENTATION

This document details the contract terms entered into by the reinsurer(s), and
constitutes the contract document

INFORMATION

The following information was provided to insurer(s) to support the assessment of the risk at the time of underwriting.

2012 turnover - USD 67,315,207
2013 turnover - USD 67,111,723
2014 turnover - USD 81,000,000
2015 turnover - USD 94,000,000
2016 turnover - USD 104,987,000

Invitation for Competitive Sealed Bids IFB 2017-12

PREMISES

The Authority occupies an approximate 15,000ft administration building at 578 North Marine Corps Drive, Tamuning, Guam. It also has the following facilities located throughout Guam:

Fresh water system

1 treatment plant
21 reservoirs
33 booster pump stations
35 pressure relief valve vaults
120 water well sites
19 owned water storage tanks
394 miles of pipe

Waste water system

7 treatment plants
164 booster pump stations
72 pumping stations
6,776 manholes
224 miles of pipe

Operations consist principally of administration, routine maintenance and repair work. 333 employees

In addition to the Insured's fresh water sources, the US Navy supplies water from its system to the Insured for sale to non-military customers

No data is currently available as to contractual obligations incurred by the Authority

CLAIMS

No claims exceeding the deductible in the last 5 years



SECURITY DETAILS

INSURER'S LIABILITY LMA3333

(Re)insurer's liability several not joint

The liability of a (re)insurer under this contract is several and not joint with other (re)insurers party to this contract. A (re)insurer is liable only for the proportion of liability it has underwritten. A (re)insurer is not jointly liable for the proportion of liability underwritten by any other (re)insurer. Nor is a (re)insurer otherwise responsible for any liability of any other (re)insurer that may underwrite this contract. The proportion of liability under this contract underwritten by a (re)insurer (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of the syndicate taken together) is shown next to its stamp. This is subject always to the provision concerning 'signing' below. In the case of a Lloyd's syndicate, each member of the syndicate (rather than the syndicate itself) is a (re)insurer. Each member has underwritten a proportion of the total shown for the syndicate (that total itself being the total of the proportions underwritten by all the members of the syndicate taken together). The liability of each member of the syndicate is several and not joint with other members. A member is liable only for that member's proportion. A member is not jointly liable for any other member's proportion. Nor is any member otherwise responsible for any liability of any other (re)insurer that may underwrite under this contract. The business address of each member is Lloyd's, One Lime Street, London, EC3M 7HA. The identity of each member of a Lloyd's syndicate and their respective proportions may be obtained by writing to Market Services, Lloyd's, at the above address.

Proportion of liability

Unless there is 'signing' (see below) the proportion of liability under this contract underwritten by each (re)insurer (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of the syndicate taken together) is shown next to its stamp and is referred to as its 'written line'. Where this contract permits, written lines, or certain written lines, may be adjusted ('signed'). In that case, a schedule is to be appended to this contract to show the definitive proportion of liability under this contract underwritten by each (re)insurer (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of the syndicate taken together). A definitive proportion (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of a Lloyd's syndicate taken together) is referred to as a 'signed line'. The signed lines shown in the schedule will prevail over the written lines unless a proven error in calculation has occurred. Although reference is made at various points in this clause to 'this contract' in the singular, where the circumstances so require this should be read as a reference to contracts in the plural.

ORDER HEREON

100% of 100%

**BASIS OF
WRITTEN LINES**

Percentage of whole

**SIGNING
PROVISIONS**

In the event that the written lines hereon exceed 100% of the order, any lines written "to stand" will be allocated in full and all other lines will be signed down in equal proportions so that the aggregate signed lines are equal to 100% of the order without further agreement of any of the insurers.

However:

a) in the event that the placement of the order is not completed by the commencement date of the period of insurance then all lines written by that date will be signed in full;

b) the signed lines resulting from the application of the above provisions can be varied, before or after the commencement date of the period of insurance, by the documented agreement of the insured and all insurers whose lines are to be varied. The variation to the contracts will take effect only when all such insurers have agreed, with the resulting variation in signed lines commencing from the date set out in that agreement.

PUBLIC & PRODUCTS LIABILITY INSURANCE

1. OPERATIVE CLAUSE

The Underwriters will indemnify the Insured against their liability to pay damages (including claimants' costs, fees and expenses) in accordance with the law of any country but not in respect of any judgement, award, payment or settlement made within countries which operate under the laws of the United States of America or Canada (or to any order made anywhere in the world to enforce such judgement, award, payment or settlement either in whole or in part) unless the Insured has requested that there shall be no such limitation and has accepted the terms offered by Underwriters in granting such cover, which offer and acceptance must be signified by specific endorsement to this Policy.

This indemnity applies only to such liability as defined by each insured Section of this Policy arising out of the Business specified in the Schedule, subject always to the terms, Conditions and Exclusions of such Section and of the Policy as a whole.

For the purpose of determining the indemnity granted

- 1.1. "Injury" means death, bodily injury, illness or disease of or to any person;
- 1.2. "Damage" means loss of possession or control of or actual damage to tangible property;
- 1.3. "Pollution" means pollution or contamination of the atmosphere or of any water, land or other tangible property;
- 1.4. "Product" means any property after it has left the custody or control of the Insured which has been designed, specified, formulated, manufactured, constructed, installed, sold, supplied, distributed, treated, serviced, altered or repaired by or on behalf of the Insured, but shall not include food or drink supplied by or on behalf of the Insured primarily to the Insured's employees as a staff benefit.
5. "Terrorism" means an act, including but not limited to the use of force or violence and/or threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or governments(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.
6. "Occurrence" means an event, including continuous or repeated exposures to substantially the same general conditions, which result in Injury and/or Damage neither expected nor intended from the standpoint of the Insured. All events of a series consequent upon or attributable to one source or original cause shall be deemed one Occurrence

2. INDEMNITY TO OTHERS

The indemnity granted extends to

- 2.1 at the request of the Insured, any party who enters into an agreement with the Insured for any purpose of the Business, but only to the extent required by such agreement to grant such indemnity and subjects always to Clauses 7.3.3, and 12.3;
- 2.2 officials of the Insured in their business capacity for their liability arising out of the performance of the Business and/or in their private capacity arising out of their temporary engagement of the Insured's employees;
- 2.3 at the request of the Insured any person or firm for their liability arising out of the performance of a contract to provide labour only services to the Insured;
- 2.4 the officers, committee and members of the Insured's canteen, social, sports, medical, fire fighting and welfare organisations in their respective capacity as such;
- 2.5 the personal representatives of the estate of any person indemnified by reason of this Clause 2 in respect of liability incurred by such persons;

provided always that all such persons or parties shall observe, fulfil and be subject to the terms, Conditions and Exclusions of this Policy as though they were the Insured.

3. CROSS LIABILITIES

Each person or party specified as the Insured in the Schedule is separately indemnified in respect of claims made against any of them by any other, subject to Underwriters' total liability not exceeding the stated Indemnity Limits.

4. DEFENCE COSTS

The Underwriters will pay all costs, fees and expenses incurred by the Insured with the Underwriters prior written consent in the investigation defence or settlement of any claim made against the Insured under this Policy (hereinafter called "Defence Costs") other than in respect of any actions in the United States of America or Canada.

Defence Costs extend to include the costs of representation at any inquest inquiry or other proceedings in respect of matters which have a direct relevance to any claim made or which might be made against the Insured provided such claim or claims arise from an Occurrence which is the subject of indemnity by this Policy

5. INDEMNITY LIMITS

Underwriters' liability to pay damages (including claimants' costs, fees and expenses) shall not exceed the sum stated in the Schedule against each Section in respect of any one Occurrence or series of Occurrences arising from one originating cause, but under Section B and Section C the Indemnity Limits represent Underwriters' total liability in respect of all Occurrences.

Defence Costs will be payable in addition to the Indemnity Limits unless this Policy is endorsed to the contrary.

Should liability arising from the same originating cause form the subject of indemnity by more than one Section of this Policy, each Section shall be subject to its own Indemnity Limit, provided always

that the total amount of Underwriters' liability shall not exceed the greatest Indemnity Limit available under any one of the Sections providing indemnity.

SECTION A - PUBLIC LIABILITY

6. SECTION A - INDEMNITY

The Insured is indemnified by this Section in accordance with the Operative Clause for and/or arising out of Injury and/or Damage occurring during the Period of Insurance but not against liability arising out of

- 6.1 Pollution;
- 6.2 or in connection with any Product.

7. SECTION A - EXCLUSIONS

This section does not cover liability

- 7.1 arising out of the ownership, possession or use of any motor vehicle or trailer by or on behalf of the Insured, other than claims
 - 7.1.1 caused by the use of any tool or plant forming part of or attached to or used in connection with any motor vehicle or trailer;
 - 7.1.2 arising beyond the limits of any carriageway or thoroughfare and caused by the loading or unloading of any motor vehicle or trailer;
 - 7.1.3 for damage to any bridge, weighbridge, road or anything beneath caused by the weight of any motor vehicle or trailer or the load thereon;
 - 7.1.4 arising out of any motor vehicle or trailer temporarily in the Insured's custody or control for the purpose of parking;
- provided always that no indemnity is granted against liability compulsorily insurable by legislation or for which the government or other authority has accepted responsibility;
- 7.2 arising out of the ownership, possession or use by or on behalf of the Insured of any aircraft, watercraft or hovercraft (other than watercraft not exceeding five metres in length and then only whilst on inland waterways);
- 7.3 for and/or arising out of Damage to property owned, leased or hired by or under hire purchase or on loan to the Insured or otherwise in the Insured's care, custody or control other than
 - 7.3.1 premises (or the contents thereof) temporarily occupied by the Insured for work therein, and/or other property temporarily in the Insured's possession for work thereon (but no indemnity is granted for Damage to that part of the property on which the Insured is working and which arises out of such work);
 - 7.3.2 clothing and personal effects belonging to employees and visitors of the Insured;
 - 7.3.3 premises tenanted by the Insured to the extent that the Insured would be held liable in the absence of any specific agreement.

SECTION B - POLLUTION LIABILITY

8. SECTION B - INDEMNITY

The Insured is indemnified by this Section in accordance with the Operative Clause for and/or arising out of Injury and/or Damage occurring during the Period of Insurance and arising out of Pollution, but only to the extent that the Insured can demonstrate that such Pollution

8.1 was the direct result of a sudden, specific and identifiable event occurring during the Period of Insurance;

8.2 was not the direct result of the Insured failing to take reasonable precautions to prevent such Pollution.

9. SECTION B - EXCLUSIONS

This Section is subject to the Exclusions of Sections A7 and C11, and also does not cover liability for and/or arising out of

9.1 Damage to premises which is presently or was at any time previously owned, leased or tenanted by the Insured;

9.2 Damage to land or water within or below the boundaries of any land or premises which is presently or was at any time previously owned, leased or tenanted by the Insured or otherwise in the Insured's care, custody or control.

SECTION C - PRODUCTS LIABILITY

10. SECTION C - INDEMNITY

The Insured is indemnified by this Section in accordance with the Operative Clause for and/or arising out of Injury and/or Damage occurring during the Period of Insurance but only against liability arising out of or in connection with any Product and not against liability arising out of Pollution.

11. SECTION C - EXCLUSIONS

This Section does not cover liability

- 11.1 for and/or arising out of Damage to any Product or part thereof;
- 11.2 for costs incurred in the repair, reconditioning, modification or replacement of any Product or part thereof and/or financial loss consequent upon the necessity for such repair, reconditioning, modification or replacement;
- 11.3 arising out of the recall of any Product or part thereof;
- 11.4 arising out of any Product or part thereof which with the Insured's knowledge is intended to be incorporated into the structure, machinery or controls of any aircraft.

12. GENERAL EXCLUSIONS APPLICABLE TO ALL SECTIONS OF THE POLICY

This Policy does not cover liability

- 12.1 arising out of the deliberate, conscious or intentional disregard by the Insured's technical or administrative management of the need to take all reasonable steps to prevent Injury or Damage;
- 12.2 for and/or arising out of Injury to any person under a contract of employment or apprenticeship with or the provision of labour only services to the Insured where such Injury arises out of the execution of such contract;
- 12.3 arising out of liquidated damages clauses, penalty clauses or performance warranties unless proven that liability would have attached in the absence of such clauses or warranties;
- 12.4 directly or indirectly occasioned by, happening through or in consequence of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power;
- 12.5 directly or indirectly caused by or contributed to by or arising from
 - 12.5.1 ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel;
 - 12.5.2 the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof;
- 12.6 for Injury and/or Damage directly or indirectly caused by, resulting from or in connection with any act of Terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

This exclusion also excludes Injury and/or Damage directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any act of Terrorism.

If the Underwriters allege that by reason of this exclusion, any Injury and/or Damage is not covered by this Policy the burden of proving the contrary shall be upon the Insured.

In the event any portion of this exclusion is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

12.7 directly or indirectly caused by or alleged to be caused by or contributed to in whole or in part or arising from the existence of or exposure to asbestos and /or any asbestos containing materials

12.8 for the Excess as stated in the Schedule in respect of the first amount of each claim or series of claims arising out of one originating cause

(if any product from one prepared or acquired batch causes Damage to property of or Injury to more than one person, the Damage to property of all persons and all Injury resulting from that batch shall be considered as arising out of one originating cause);

12.9 which forms the subject of insurance by any other policy and this Policy shall not be drawn into contribution with such other insurance;

12.10 for awards or damages of a punitive or exemplary nature whether in the form of fines, penalties, multiplication of compensation awards or damages or aggravated damages or in any other form whatsoever.

13. GENERAL CONDITIONS

(Conditions 13.1 to 13.4 are precedent to Underwriters' liability to provide indemnity under this Policy).

13.1 The Insured shall give written notice to the Underwriters as soon as reasonably practicable of any Occurrence that may give rise to a claim under this Policy and shall give all such additional information as the Underwriters may require. Every claim, writ, summons or process and all documents relating thereto shall be forwarded to the Underwriters immediately they are received by the Insured.

13.2 No admission, offer, promise or payment shall be made or given by or on behalf of the Insured without the prior written consent of the Underwriters who shall be entitled to take over and conduct in the name of the Insured the defence or settlement of any claim or to prosecute in the name of the Insured to their own benefit any claim for indemnity or damages or otherwise and shall have full discretion in the conduct of any proceedings and in the settlement of any claim and the Insured shall give all such information and assistance as the Underwriters may reasonably require.

13.3 The Insured shall give notice as soon as reasonably practicable of any fact or event which materially changes the information supplied to Underwriters at the time when this Policy was effected and Underwriters may amend the terms of this Policy according to the materiality of the change.

13.4 Where the premium is provisionally based on the Insured's estimates, the Insured shall keep accurate records and after expiry of the Period of Insurance declare as soon as possible such details as Underwriters require. The premium shall then be adjusted and any difference paid by or allowed to the Insured as the case may be subject to any minimum premium that may apply.

13.5 The Underwriters may at any time pay to the Insured in connection with any claim or series of claims under this Policy to which an Indemnity Limit applies the amount of such Limit (after deduction of any sums already paid) or any lesser amount for which such claims can be settled and upon such payment being made the Underwriters shall relinquish the conduct and control of and be under no further liability in connection with such claims except for the payment of Defence Costs incurred prior to the date of such payment (unless the Indemnity Limit is stated to be inclusive of Defence Costs).

Provided that if Underwriters exercise the above option and the amount required to dispose of any claim or series of claims exceeds the Indemnity Limit and such excess amount is insured either in whole or in part, with Defence Costs payable in addition to the Indemnity Limit under this Policy then the Underwriters will also contribute their proportion of subsequent Defence Costs incurred with their prior consent.

13.6 Any dispute concerning the interpretation of this Policy and/or Schedule will be determined in accordance with the Law of Guam.

The Insured and Underwriters submit to the exclusive jurisdiction of any court of competent jurisdiction within Guam and agree to comply with all requirements necessary to give such court jurisdiction. All matters arising hereunder shall be determined in accordance with the law and practice of such court.

13.7 Any phrase or word in this Policy will be interpreted in accordance with the law of Guam. The Policy and the Schedule shall be read together as one contract and any word or

expression to which a specific meaning has been attached in any part of this Policy or the Schedule shall bear such specific meaning wherever it may appear.

13.8 The Underwriters may cancel this Policy by giving sixty days' notice in writing of such cancellation to the Insured's last known address.

13.9 If any claim under this Policy is in any respect fraudulent all benefit under the Policy shall be forfeited.

CLAIMS CONTROL CLAUSE

The following clause applies to all circumstances that may give rise to a claim under the Original Policy. Adherence by the Reinsured to the conditions set out herein is a condition precedent to Reinsurer's liability

- (1) The Reinsured shall inform Reinsurers of any circumstance that may give rise to a claim on the Original Policy. In addition, the Reinsured shall provide Reinsurers with all available supporting information and documentation relating to the circumstance as soon as reasonably practicable but in any event within 14 days of the Reinsured becoming aware of such circumstance.
- (2) Reinsurers shall have the right but not the obligation to assume control of the investigation of the circumstance and the defence and/or settlement of any resultant claim. Where Reinsurers assume control, the Reinsured shall act according to Reinsurers' direction.
- (3) No settlement shall be made by the Reinsured without prior written approval of Reinsurers.

Subject otherwise to the Terms Conditions Limitations and Exclusions of the Policy

SERVICE OF SUIT CLAUSE (USA)

It is agreed that in the event of the failure of Underwriters hereon to pay any amount claimed to be due hereunder, the Underwriters hereon, at the request of the Insured (or Reinsured), will submit to the jurisdiction of a Court of competent jurisdiction within the United States. Nothing in this Clause constitutes or should be understood to constitute a waiver of Underwriters' rights to commence an action in any Court of competent jurisdiction in the United States, to remove an action to a United States District Court, or to seek a transfer to a case to another Court as permitted by the laws of the United States or of any State in the United States.

It is further agreed that service of process in such suit may be made upon

AM Insurance
Suite 113F
Ada's Commercial Center
Agana
Guam

and that in any suit instituted against any one of them upon this contract, Underwriters will abide by the final decision of such Court or of any Appellate Court in the event of an appeal.

The above-named are authorized and directed to accept service of process on behalf of Underwriters in any such suit and/or upon the request of the Insured (or Reinsured) to give a written undertaking to the Insured (or Reinsured) that they will enter a general appearance upon Underwriters' behalf in the event such a suit shall be instituted.

Further, pursuant to any statute of any state, territory or district of the United States which makes provision therefor, Underwriters hereon hereby designate the Superintendent, Commissioner or Director of Insurance or other officer specified for that purpose in the statute, or his successor or successors in office, as their true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the Insured (or Reinsured) or any beneficiary hereunder arising out of this contract of insurance (or reinsurance), and hereby designate the above-named as the person to whom the said officer is authorized to mail such process or a true copy thereof.

NMA1998

24/04/1986

PERSONAL INJURY EXTENSION

The insurance provided by this Policy extends to include the Insured's legal liability for damages sustained by any person arising out of one or more of the following offences committed during the Policy period:-

1. False arrest, restraint, detention or imprisonment.
2. Malicious prosecution.
3. Wrongful entry, eviction or other invasion of the right of private occupancy.
4. The publication or utterance of a libel or slander or of other defamatory or disparaging material in violation of an individual's right of privacy except publication or utterance in the course of or related to advertising, broadcasting or telecasting activities conducted by or on behalf of the Named Insured.
5. Incidental medical malpractice error or mistake by a physician, surgeon, nurse, medical technician or other person performing medical services but only for or on behalf of the Insured in the provision of emergency medical relief.

The following additional exclusions shall apply to the Insurance provided by this extension:-

- (a) liability assumed by the Named Insured under any contract or agreement
- (b) personal injury arising out of the wilful violation of penal statute or ordinance committed by or with the knowledge or consent of the Named Insured
- (c) personal injury arising out of offence 4 above
 - (i) if the first injurious publication or utterance of the same or similar material was made prior to the effective date of this insurance
 - (ii) if such publication or utterance was made by or at the direction of the Insured with the knowledge of the false nature thereof
- (d) liability for personal injury sustained by any person directly or indirectly related to the past, present or potential employment of such person by the Insured.

The limit of liability applicable to Personal Injury claims shall be USD 10,000,000 any one offence and in the aggregate during the Policy period

MEMORANDUM OF UNDERSTANDING

Annual Review Clause

Policy Number: 17N1598
Inception Date: 1st May 2017
Expiry Date: 1st May 2020/1st May 2022

In consideration of the granting of this Policy for a period in excess of 12 months, it is agreed by both Underwriters and the Reinsured that on each 12 month Anniversary Date the Underwriters will be required to continue insurance coverage under this Policy for a further period of 12 months at the same premium and subject to the same terms and conditions, except if any of the following factors apply as at that Anniversary Date (in which case the Underwriters are entitled to review the insurance coverage and amend its terms and conditions, including the premium and the deductible or excess, or, at the sole option of the Underwriters, to issue notice of cancellation in accordance with the conditions set out under the Policy):

1. There has been a Material Change in the Risk.
2. There has been an increase of more than 10% in the Insured's estimated turnover for the forthcoming 12 months period in comparison to that given for the preceding 12 months period.
3. There has been a change in law which has the effect of increasing the Underwriters' exposure.
4. The Incurred Claims exceed 50% of the Net Premium in respect of the prior 12 months' period of insurance to which this clause relates.
5. There has been significant adverse development in the historical loss record in any of the prior 5 years whereby Incurred Claims exceed 50% of the Net Premium.
6. There has been a change in legal regulations relating to insurance contracts which oblige the Underwriters to alter any terms or conditions of the Policy, or
7. There has been a change in Underwriters' reinsurance arrangements - having the effect that reinsurance protection is no longer available to the Underwriters on substantially the same terms and conditions as previously.

The term "Material Change in the Risk" shall mean any change relating to or affecting the Insured's business activities which, if disclosed, might influence the Underwriters to either decline to continue the insurance or to stipulate a higher premium including, but not limited to, the following:

- (a) Any change in the business activities of the Insured of a partial or additional nature
- (b) Any change, either through expansion or contraction, in the territories or countries in which the Insured transacts their business either in terms of domicile, operations therein or exports thereto
- (c) Any change in production methods or the adoption of new technology in the business of the Insured
- (d) Any change in approach to the training of the Insured's employees or a change in the minimum required competencies of such employees
- (e) Any change in approach to the risk management procedures adopted by the Insured
- (f) In respect of any information previously supplied to Underwriters, any change in that information

The term "Incurred Claims" means the total cost of claims including actual claim payments (including medical, legal and other costs and expenses) and reserves set by the Underwriters on outstanding claims (also including such costs and expenses).

The term "Net Premium" means the premium received by the Underwriters net of tax and any commissions or other deductions.

Nothing in this Clause shall prejudice any rights the Underwriters may have to cancel this policy in accordance with (i) any cancellation condition, or the like, which may be contained in the Policy or (ii) in accordance with any general principle of contract law (including but not limited to misrepresentation).

The terms of this Clause apply only to this Policy and not to any subsequent policy issued in renewal of this policy nor to any Excess Liability Policy which may be issued to operate in excess of this Policy (unless specifically stated to the contrary herein).

RESOLUTION NO. 23-FY2017

EXHIBIT C (2 of 4)

GOVERNMENT OF GUAM
DEPARTMENT OF REVENUE AND TAXATION
OFFICE OF THE INSURANCE COMMISSIONER
INSURANCE LICENSE

RENEWAL B286

Know All Men By These Presents That:

Name MORA ANNAMARIE T

Address 165G CHALAN INDA
CHALAN PAGO

GU 96910

**Classes of Insurance
Authorized**

LIFE }
FIDELITY & SURETY }
PROP. DAMAGE & LIABILITY }
WORKMENS COMP }
MARINE }
FIRE }
ACCIDENT & HEALTH }
MISCELLANEOUS }
MOTOR VEHICLE }

*Having complied with the Insurance Law of Guam, is hereby authorized to transact as
Broker , the above named Classes of Insurance in Guam from the 01 day of
July , 20 16 , to the 01 day of July , 20 17 , unless authority is revoked for failure
to comply with the law.*

Designated Representatives:

Appointed By:

[SEAL]

Artemio B. Ilagan
ARTEMIO B. ILAGAN
Insurance Commissioner

GOVERNMENT OF GUAM
DEPARTMENT OF REVENUE AND TAXATION
OFFICE OF THE INSURANCE COMMISSIONER
INSURANCE LICENSE

RENEWAL SLB24

Know All Men By These Presents That:

Name **MONA ANMARIS T**

Address **165G CHALAN INDA
CHALAN PAGO**

GU 96910

Classes of Insurance Authorized } ACCIDENT & HEALTH
MISCELLANEOUS } WORKMENS COMP
MARINE }
MOTOR VEHICLE } FIRE
FIDELITY & SURETY } LIFE
PROP. DAMAGE & LIABILITY }

Having complied with the Insurance Law of Guam, is hereby authorized to transact as Surplus Line Broker, the above named Classes of Insurance in Guam from the 01 day of July, 20 16, to the 01 day of July, 20 17, unless authority is revoked for failure to comply with the law.

Designated Representatives:

Artemio B. Ilagan
ARTEMIO B. ILAGAN
Insurance Commissioner

[SEAL]

GOVERNMENT OF GUAM
DEPARTMENT OF REVENUE AND TAXATION
OFFICE OF THE INSURANCE COMMISSIONER
INSURANCE LICENSE

RENEWAL B24

Know All Men By These Presents That:

Name AM INSURANCE INC

Address SUITE 113F ADA COMMERCIAL & PROFESSIONAL CENTER 215 CHALAN
SANTO PAPA HAGATNA GU 96910

Classes of Insurance Authorized	}	LIFE	FIRE
		FIDELITY & SURETY	ACCIDENT & HEALTH
		PROP. DAMAGE & LIABILITY	MISCELLANEOUS
		WORKMENS COMP	MOTOR VEHICLE
		MARINE	

Having complied with the Insurance Law of Guam, is hereby authorized to transact as Broker July 16, 2001, to the 01 day of July, 2017, unless authority is revoked for failure to comply with the law.

Designated Representatives:

ANN MARIE MONA
TRICIA GRANILLO
JUAN MONA

Artemio B. Ilagan
ARTEMIO B. ILAGAN
Insurance Commissioner

[SEAL]

Appointed By:

GOVERNMENT OF GUAM
DEPARTMENT OF REVENUE AND TAXATION
OFFICE OF THE INSURANCE COMMISSIONER
INSURANCE LICENSE

RENEWAL SLB24

Know All Men By These Presents That:

Name AM INSURANCE INC

Address SUITE 113F ADA COMMERCIAL & PROFESSIONAL CENTER 215 CHALAN
SANTO PAPA HAGATNA GU 96910

Classes of Insurance Authorized

LIFE	FIRE
FIDELITY & SURETY	ACCIDENT & HEALTH
PROP. DAMAGE & LIABILITY	MISCELLANEOUS
WORKMENS COMP	MOTOR VEHICLE
MARINE	

Having complied with the Insurance Law of Guam, is hereby authorized to transact as Surplus Line Broker July 20 16, to the 01 day of July 20 17, unless authority is revoked for failure to comply with the law.

Designated Representatives:
ANNMARIE T MUNA

[SEAL]

Artemio B. ILAGAN
ARTEMIO B. ILAGAN
Insurance Commissioner

1. The Symbol, Number, or Score in the Rating Scale used to Denote the Credit Rating Categories and Notches as required by Paragraph (a)(1)(ii)(A) of Rule 17g-7

Dongbu Insurance Co., Ltd. USB

A.M. Best #: 013784 NAIC #: 12502 FEIN #: 34-2055087

Rating:	A (Excellent)
Financial Size Category:	XV (\$2 Billion or Greater)
Outlook:	Stable
Action:	Affirmed
Effective Date:	July 14, 2016
Initial Rating Date:	October 23, 2007

Long-Term:	a+
Outlook:	Stable
Action:	Affirmed
Effective Date:	July 14, 2016
Initial Rating Date:	October 23, 2007

(i) Denotes Indicative Rating
 u Denotes Under Review Rating

Rating issued by:	A.M. Best Asia-Pacific Ltd.
Associate Financial Analyst :	Sergio Agana
Associate Director-Analytics :	Seewon Oh

2. The Version of the Procedure or Methodology used to Determine the Credit Rating as required by Paragraph (a)(1)(ii)(B) of Rule 17g-7

Methodology	Version
The following Methodologies and Criteria Procedures were used at the time of and the basis for the proposed rating	
Best's Credit Rating Methodology - Global Life and Non-Life Insurance Policy	04/28/2016
Catastrophe Analysis in A.M. Best Ratings	11/03/2011
Rating Members of Insurance Groups	12/15/2014
Risk Management and the Rating Process for Insurance Companies	04/02/2013
Understanding Universal BCAR	04/28/2016

3. The Main Assumptions and Principles used to Construct the Procedures and Methodology used to Determine the Credit Rating as required by Paragraph (a)(1)(ii)(C) of Rule 17g-7

Assumptions and Macroeconomic Factors

Based on historical experience and A.M. Best's transition studies, ratings typically move no more than one to two notches when rating action occurs. However, market influences, including macroeconomic conditions, interest rate movements, inflationary levels, volatility of capital markets, pricing levels and regulatory changes, could result in larger scale movement in the ratings.

Economics

A.M. Best factors the economic and financial system conditions of a country into all of its ratings. A.M. Best defines country risk as the risk that country-specific factors could adversely affect an insurer's ability to meet its financial obligations, and separates the risks into three main categories: economic risk, political risk and financial system risk.

Economic risk is the likelihood that fundamental weaknesses in a country's economy will cause adverse developments for an insurer. A.M. Best's assessment of economic risk evaluates the state of the domestic economy, labor market conditions, inflation levels and volatility, as well as prospects for growth and stability. The level of economic risk in a country is determined to be: (1) very low; (2) low; (3) moderate; (4) high or (5) very high.

Political risk is the likelihood that governmental or bureaucratic inefficiencies, societal tensions, an inadequate legal system or international tensions will cause adverse developments for an insurer. Political risk comprises the stability of a government and society; the effectiveness of international diplomatic relationships; the reliability and integrity of the legal system and business infrastructure; the efficiency of the government bureaucracy; and the appropriateness and effectiveness of the government's economic policies. The level of political risk in a country is determined to be: (1) very low; (2) low; (3) moderate; (4) high or (5) very high.

The scores for each category of risk then are aggregated and the country is assigned to one of five Country Risk Tiers with the following broad definitions.

- CRT-1: Predictable and transparent political environment, legal system and business infrastructure; sophisticated financial system regulation with deep capital markets; mature insurance industry framework.
- CRT-2: Predictable and transparent political environment, legal system and business infrastructure; sufficient financial system regulation; mature insurance industry framework.
- CRT-3: Developing political environment, legal system and business infrastructure with developing capital markets; developing insurance regulatory structure.
- CRT-4: Relatively unpredictable and nontransparent political, legal and business environment with underdeveloped capital markets; partially to fully inadequate regulatory structure.

• CRT-5: Unpredictable and opaque political, legal and business environment with limited or nonexistent capital markets; low human development and social instability; nascent insurance industry.

In general, as country risk increases (measured by a higher assigned tier), the distribution of ratings migrates down the rating scale as the level of risk approaches CRT-5. While potential volatility already is contemplated in each Country Risk Tier, unanticipated negative changes to the economic, political and/or financial system conditions could lead to downward pressure on ratings in that country.

Correlation of Defaults = Not Applicable

4. The Potential Limitations of the Credit Rating as required by Paragraph (a)(1)(ii)(D) of Rule 17g-7

Please refer to Understanding Best's Credit Ratings for the following:

- (a). Usage of Ratings and Limitations
- VIII. Best's Rating Scales: Categories and Symbols

5. Information on the Uncertainty of the Credit Rating as required by Paragraph (a)(1)(ii)(E) of Rule 17g-7

Please refer to Understanding Best's Credit Ratings for the following:

- II(b)ii. Quality of Information

6. Use of Third Party Due Diligence in Taking the Credit Rating Action as required by Paragraph (a)(1)(ii)(F) of Rule 17g-7

A.M. Best Company did not use due diligence services of a third party in taking the rating action. This disclosure only applies to rating actions associated with asset-backed securities as defined by section 3(a)(79) of the Securities Exchange Act of 1934, as amended.

7. How Servicer or Remittance Reports were used, and with what Frequency, to Conduct Surveillance of the Credit Rating as required by Paragraph (a)(1)(ii)(G) of Rule 17g-7

How Servicer / Remittance reports were used:

Not Applicable

Frequency of surveillance:

Not Applicable

8. A Description of the Types of Data about the Obligor, Issuer, Security, or Money Market Instrument that were Relied Upon for the Purpose of Determining the Credit Rating as required by Paragraph (a)(1)(ii)(H)(i) of Rule 17g-7

Please refer to Understanding Best's Credit Ratings for the following:

- II(b). Complete Information
- II(b). Material Sources of Information

9. An Overall Assessment of the Quality of Information Available and Considered in Determining the Credit Rating as required by Paragraph (a)(1)(ii)(I) of Rule 17g-7

Please refer to Understanding Best's Credit Ratings for the following:

- II(b). Material Sources of Information
- II(b)ii. Quality of Information

10. Information Relating to Conflicts of Interest as required by Paragraph (a)(1)(ii)(J) of Rule 17g-7

1) A.M. Best Company has been paid to determine the credit rating by the obligor being rated or the issue, underwriter, depositor, or sponsor of the security or money market instrument being rated.

Rating Origin Characteristics	
Solicited	Participating

2) A.M. Best Company was also paid for services by the company other than determining credit ratings during the most recently ended fiscal year.

Please refer to Understanding Best's Credit Ratings for the following:

- II(d). Not an Investment Advisor or Consultant

11. An Explanation or Measure of the Potential Volatility of the Credit Rating as required by Paragraph (a)(1)(ii)(K) of Rule 17g-7

Factors - Change Rating:

Positive rating actions could occur if the company achieves improvement in profitability, in line with higher-rated peers, while maintaining its risk-adjusted capitalization. Potential rating impact: Minor.

Negative rating actions could occur if there is a considerable deterioration in operating performance that materially affects the company's risk-adjusted capitalization. Potential rating impact: Minor.

NOTE: Only a rating committee can make a rating decision and the above referenced factors would be taken into consideration, along with all available relevant information in determining a rating action. However, the magnitude of a potential change in the rating that could reasonably occur as a result of the impact of the factors listed above are characterized by the following summary chart:

Change in Rating	Number of Factors
Minor	0 - 1
Moderate	2 - 3
Severe	> 3

12. The Information on the Content of the Information of the Credit Rating as required by Paragraph (a)(1)(ii)(L) of Rule 17g-7

(1) Rating History and Performance

- Financial Strength / Issuer Credit Rating History

(2) Expected Probability of Default and Expected Loss

The Commission states that it does not expect NRSROs to alter the meanings of their credit ratings or rating procedures and methodologies to conform to this disclosure requirement. Rather, the Commission expects NRSROs to provide "information" to the extent it is consistent with their procedures and methodologies for determining credit ratings, on the expected probability of default and expected loss in the event of default. According to the Commission, this information could consist of, for example, historical default and loss statistics, respectively, for the class or subclass of the credit rating.

A.M. Best's credit ratings generally are intended to indicate the relative degree of credit risk of an obligor or debt instrument rather than reflect a measure of a specific default probability or loss expectation. A.M. Best is providing the historical default statistics or derivatives of such default statistics to comply with Rule 17g-7(a)(ii)(L)(2). A.M. Best does not produce any loss statistics related to any classes of credit ratings so it has no information about expected loss given default. Furthermore, expected losses given default is not consistent with A.M. Best's procedures and methodologies for determining credit ratings.

INSURANCE COMPANY DEFAULT RATES (FSR)

* Default Rates Based On Average Cohort Method

Rating	1-Year	3-Year	10-Year
A++			0.03%
A+	0.05%	0.19%	0.64%
A	0.04%	0.32%	2.35%
A-	0.10%	0.73%	3.73%
B++	0.38%	1.67%	5.49%
B+	0.80%	2.43%	7.60%
B	1.70%	4.84%	11.05%
B-	3.57%	7.42%	14.94%
C++	3.99%	7.59%	14.99%
C+	3.58%	7.27%	15.43%
C	3.15%	8.72%	18.67%
C-	12.60%	18.28%	18.89%
D	17.62%	25.00%	33.96%

* Ratings Data from 1992 to 2015

1. Impairments as a Proxy for Defaults. A.M. Best designates an insurer as a Financially Impaired Company (FIC) as of the first public action taken by an insurance department or regulatory body, whereby the insurer's a) ability to conduct normal insurance operations is adversely affected, b) capital and surplus have been deemed inadequate to meet regulatory requirements, or c) general financial condition has triggered regulatory concern. The actions include supervision, rehabilitation, liquidation, receivership, conservatorship, cease-and-desist orders, suspension, license revocation and certain administrative orders. Companies that enter voluntary dissolution and are not under financial duress at that time are not counted as financially impaired. For the purposes of the performance statistics, A.M. Best considers impairments and defaults to be synonymous.

2. Construction of Default Rates of Insurance Carriers (FSR). This table was constructed by directly observing the default rates of insurance operating companies rated on the traditional Financial Strength Rating (FSR) scale.

3. Rating a Measure of Relative Credit Risk. A.M. Best's credit ratings generally are intended to indicate the relative degree of credit risk of an obligor or debt instrument rather than reflect a measure of specific default probability.

4. Data Consistent With Submission to the Securities and Exchange Commission. The data used to calculate default rates in this table is consistent with the data used to calculate the 1-year, 3-year and 10-year default rates for insurers as required by the Securities and Exchange Commission (the Commission) in Exhibit 1 of Form NRSRO. Unlike the single cohort method of analysis used in the submission to the Commission, however, the calculations in this table reflect the use of the average cohort approach in order to capture the effect of the various economic cycles experienced by insurance carriers since 1992 when the current 13-point FSR scale (A++ to D) was adopted by A.M. Best.

5. Data Does Not Necessarily Reflect Default Expectations. The data in this table does not necessarily reflect our default rate expectations. For example, the fact that we show no default rate for the 1-year "A++" category does not mean that we expect no defaults for this rating. It only means that we have not yet observed any historical defaults over a 1-year period for companies rated "A++".

6. Data Changes Periodically. The data in the table will change if A.M. Best: 1) adds more ratings cohorts over time in order to calculate default rates, 2) changes its criteria for recognizing insurance company defaults, and 3) changes the default count for other reasons such as confidential supervision of insurance carriers discovered by A.M. Best. In most cases, A.M. Best will revise the default rates annually by March 31.

INSURANCE COMPANY DEFAULT RATES (ICR)

* Default Rates Based On FSR to ICR Translation

ICR	1 Year	3 Year	10 Year
aaa			0.03%
aa+			0.03%
aa	0.05%	0.19%	0.64%
aa-	0.05%	0.19%	0.64%
a+	0.04%	0.32%	2.35%
a	0.04%	0.32%	2.35%
a-	0.10%	0.73%	3.73%
bbb+	0.38%	1.67%	5.49%
bbb	0.38%	1.67%	5.49%
bbb-	0.80%	2.43%	7.80%
bb+	1.70%	4.64%	11.05%
bb	1.70%	4.64%	11.05%
bb-	3.57%	7.21%	14.94%
b+	3.99%	7.59%	14.99%
b	3.99%	7.59%	14.99%
b-	3.58%	7.27%	15.43%

IGRS	FSR	ICR	Default
ccc+	3.15%	8.72%	18.67%
ccc	3.15%	8.72%	18.67%
ccc-	12.60%	16.26%	18.89%
cc	12.60%	16.26%	18.89%
c	17.62%	25.00%	33.96%

* See ICR/FSR Translation Table

1. Impairments as a Proxy for Defaults. A.M. Best designates an insurer as a Financially Impaired Company (FIC) as of the first public action taken by an insurance department or regulatory body, whereby the insurer's a) ability to conduct normal insurance operations is adversely affected, b) capital and surplus have been deemed inadequate to meet regulatory requirements, or c) general financial condition has triggered regulatory concern. The actions include supervision, rehabilitation, liquidation, receivership, conservatorship, cease-and-desist orders, suspension, license revocation and certain administrative orders. Companies that enter voluntary dissolution and are not under financial duress at that time are not counted as financially impaired. For the purposes of the performance statistics, A.M. Best considers impairments and defaults to be synonymous.

2. Construction of Default Rates of Insurance Carriers(ICR). This table was not constructed by directly observing the default rates of insurance operating companies rated on the 21-point Issuer Credit Rating(ICR) scale because default data associated with ICRs is sparse. It was constructed by converting each operating company Financial Strength Rating (FSR) to an equivalent ICR based on an FSR/ICR translation table.

3. Rating a Measure of Relative Credit Risk. A.M. Best's credit ratings generally are intended to indicate the relative degree of credit risk of an obligor or debt instrument rather than reflect a measure of specific default probability.

4. Data Does Not Necessarily Reflect Default Expectations. The data in this table does not necessarily reflect our default rate expectations. For example, the fact that we show no default rate for the 1-year "aaa" category does not mean that we expect no defaults for this rating. It only means that we have not yet observed any historical defaults over a 1-year period for companies with an equivalent "aaa" rating.

5. Data Changes Periodically. The data in the table will change if A.M. Best: 1) adds more ratings cohorts over time in order to calculate default rates, 2) changes its criteria for recognizing insurance company defaults, and 3) changes the default count for other reasons such as confidential supervision of insurance carriers discovered by A.M. Best. In most cases, A.M. Best will revise the default rates annually by March 31.

CORPORATES DEFAULT RATES

* Default Rates Based On Notching Applied To Insurance ICRs

IGRS	1 Year	3 Year	10 Year
aaa	0.00%	0.00%	0.03%
aa+	0.00%	0.00%	0.03%
aa	0.00%	0.00%	0.03%
aa-	0.00%	0.00%	0.03%
a+	0.03%	0.10%	0.34%
a	0.05%	0.19%	0.64%
a-	0.05%	0.19%	0.64%
bbb+	0.04%	0.32%	2.35%
bbb	0.04%	0.32%	2.35%
bbb-	0.10%	0.73%	3.73%
bb+	0.38%	1.87%	5.49%
bb	0.38%	1.87%	5.49%

ICR	1 Year	3 Year	10 Year
bb-	0.80%	2.43%	7.60%
b+	1.25%	3.54%	9.33%
b	1.70%	4.64%	11.05%
b-	1.70%	4.64%	11.05%
ccc+	3.57%	7.21%	14.94%
ccc	3.78%	7.40%	14.97%
ccc-	3.99%	7.59%	14.99%
cc	3.99%	7.59%	14.99%
c	3.58%	7.27%	15.43%

1. Impairments as a Proxy for Defaults. A.M. Best designates an insurer as a Financially Impaired Company (FIC) as of the first action taken by an insurance department or regulatory body, whereby the insurer's a) ability to conduct normal insurance operations is adversely affected, b) capital and surplus have been deemed inadequate to meet regulatory requirements, or c) general financial condition has triggered regulatory concern. The actions include supervision, rehabilitation, liquidation, receivership, conservatorship, cease-and-desist orders, suspension, license revocation and certain administrative orders. Companies that enter voluntary dissolution and are not under financial duress at that time are not counted as financially impaired. For the purposes of the performance statistics, A.M. Best considers impairments and defaults to be synonymous.

2. Construction of Default Rates of Corporates. This table was not constructed by directly observing the default rates of corporate ratings on the 21-point Issuer Credit Rating (ICR) scale because default data associated with corporate ICRs is sparse. Rather, this table was constructed by a) converting each default rate associated with each Financial Strength Rating (FSR) to its equivalent operating company ICR based on the FSR/ICR translation table, and then, b) converting the operating company ICR to an equivalent corporate rating based on a notching algorithm set forth in the criteria, Insurance Holding Company and Debt Ratings, to reflect the legal separation of insurance holding companies from operating insurers as well as the normal subordination of insurance holding company creditors to operating company policyholders.

3. Ratings a Measure of Relative Credit Risk. A.M. Best's credit ratings generally are intended to indicate the relative degree of credit risk of an obligor or debt instrument rather than reflect a measure of specific default probability.

4. Data Does Not Necessarily Reflect Default Expectations. The data in this table does not necessarily reflect our default rate expectations. For example, the fact that we show no default rate for the 1-year "aaa" category does not mean that we expect no defaults for this rating. It only means that we have not yet observed any historical defaults over a 1-year period for corporate obligations with an equivalent "aaa" rating.

5. Data Changes Periodically. The data in the table will change if A.M. Best: 1) adds more ratings cohorts over time in order to calculate default rates, 2) changes its criteria for recognizing insurance company defaults, and 3) changes the default count for other reasons such as confidential supervision of insurance carriers discovered by A.M. Best. In most cases, A.M. Best will revise the default rates annually by March 31.

ASSET-BACKED SECURITIES DEFAULT RATES (All Subclasses)

* Default Rates From Best's Idealized Default Matrix

ICR	1 Year	3 Year	10 Year
aaa	0.03%	0.14%	0.94%
aa+	0.03%	0.20%	1.36%
aa	0.04%	0.26%	1.79%
aa-	0.05%	0.42%	2.13%
a+	0.06%	0.58%	2.48%
a	0.11%	0.76%	3.03%

Rating	0.5%	1.0%	1.5%
a-	0.18%	0.95%	3.58%
bbb+	0.21%	1.13%	4.13%
bbb	0.23%	1.25%	4.58%
bbb-	0.27%	1.51%	5.76%
bb+	0.67%	3.18%	10.18%
bb	1.09%	4.75%	15.16%
bb-	2.09%	7.37%	21.77%
b+	2.47%	8.84%	25.70%
b	2.88%	12.42%	35.87%
b-	3.97%	13.40%	38.21%
ccc+	5.53%	16.28%	43.71%
ccc	6.41%	18.29%	47.90%
ccc-	7.55%	21.09%	54.18%
cc	8.83%	24.44%	60.89%
c	10.10%	27.78%	67.60%

* Best's Idealized Default Matrix published December 2007

1. Asset-Backed Securities Default. A.M. Best designates an asset-backed security as being in default if the issuer of the security failed to timely pay principal or interest due according to the terms of the security.

2. Construction of Default Rates of Asset-Backed Securities. This table was not constructed by directly observing the default rates of asset-backed securities. The default rates of the ratings in this category are equivalent to the default rates in Best's Idealized Default Matrix published in December 2007. This matrix reflects A.M. Best's long-term view of defaults of asset-backed securities and structured finance transactions. This view was formed by considering the defaults associated with operating insurance companies rated by A.M. Best, the notching process employed to derive the ratings associated with holding company debt obligations, and the need to make distinctions between rating categories.

3. Ratings a Measure of Relative Credit Risk. A.M. Best's credit ratings generally are intended to indicate the relative degree of credit risk of an obligor or debt instrument rather than reflect a measure of specific default probability.

4. Data Changes Periodically. The data in the table will change if A.M. Best modifies Best's Idealized Default Matrix. This matrix was published in December 2007 but may be revised based on more recent insurance company default data.

13. Information on the Sensitivity of the Credit Rating to Assumptions as required by Paragraph (a)(1)(ii)(M) of Rule 17g-7

(1) Topic	(1) Key Assumption/Detail	(2) Potential Impact on the Rating
Data Accuracy and Reliability	While public information is considered as part of the rating process, AMB relies primarily on audited financial statements, third party actuarial reports, documents and assertions provided by management. The assumption is that the financial information provided is reliable and credible, although AMB does not undertake to verify the accuracy of this information.	A material misstatement of financial performance or capital position, whether through negligence or fraud, could negatively affect a company's rating. For example, inflated asset valuations or a faulty actuarial opinion of reserve adequacy could result in an incorrect assessment of the financial strength of a company.

Risk Category	Key Assumptions	Potential Impact
Interest rates	Assumption is for normalized yield curve with no +/- changes of 300 basis points in a 12 month period.	Deviation could result in rating changes especially for companies with large interest sensitive blocks of business. Spike in interest rates may cause significant disintermediation and large unrealized losses on fixed income portfolio. However, surpluses charges on liabilities and intent to hold assets to maturity are mitigating factors. Prolonged low interest rates impact spreads and hedging costs and potentially impact credit ratings.
Catastrophe Model Risk	Key assumption used in determining this rating takes into consideration information provided by third party catastrophe modelers. Best does not validate these models but assumes a degree of confidence in these models which Best uses as a benchmark to measure a company's exposure to modeled catastrophe risk. Best also uses this modeled output as a discussion point around enterprise risk management and risk mitigation. While this output can have a high degree of variability, Best believes these models are very useful tools which provides its users with the expertise, research and technical knowledge otherwise unavailable to them. Company specific data quality, data resolution and historical model reliability are also elements which lend itself to confidence in the modeled loss provided.	Catastrophe models are risk management tools that can vary widely due to the actual event (versus model event set) and model sensitivities including geocoding / data resolution, data quality (construction / ITV), reliability (missing information) and coverage. Therefore, if assumptions used in the model prove to be significantly different from actual performance, a company's capital position can be potentially exposed to a material negative impact due to a lack of reinsurance protection. Rating pressure may occur as a result.
Regulatory Risk	A key assumption used in determining this rating takes into account this company's significant concentration risk and exposure to changes in judicial, regulatory and legislative decisions. This assessment assumes no material changes in these areas but is considered as part of this company's qualitative review and business profile.	Due to the company's significant concentration risk, it's exposure to changes in judicial, regulatory and legislative decisions could adversely impact the ongoing operational and underwriting strategies of the company. This could result in a potential impact on the credit ratings prospectively and is considered as part of this company's qualitative review and business profile.

14. Information on the Representations, Warranties, and Enforcement Mechanisms as required by Paragraph (a)(1)(ii)(N) of Rule 17g-7

The representations, warranties, and enforcement mechanisms available to investors which were disclosed in the prospectus, private placement memorandum, or other offering documents for the asset-backed security and that relate to an asset pool underlying the asset-backed security. This disclosure only applies to rating actions associated with asset-backed securities as defined by section 3(a)(79) of the Securities Exchange Act of 1934, as amended. Furthermore, the disclosure applies to asset-backed securities that were initially rated on or after September 26, 2011.

15. Attestation as required by Paragraph (a)(1)(iii) of Rule 17g-7

Attestation

Attached is a signed statement by a person within A.M. Best that has responsibility for the rating action and, to the best knowledge of the person: (A) No part of the credit rating was influenced by any other business activities; (B) The credit rating was based solely upon the merits of the obligor, security, or money market instrument being rated; and (C) The credit rating was an independent evaluation of the credit risk of the obligor, security, or money market instrument.

As the person responsible for this rating action, which was determined through the rating committee process, to the best of my knowledge:

- No part of the rating was influenced by any other business activities;
- The Credit Rating was based solely upon the merits of the obligor or security being rated and
- The Credit Rating was an independent evaluation of the risks and merits of the obligor or security being rated.

Note: Best's Credit Ratings are a product/service of A.M. Best Inc. and not of any particular individual group or committee within A.M. Best.

Name, Title: /s/ Moungmo Lee, MD

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address any other risk, including but not limited to, liquidity risk, market value risk or price volatility of rated securities. NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY, TIMELINESS, COMPLETENESS, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF ANY SUCH RATING OR OTHER OPINION OR INFORMATION IS GIVEN OR MADE BY AMB IN ANY FORM OR MANNER WHATSOEVER. Each credit rating or other opinion must be weighed solely as one factor in any investment or purchasing decision made by or on behalf of any user of the information contained herein, and each such user must accordingly make its own study and evaluation of each security or other financial obligation and of each issuer and guarantor of, and each provider of credit support for, each security or other financial obligation that it may consider purchasing, holding or selling.

GOVERNMENT OF GUAM
DEPARTMENT OF REVENUE AND TAXATION
OFFICE OF THE INSURANCE COMMISSIONER
CERTIFICATE OF AUTHORITY

RENEWAL 218

Know All Men By These Presents That:

Name DONGBU INSURANCE COMPANY, LTD.

Address 891-10, DAECHEI-DONG,
SEOUL, KOREA

KANGNAM-GU

Classes of Insurance Authorized

ACCIDENT & HEALTH
FIDELITY & SURETY
FIRE
MARINE

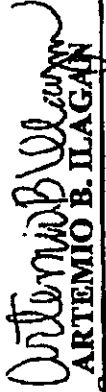
MISCELLANEOUS
MOTOR VEHICLE
PROP. DAMAGE & LIABILITY
WORKMENS COMP

Having complied with the Insurance Law of Guam, is hereby authorized to transact as an insurer, the above named Classes of Insurance in Guam from the 01 day of July, 20 16, to the 01 day of July, 20 17, unless authority is revoked for failure to comply with the law.

General Agent(s):

WOYLAN'S INSURANCE UNDERWRITERS INC

In Witness Whereof, I have hereunto subscribed my name officially and have hereon impressed my Seal of Office at the City of Hagatña, Guam on this 03 day of June A.D. 20 16.


ARTEMIO B. ILAGAN
Insurance Commissioner

1. The Symbol, Number, or Score in the Rating Scale used to Denote the Credit Rating Categories and Notches as required by Paragraph (a)(1)(ii)(A) of Rule 17g-7

Sampo Japan Nipponkoa Ins Inc

A.M. Best #: 085258 NAIC #: N/A FEIN #: AA-1580110

Global Corporate Rating	
Rating:	A+ (Superior)
Financial Size Category:	XV (\$2 Billion or Greater)
Outlook:	Stable
Action:	Affirmed
Effective Date:	July 21, 2016
Initial Rating Date:	June 30, 1990

Long-Term Issuer Credit Rating	
Long-Term:	aa-
Outlook:	Stable
Action:	Affirmed
Effective Date:	July 21, 2016
Initial Rating Date:	December 28, 2005

(i) Denotes Indicative Rating
 u Denotes Under Review Rating

Best's Credit Rating Analyst	
Rating Issued by:	A.M. Best Asia-Pacific Ltd.
Associate Financial Analyst :	Sergio Agena
Associate Director-Analytcs :	Seewon Oh

2. The Version of the Procedure or Methodology used to Determine the Credit Rating as required by Paragraph (a)(1)(ii)(B) of Rule 17g-7

Rating Methodology and Criteria Report	Version
The following Methodologies and Criteria Procedures were used at the time of and the basis for the proposed rating	
Analyzing Insurance Holding Company Liquidity	03/25/2013
Introduction Section to Best's Credit Rating Methodology - Global Life and Non-Life Insurance Policy	06/15/2015
Catastrophe Analysis in A.M. Best Ratings	11/03/2011
Equity Credit for Hybrid Securities	04/02/2014
Insurance Holding Company and Debt Ratings	05/06/2014
Rating Members of Insurance Groups	12/15/2014
Risk Management and the Rating Process for Insurance Companies	04/02/2013
Understanding Universal BCAR	04/28/2016

3. The Main Assumptions and Principles used to Construct the Procedures and Methodology used to Determine the Credit Rating as required by Paragraph (a)(1)(ii)(C) of Rule 17g-7

Assumptions and Macroeconomic Factors

Based on historical experience and A.M. Best's transition studies, ratings typically move no more than one to two notches when rating action occurs. However, market influences, including macroeconomic conditions, interest rate movements, inflationary levels, volatility of capital markets, pricing levels and regulatory changes, could result in larger scale movement in the ratings.

Economics

A.M. Best factors the economic and financial system conditions of a country into all of its ratings. A.M. Best defines country risk as the risk that country-specific factors could adversely affect an insurer's ability to meet its financial obligations, and separates the risks into three main categories: economic risk, political risk and financial system risk.

Economic risk is the likelihood that fundamental weaknesses in a country's economy will cause adverse developments for an insurer. A.M. Best's assessment of economic risk evaluates the state of the domestic economy, labor market conditions, inflation levels and volatility, as well as prospects for growth and stability. The level of economic risk in a country is determined to be: (1) very low; (2) low; (3) moderate; (4) high or (5) very high.

Political risk is the likelihood that governmental or bureaucratic inefficiencies, societal tensions, an inadequate legal system or international tensions will cause adverse developments for an insurer. Political risk comprises the stability of a government and society; the effectiveness of international diplomatic relationships; the reliability and integrity of the legal system and business infrastructure; the efficiency of the government bureaucracy; and the appropriateness and effectiveness of the government's economic policies. The level of political risk in a country is determined to be: (1) very low; (2) low; (3) moderate; (4) high or (5) very high.

The scores for each category of risk then are aggregated and the country is assigned to one of five Country Risk Tiers with the following broad definitions.

- CRT-1: Predictable and transparent political environment, legal system and business infrastructure; sophisticated financial system regulation with deep capital markets; mature insurance industry framework.
- CRT-2: Predictable and transparent political environment, legal system and business infrastructure; sufficient financial system regulation; mature insurance industry framework.
- CRT-3: Developing political environment, legal system and business infrastructure with developing capital markets; developing insurance regulatory structure.

• CRT-4: Relatively unpredictable and nontransparent political, legal and business environment with underdeveloped capital markets; partially to fully inadequate regulatory structure.

• CRT-5: Unpredictable and opaque political, legal and business environment with limited or nonexistent capital markets; low human development and social instability; nascent insurance industry.

In general, as country risk increases (measured by a higher assigned tier), the distribution of ratings migrates down the rating scale as the level of risk approaches CRT-5. While potential volatility already is contemplated in each Country Risk Tier, unanticipated negative changes to the economic, political and/or financial system conditions could lead to downward pressure on ratings in that country.

Correlation of Defaults = Not Applicable

4. The Potential Limitations of the Credit Rating as required by Paragraph (a)(1)(ii)(D) of Rule 17g-7

Please refer to Understanding Best's Credit Ratings for the following:

- II(a). Usage of Ratings and Limitations
- VIII. Best's Rating Scales: Categories and Symbols

5. Information on the Uncertainty of the Credit Rating as required by Paragraph (a)(1)(ii)(E) of Rule 17g-7

Please refer to Understanding Best's Credit Ratings for the following:

- II(b)(i). Quality of Information

6. Use of Third Party Due Diligence in Taking the Credit Rating Action as required by Paragraph (a)(1)(ii)(F) of Rule 17g-7

A.M. Best Company did not use due diligence services of a third party in taking the rating action. This disclosure only applies to rating actions associated with asset-backed securities as defined by section 3(a)(79) of the Securities Exchange Act of 1934, as amended.

7. How Servicer or Remittance Reports were used, and with what Frequency, to Conduct Surveillance of the Credit Rating as required by Paragraph (a)(1)(ii)(G) of Rule 17g-7

How Servicer / Remittance reports were used:

Not Applicable

Frequency of surveillance:

Not Applicable

8. A Description of the Types of Data about the Obligor, Issuer, Security, or Money Market Instrument that were Relied Upon for the Purpose of Determining the Credit Rating as required by Paragraph (a)(1)(ii)(H)(i) of Rule 17g-7

Please refer to Understanding Best's Credit Ratings for the following:

- II(b). Compile Information
- II(b). Material Sources of Information

9. An Overall Assessment of the Quality of Information Available and Considered in Determining the Credit Rating as required by Paragraph (a)(1)(ii)(I) of Rule 17g-7

Please refer to Understanding Best's Credit Ratings for the following:

- II(b). Material Sources of Information
- II(b). Quality of Information

10. Information Relating to Conflicts of Interest as required by Paragraph (a)(1)(ii)(J) of Rule 17g-7

1) A.M. Best Company has been paid to determine the credit rating by the obligor being rated or the issuer, depositor, or sponsor of the security or money market instrument being rated.

Rating Opinion Characteristics	
Solicited	Participating

2) A.M. Best Company was also paid for services by the company other than determining credit ratings during the most recently ended fiscal year.

Please refer to Understanding Best's Credit Ratings for the following:

- II(d). Not an Investment Advisor or Consultant

11. An Explanation or Measure of the Potential Volatility of the Credit Rating as required by Paragraph (a)(1)(ii)(K) of Rule 17g-7

Factors - Change Rating:

Negative rating actions could occur if there is a material deterioration in risk-adjusted capitalization due to a significant decline in operating performance. Potential rating impact: Minor.

Potential large-scale catastrophe events or an excessive amount of goodwill from a large-scale acquisition could also put downward pressure on the ratings if capital levels are significantly affected. Potential rating impact: Minor.

NOTE: Only a rating committee can make a rating decision and the above referenced factors would be taken into consideration, along with all available relevant information in determining a rating action. However, the magnitude of a potential

change in the rating that could reasonably occur as a result of the impact of the factors listed above are characterized by the following summary chart:

Rating Change	Number of Ratings Affected
Minor	0 - 1
Moderate	2 - 3
Severe	> 3

12. The Information on the Content of the Information of the Credit Rating as required by Paragraph (a)(1)(ii)(L) of Rule 17g-7

(1) Rating History and Performance

- Financial Strength / Issuer Credit Rating History

(2) Expected Probability of Default and Expected Loss

The Commission states that it does not expect NRSROs to alter the meanings of their credit ratings or rating procedures and methodologies to conform to this disclosure requirement. Rather, the Commission expects NRSROs to provide "information" to the extent it is consistent with their procedures and methodologies for determining credit ratings, on the expected probability of default and expected loss in the event of default. According to the Commission, this information could consist of, for example, historical default and loss statistics, respectively, for the class or subclass of the credit rating.

A.M. Best's credit ratings generally are intended to indicate the relative degree of credit risk of an obligor or debt instrument rather than reflect a measure of a specific default probability or loss expectation. A.M. Best is providing the historical default statistics or derivatives of such default statistics to comply with Rule 17g-7(a)(ii)(L)(2). A.M. Best does not produce any loss statistics related to any classes of credit ratings so it has no information about expected loss given default. Furthermore, expected losses given default is not consistent with A.M. Best's procedures and methodologies for determining credit ratings.

INSURANCE COMPANY DEFAULT RATES (FSR)

* Default Rates Based On Average Cohort Method

FSR	15-Year	35-Year	10-Year
A++			0.03%
A+	0.05%	0.19%	0.54%
A	0.04%	0.32%	2.35%
A-	0.10%	0.73%	3.73%
B++	0.38%	1.67%	5.49%
B+	0.80%	2.43%	7.60%
B	1.70%	4.64%	11.05%
B-	3.57%	7.42%	14.94%
C++	3.99%	7.59%	14.99%
C+	3.58%	7.27%	15.43%
C	3.15%	8.72%	18.67%
C-	12.60%	16.26%	18.89%
D	17.82%	25.00%	33.96%

* Ratings Data from 1992 to 2015

1. Impairments as a Proxy for Defaults. A.M. Best designates an insurer as a Financially Impaired Company (FIC) as of the first public action taken by an insurance department or regulatory body, whereby the insurer's a) ability to conduct normal insurance operations is adversely affected, b) capital and surplus have been deemed inadequate to meet regulatory requirements, or c) general financial condition has triggered regulatory concern. The actions include supervision, rehabilitation, liquidation, receivership, conservatorship, cease-and-desist orders, suspension, license revocation and certain administrative orders. Companies that enter voluntary dissolution and are not under financial duress at that time are not counted as financially impaired. For the purposes of the performance statistics, A.M. Best considers impairments and defaults to be synonymous.

2. Construction of Default Rates of Insurance Carriers (FSR). This table was constructed by directly observing the default rates of insurance operating companies rated on the traditional Financial Strength Rating (FSR) scale.

3. Rating a Measure of Relative Credit Risk. A.M. Best's credit ratings generally are intended to indicate the relative degree of credit risk of an obligor or debt instrument rather than reflect a measure of specific default probability.

4. Data Consistent With Submission to the Securities and Exchange Commission. The data used to calculate default rates in this table is consistent with the data used to calculate the 1-year, 3-year and 10-year default rates for insurers as required by the Securities and Exchange Commission (the Commission) in Exhibit 1 of Form NRSRO. Unlike the single cohort method of analysis used in the submission to the Commission, however, the calculations in this table reflect the use of the average cohort approach in order to capture the effect of the various economic cycles experienced by insurance carriers since 1992 when the current 13-point FSR scale (A++ to D) was adopted by A.M. Best.

5. Data Does Not Necessarily Reflect Default Expectations. The data in this table does not necessarily reflect our default rate expectations. For example, the fact that we show no default rate for the 1-year "A++" category does not mean that we expect no defaults for this rating. It only means that we have not yet observed any historical defaults over a 1-year period for companies rated "A++".

6. Data Changes Periodically. The data in the table will change if A.M. Best: 1) adds more ratings cohorts over time in order to calculate default rates, 2) changes its criteria for recognizing insurance company defaults, and 3) changes the default count for other reasons such as confidential supervision of insurance carriers discovered by A.M. Best. In most cases, A.M. Best will revise the default rates annually by March 31.

INSURANCE COMPANY DEFAULT RATES (ICR)

* Default Rates Based On FSR to ICR Translation

ICR	1-Year	3-Year	10-Year
aaa			0.03%
aa+			0.03%
aa	0.05%	0.19%	0.64%
aa-	0.05%	0.19%	0.64%
a+	0.04%	0.32%	2.35%
a	0.04%	0.32%	2.35%
a-	0.10%	0.73%	3.73%
bbb+	0.38%	1.67%	5.49%
bbb	0.38%	1.67%	5.49%
bbb-	0.80%	2.43%	7.60%
bb+	1.70%	4.64%	11.05%
bb	1.70%	4.64%	11.05%
bb-	3.57%	7.21%	14.94%
b+	3.99%	7.59%	14.99%
b	3.99%	7.59%	14.99%
b-	3.58%	7.27%	15.43%

ICR	1-Year	3-Year	10-Year
ccc+	3.15%	8.72%	18.67%
ccc	3.15%	8.72%	18.67%
ccc-	12.60%	16.26%	18.89%
cc	12.60%	16.26%	18.89%
c	17.62%	25.00%	33.96%

* See ICR/FSR Translation Table

1. Impairments as a Proxy for Defaults. A.M. Best designates an insurer as a Financially Impaired Company (FIC) as of the first public action taken by an insurance department or regulatory body, whereby the insurer's a) ability to conduct normal insurance operations is adversely affected, b) capital and surplus have been deemed inadequate to meet regulatory requirements, or c) general financial condition has triggered regulatory concern. The actions include supervision, rehabilitation, liquidation, receivership, conservatorship, cease-and-desist orders, suspension, license revocation and certain administrative orders. Companies that enter voluntary dissolution and are not under financial duress at that time are not counted as financially impaired. For the purposes of the performance statistics, A.M. Best considers impairments and defaults to be synonymous.

2. Construction of Default Rates of Insurance Carriers(ICR). This table was not constructed by directly observing the default rates of insurance operating companies rated on the 21-point Issuer Credit Rating(ICR) scale because default data associated with ICRs is sparse. It was constructed by converting each operating company Financial Strength Rating (FSR) to an equivalent ICR based on an FSR/ICR translation table.

3. Rating a Measure of Relative Credit Risk. A.M. Best's credit ratings generally are intended to indicate the relative degree of credit risk of an obligor or debt instrument rather than reflect a measure of specific default probability.

4. Data Does Not Necessarily Reflect Default Expectations. The data in this table does not necessarily reflect our default rate expectations. For example, the fact that we show no default rate for the 1-year "aaa" category does not mean that we expect no defaults for this rating. It only means that we have not yet observed any historical defaults over a 1-year period for companies with an equivalent "aaa" rating.

5. Data Changes Periodically. The data in the table will change if A.M. Best: 1) adds more ratings cohorts over time in order to calculate default rates, 2) changes its criteria for recognizing insurance company defaults, and 3) changes the default count for other reasons such as confidential supervision of insurance carriers discovered by A.M. Best. In most cases, A.M. Best will revise the default rates annually by March 31.

CORPORATES DEFAULT RATES

* Default Rates Based On Notching Applied To Insurance ICRs

ICR	1-Year	3-Year	10-Year
aaa	0.00%	0.00%	0.03%
aa+	0.00%	0.00%	0.03%
aa	0.00%	0.00%	0.03%
aa-	0.00%	0.00%	0.03%
a+	0.03%	0.10%	0.34%
a	0.05%	0.19%	0.64%
a-	0.05%	0.19%	0.64%
bbb+	0.04%	0.32%	2.35%
bbb	0.04%	0.32%	2.35%
bbb-	0.10%	0.73%	3.73%
bb+	0.38%	1.67%	5.49%
bb	0.38%	1.67%	5.49%

ICRs	1-Year	3-Year	10-Year
bb-	0.80%	2.43%	7.60%
b+	1.25%	3.54%	9.33%
b	1.70%	4.64%	11.05%
b-	1.70%	4.64%	11.05%
ccc+	3.57%	7.21%	14.94%
ccc	3.78%	7.40%	14.97%
ccc-	3.99%	7.59%	14.99%
cc	3.99%	7.59%	14.99%
c	3.58%	7.27%	15.43%

1. Impairments as a Proxy for Defaults. A.M. Best designates an insurer as a Financially Impaired Company (FIC) as of the first action taken by an insurance department or regulatory body, whereby the insurer's a) ability to conduct normal insurance operations is adversely affected, b) capital and surplus have been deemed inadequate to meet regulatory requirements, or c) general financial condition has triggered regulatory concern. The actions include supervision, rehabilitation, liquidation, receivership, conservatorship, cease-and-desist orders, suspension, license revocation and certain administrative orders. Companies that enter voluntary dissolution and are not under financial duress at that time are not counted as financially impaired. For the purposes of the performance statistics, A.M. Best considers impairments and defaults to be synonymous.

2. Construction of Default Rates of Corporates. This table was not constructed by directly observing the default rates of corporate ratings on the 21-point Issuer Credit Rating (ICR) scale because default data associated with corporate ICRs is sparse. Rather, this table was constructed by a) converting each default rate associated with each Financial Strength Rating (FSR) to its equivalent operating company ICR based on the FSR/ICR translation table, and then, b) converting the operating company ICR to an equivalent corporate rating based on a notching algorithm set forth in the criteria, Insurance Holding Company and Debt Ratings, to reflect the legal separation of insurance holding companies from operating insurers as well as the normal subordination of insurance holding company creditors to operating company policyholders.

3. Ratings a Measure of Relative Credit Risk. A.M. Best's credit ratings generally are intended to indicate the relative degree of credit risk of an obligor or debt instrument rather than reflect a measure of specific default probability.

4. Data Does Not Necessarily Reflect Default Expectations. The data in this table does not necessarily reflect our default rate expectations. For example, the fact that we show no default rate for the 1-year "aaa" category does not mean that we expect no defaults for this rating. It only means that we have not yet observed any historical defaults over a 1-year period for corporate obligations with an equivalent "aaa" rating.

5. Data Changes Periodically. The data in the table will change if A.M. Best: 1) adds more ratings cohorts over time in order to calculate default rates, 2) changes its criteria for recognizing insurance company defaults, and 3) changes the default count for other reasons such as confidential supervision of insurance carriers discovered by A.M. Best. In most cases, A.M. Best will revise the default rates annually by March 31.

ASSET-BACKED SECURITIES DEFAULT RATES (All Subclasses)

* Default Rates From Best's Idealized Default Matrix

ICRs	1-Year	3-Year	10-Year
aaa	0.03%	0.14%	0.94%
aa+	0.03%	0.20%	1.36%
aa	0.04%	0.26%	1.79%
aa-	0.05%	0.42%	2.13%
a+	0.06%	0.58%	2.48%
a	0.11%	0.76%	3.03%

Rating	10 Year	20 Year	30 Year
a-	0.18%	0.95%	3.58%
bbb+	0.21%	1.13%	4.13%
bbb	0.23%	1.25%	4.58%
bbb-	0.27%	1.51%	5.76%
bb+	0.67%	3.16%	10.18%
bb	1.09%	4.75%	15.16%
bb-	2.09%	7.37%	21.77%
b+	2.47%	8.84%	25.70%
b	2.88%	12.42%	35.97%
b-	3.97%	13.40%	38.21%
ccc+	5.53%	16.26%	43.71%
ccc	6.41%	18.29%	47.90%
ccc-	7.55%	21.09%	54.18%
cc	8.83%	24.44%	60.89%
c	10.10%	27.79%	67.60%

* Best's Idealized Default Matrix published December 2007

1. Asset-Backed Securities Default. A.M. Best designates an asset-backed security as being in default if the issuer of the security failed to timely pay principal or interest due according to the terms of the security.

2. Construction of Default Rates of Asset-Backed Securities. This table was not constructed by directly observing the default rates of asset-backed securities. The default rates of the ratings in this category are equivalent to the default rates in Best's Idealized Default Matrix published in December 2007. This matrix reflects A.M. Best's long-term view of defaults of asset-backed securities and structured finance transactions. This view was formed by considering the defaults associated with operating insurance companies rated by A.M. Best, the notching process employed to derive the ratings associated with holding company debt obligations, and the need to make distinctions between rating categories.

3. Ratings a Measure of Relative Credit Risk. A.M. Best's credit ratings generally are intended to indicate the relative degree of credit risk of and obligor or debt instrument rather than reflect a measure of specific default probability.

4. Data Changes Periodically. The data in the table will change if A.M. Best modifies Best's Idealized Default Matrix. This matrix was published in December 2007 but may be revised based on more recent insurance company default data.

13. Information on the Sensitivity of the Credit Rating to Assumptions as required by Paragraph (a)(1)(ii)(M) of Rule 17g-7

Category	(1) Key Assumption Description	(2) Potential Impact on the Rating
Data Accuracy and Reliability	While public information is considered as part of the rating process, AMB relies primarily on audited financial statements, third party actuarial reports, documents and assertions provided by management. The assumption is that the financial information provided is reliable and credible, although AMB does not undertake to verify the accuracy of this information.	A material misstatement of financial performance or capital position, whether through negligence or fraud, could negatively affect a company's rating. For example, inflated asset valuations or a faulty actuarial opinion of reserve adequacy could result in an incorrect assessment of the financial strength of a company.
Equity markets	Assumes reversion to mean historical returns.	Significant declines in global equity markets of > 30% would result in greater net amount at risk

Topic	(1) Key Assumption Detail	(2) Potential Impact on the Rating
		and need to set up additional reserves for equity linked products. Also results in lower product fees and risk adjusted capitalization which could negatively impact the rating.
Catastrophe Model Risk	Key assumption used in determining this rating takes into consideration information provided by third party catastrophe modelers. Best does not validate these models but assumes a degree of confidence in these models which Best uses as a benchmark to measure a company's exposure to modeled catastrophe risk. Best also uses this modeled output as a discussion point around enterprise risk management and risk mitigation. While this output can have a high degree of variability, Best believes these models are very useful tools which provides its users with the expertise, research and technical knowledge otherwise unavailable to them. Company specific data quality, data resolution and historical model reliability are also elements which lend itself to confidence in the modeled loss provided.	Catastrophe models are risk management tools that can vary widely due to the actual event (versus model event set) and model sensitivities including geocoding / data resolution, data quality (construction / ITV), reliability (missing information) and coverage. Therefore, if assumptions used in the model prove to be significantly different from actual performance, a company's capital position can be potentially exposed to a material negative impact due to a lack of reinsurance protection. Rating pressure may occur as a result.
Holding Company / Affiliates	Assumes no sudden change in holding company leverage, coverage and/or liquidity. Additional assumptions include no change in credit facilities to obtain letters of credit from a commercial bank, through the placement of assets in trust. If rating includes a level of rating enhancement based on a degree of implicit and explicit support provided by the parent company and/or affiliate, the assumption is that the level of support will remain prospectively.	Any sudden change in holding company leverage, coverage, and or liquidity could result in a rating change for both the holding company and its operating insurance subsidiaries. Any alteration in a parent (holding) company's ability to provide implicit and/or explicit parental support could alter Best's view of rating enhancement which could suddenly cause a rating downgrade. In addition, changes in enhancement provided to group-rated members, may have an impact on the rating(s). Best evaluates impact on capital via forecasted BCAR including planned dividends to Parent and by evaluating BCAR for the entire Enterprise based on tangible equity. The starting point for every rating is the stand-alone evaluation of the legal entity's balance sheet strength, operating performance and business profile.

14. Information on the Representations, Warranties, and Enforcement Mechanisms as required by Paragraph (a)(1)(ii)(N) of Rule 17g-7

The representations, warranties, and enforcement mechanisms available to investors which were disclosed in the prospectus, private placement memorandum, or other offering documents for the asset-backed security and that relate to an asset pool underlying the asset-backed security. This disclosure only applies to rating actions associated with asset-backed securities as defined by section 3(a)(79) of the Securities Exchange Act of 1934, as amended. Furthermore, the disclosure applies to asset-backed securities that were initially rated on or after September 28, 2011.

15. Attestation as required by Paragraph (a)(1)(iii) of Rule 17g-7**Attestation**

Attached is a signed statement by a person within A.M. Best that has responsibility for the rating action and, to the best knowledge of the person: (A) No part of the credit rating was influenced by any other business activities; (B) The credit rating was based solely upon the merits of the obligor, security, or money market instrument being rated; and (C) The credit rating was an independent evaluation of the credit risk of the obligor, security, or money market instrument.

As the person responsible for this rating action, which was determined through the rating committee process, to the best of my knowledge:

- No part of the rating was influenced by any other business activities;
- The Credit Rating was based solely upon the merits of the obligor or security being rated and
- The Credit Rating was an independent evaluation of the risks and merits of the obligor or security being rated.

Note: Best's Credit Ratings are a product/service of A.M. Best Inc. and not of any particular individual group or committee within A.M. Best.

Name, Title: /s/ Moungmo Lee, MD

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address any other risk, including but not limited to, liquidity risk, market value risk or price volatility of rated securities. NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY, TIMELINESS, COMPLETENESS, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF ANY SUCH RATING OR OTHER OPINION OR INFORMATION IS GIVEN OR MADE BY AMB IN ANY FORM OR MANNER WHATSOEVER. Each credit rating or other opinion must be weighed solely as one factor in any investment or purchasing decision made by or on behalf of any user of the information contained herein, and each such user must accordingly make its own study and evaluation of each security or other financial obligation and of each issuer and guarantor of, and each provider of credit support for, each security or other financial obligation that it may consider purchasing, holding or selling.

GOVERNMENT OF GUAM
DEPARTMENT OF REVENUE AND TAXATION
OFFICE OF THE INSURANCE COMMISSIONER

CERTIFICATE OF AUTHORITY

RENEWAL 423

Know All Men By These Presents That:

Name SOMPO JAPAN NIPPONKOA INSURANCE INC.

Address 26-1, NISEI-SHINJUKU - 1-CHOME SHINJUKU-KU
TOKYO 160-8338 JAPAN

Classes of Insurance
Authorized

ACCIDENT & HEALTH
FIDELITY & SURETY
FIRE
MARINE


MISCELLANEOUS
MOTOR VEHICLE
PROP. DAMAGE & LIABILITY
WORKMENS COMP
REINSURANCE P & C

Having complied with the Insurance Law of Guam, is hereby authorized to transact as an insurer, the above named Classes of Insurance in Guam from the 01 day of July , 20 17 , to the 01 day of July , 20 16 , unless authority is revoked for failure to comply with the law.

General Agent(s):

GUAMAN INSURANCE SERVICES, INC.

In Witness Whereof, I have hereunto subscribed my name officially and have hereon impressed my Seal of Office at the City of Hagatña, Guam on this 31 day of May A.D. 20 16.


ARTEMIO B. ILAGAN

Insurance Commissioner

GOVERNMENT OF GUAM
DEPARTMENT OF REVENUE AND TAXATION
OFFICE OF THE INSURANCE COMMISSIONER
INSURANCE LICENSE

RENEWAL GA383

Know All Men By These Presents That:

Name GUAHAN INSURANCE SERVICES, INC.

Address 304 WEST O'BRIEN DRIVE
HAGATNA GU 96910

Classes of Insurance Authorized

ACCIDENT & HEALTH
FIDELITY & SURETY
FIRE
MARINE

MISCELLANEOUS
MOTOR VEHICLE
PROP. DAMAGE & LIABILITY
WORKMENS COMP

Having complied with the Insurance Law of Guam, is hereby authorized to transact as General Agent, to the 01 day of July, 20 16, to the 01 day of July, 20 17, unless authority is revoked for failure to comply with the law.

Designated Representatives:
JUNG W SUK

Appointed By:

SONO JAPAN KIPPOKOA INSURANCE INC.

[SEAL]

Artemio B. Ilagan
ARTEMIO B. ILAGAN
Insurance Commissioner



A M Insurance

Corporate Resume

Office Address: J&G Commercial Business Center, Suite 113F
215A Chalan Santo Papa Street
P.O. Box 2797, Hagatna, Guam 96932
Phone: (671)477-2632/2642/2653/2656
Fax: (671)477-2602

Website Address: www.amibrokers.com

Key Personnel: Annmarie T. Muna - amuna@amibrokers.com
Cell No. (671) 687-6001
Tricia R. Granillo - tgranillo@amibrokers.com
Cell No. (671) 687-3575

Markets:

- Ropner Ins. Services (Lloyds of London & London Companies)
- Calvo's Insurance - Chartis
- Aon Insurance Micronesia - Century Insurance
- Great National Ins. Und., Inc. - Chung Kuo Ins. Co.
- Takagi & Associates, Inc. - AIOI Ins. Co., Ltd.
- Cassidy's Insurance - Pacific Indemnity
- Moylan's Insurance - Dongbu Ins. Co., Ltd. & First Net Ins. Co.
- Nanbo Insurance -Tokio Marine Pacific Ins. Ltd.
- Norick Risk Funding Concepts
- Servco Insurance
- Swett & Crawford
- TT Club

Licensed As:

- Insurance Broker
- Surplus Lines Insurance Broker

Directors & Officers:

- Annmarie T. Muna, President/General Mgr.
- Ikushi Harada, Vice President
- Ana Muna, Secretary
- Linette Muna Perez, Treasurer
- Donna Muna Quinata, Director

Average Number of Employees: 12

Date Established: 1994

Date Incorporated: 1996

Government Accounts Experience

GOVERNMENT AGENCY	LINES OF INSURANCE	PERIOD OF INSURANCE
COMMONWEALTH PORTS AUTH. POB 1055, Salpan, MP 96950 Contact: Ed De Leon Guerrero Tel: (670) 237-6507	Marine & Aviation Property, Marine & Aviation Liability, Auto, Crime, D&O	2008-Present 2003-2008
PORT AUTHORITY OF GUAM 1026 Cabras Hwy, Piti, GU 96925 Contact: Joann Conway Tel: (671)477-5931	Property, Liability, Marine Equipment, Auto & Excess Auto, D&O and Crime	2005-Present 2000-2005 1997-2000 1994-1997 1989-1994 1984-1989 1979-1984
PORT AUTHORITY OF GUAM	Workers Compensation	1996
GUAM INT'L AIRPORT AUTH. P.O. Box 8770, Tamuning, GU 96931 Contact: Jean M. Arriola Tel: 646-0300	Property, Aviation Liability, Auto, D&O, WC, Crime, Employment Practices Liability	2009-Present 2004-2009 1999-2004 1996-1999
UNIVERSITY OF GUAM UOG Station, Mangilao, GU 969 Contact: David O'Brien Tel: (671)735.2900	Property, General Liability, Umbrella, Auto, Crime, Educators Legal Liability (ELL), Limited Prof. Liability, Umbrella, Auto, Crime	2008-Present 2003-2008 1996-1999 1993-1996 1990-1993 1987-1990
GUAM POWER AUTHORITY P.O. Box 2977, Hagatna, GU 96932 Contact: Joaquin Flores Tel: (671)648-3054	Property, Liability, Boiler & Machinery, Auto, Pollution Liab., Trans & Distribution	2003-2008 1998-2003 1995-1998 1982-1988
GUAM POWER AUTHORITY	Property, Liab, Auto Crime,	2008-Present
GUAM WATERWORKS AUTHORITY	Property, Liability, WC, Auto, D&O and Crime	
GUAM HOUSING P.O. Box 3457, Hagatna, GU 96932 Contact: Carol Reyes Tel: 647-4143	Auto Property	2000-Present 2007-2008
GHURA 117 Bien Venida Ave, Sin., GU 96910 Contact: Bernard Lastimoza	Property, Liability Tel: (671)475-1356	2003-2008 1979-1982 2012-Present
GHURA	D&O, Liability	2008-Present
GUAM EDUCATION FINANCING FOUNDATION 3060 Peachtree Rd., Suite 1700 Atlanta, GA 30305 Contact: John Hand	Property, Liability, Fidelity	2007-2012
GUAM VISITORS BUREAU 401 Pale San Vitores Rd, Tum, GU 96913 Contact: Rose Cunliff Tel: (671)646-5927/8	Property, Liability, Auto, Crime	2008-Present

A. Qualifications and experience of all personnel to be assigned to this contract.

Thirty years of industry experience.....

Annmarie Muña, AMI's General Manager, brings to GWA over thirty (30) years of insurance knowledge and experience. She specializes in excess and surplus lines insurance.

Ms. Muña formed AM Insurance in January 1994, in response to a growing need for excess and surplus coverage for large local companies. She is a licensed independent broker and can access numerous international markets for her clients. Her knowledge and expertise of the local insurance industry together with her good standing relationship with international underwriters, has allowed her to build a solid portfolio, which surpasses most others. Her unique qualities and the phenomenal growth have afforded AM Insurance the reputation for being a leading broker on Guam.

She continues to keep herself abreast with the developments and growth of GWA in conjunction with the various programs it currently participates in.

Underwriting Knowledge & Expertise.....

Tricia R. Granillo joined AM Insurance in 1997. She started her insurance experience in the Underwriting Department handling all personal and commercial lines insurance. Ms. Granillo headed the Underwriting Department and was responsible for all its underwriting functions.

Over the years with the company she gained valuable insight in marketing and sales by servicing commercial, government and personal accounts. Ms. Granillo now is responsible for the Personal, Commercial & Government Accounts. As the Insurance Services Manager, Granillo handles all government accounts and works closely with the General Manager to provide personalized and professional brokerage services. She has claims handling experience and is trained in both commercial and personal insurance lines.

Ms. Granillo is a licensed insurance broker under A M Insurance. She went through training in London learning in detail how Lloyd's of London brokers and underwriters process accounts and service claims.

Throughout her industry career, Ms. Granillo has taken advantage of numerous professional training enhancement programs, which have added valuable dimension to her knowledge of the insurance field. She has also attended insurance related seminars offered by the Claims Association of Guam and AIU, which emphasize insurance mechanics and loss prevention measures for various Business Interruption and Pollution Claims.

B. Qualifications and experience of all personnel to be assigned to this contract (Continued).

The size and complexity of GWA account requires daily service and coordination which will be handled by the following key persons. Service roles of all key players are well understood and any overlap or duplication of effort is minimal, if it exists at all.

Annmarie T. Muna will be the first point of contact and is in charge of the entire insurance program design, marketing and implementation.

Tricia R. Granillo will handle the day to day servicing, including gathering of underwriting information, processing endorsements and following up on daily insurance related activities.

CLAIMS HANDLING PROCEDURES...

AM Insurance will develop a notification plan and a detailed claims handling procedure for GWA to implement in the event of a loss.

In summary, our loss notification plan requires the following procedure:

1. When loss occurs, call AMI (on call 24 hours).
2. AMI will notify carrier, Insurance/Risk Management Consultant & Legal Counsel, if necessary.
3. AMI will arrange for outside adjusting services when necessary.
4. When required, AMI will arrange for specialty services from aviation legal counsel, appraisers, salvage handlers, forensic accountants, etc. through its network of services.
5. AMI will follow up w/adjusters on status & liaise between all parties.
6. AMI will negotiate claim settlement on insured's behalf.
7. AMI will expedite final settlement of claim.

CLAIMS HANDLING PROCEDURES (Continued)...

CLAIMS MANAGEMENT CAPABILITIES

AMI has an in-house staff with experience in handling all types of claims including those from Government of Guam accounts. Our office will be able provide immediate assistance to GWA if and when a claims for damages arises. AMI staff will be dispatched immediately for preliminary assessment. We will liaise with underwriters and adjusters until claim is settled.

CLAIMS HANDLING PROCEDURES

The following are general claims procedures that are to be implemented in case of a loss.

I. Report of Loss:

1. Loss must be reported to AMI as soon as practicable, either verbally or in writing using a standard claim form. *(Must be within policy requirements.)*
2. Loss must be reported promptly to the proper Local Authorities as required by local Statutes, Regulations and/ or Code of Guam.
3. AMI, in turn, will immediately inform pertinent sub-brokers and underwriters.

II. Investigation of Loss:

1. As soon as loss is known, AMI staff will make the preliminary investigation including, but not limited to taking pictures of the damaged property and obtaining signed statements of witnesses, if any, etc. This report shall be forwarded to the insurer and AMI shall coordinate with the adjuster assigned.
2. The adjuster will then discuss with insured what needs to be done under the circumstances. AMI will provide the claims forms to the insured and will assist whenever necessary.

CLAIMS HANDLING PROCEDURES (Continued)...

III. Protection and Salvage of Damaged Property:

1. Reasonable efforts must be made by the insured to prevent further loss or damage to the property.
2. In the event that a salvage operation is needed to minimize loss, the insured must give full assistance and cooperation to the Adjusters.

IV. Substantiation of Loss:

Loss must be substantiated by documents whenever applicable, such as:

1. Commercial Invoice(s)
2. At least three estimates from a licensed or qualified individual or firm
3. Fully completed and signed Proof of Loss
4. Police Report / Fire Report
5. Financial Report or other forms of Accounting Records i.e. Inventory, etc.
6. Signed statements of Insured's officers, employees and witnesses pertaining to the loss, if and when necessary
7. Blueprints of buildings or properties that suffered loss

V. Insured's Duties in the Event of Claim or Suit:

1. If a claim is made or suit is brought against the Insured, he shall immediately forward the company every demand, notice, summons or other process received by him or his representative.
2. The Insured shall cooperate with the company and, upon request, assist in making settlements, in the conduct of suits and enforcing any right of contribution or indemnity against any person or organization who may be liable to the Insured.
3. The Insured shall attend hearings and trials and assist in securing and giving evidence and obtaining the attendance of witnesses.
4. The Insured shall not, except at his own cost, voluntarily make any payment.

**GUAM
WATERWORKS
AUTHORITY**

**BUSINESSOWNERS INSURANCE
POLICY
SPECIMEN**

**“Terms and Conditions contained therein will be
provided to the Authority without change”**



MOYLAN'S INSURANCE UNDERWRITERS, INC.
Home of the Good Guys and Gals
424 W OBrien Dr Ste 102
Hagatna GU 96910



BUSINESS OWNERS INSURANCE POLICY DECLARATION

Issued by **Dongbu Insurance Company Ltd.**

Policy Number:

Policy Period: From _____ to _____ at 12:01 A.M. Standard Time

Named Insured:

Address:

Policy Territory: **Guam**

Endorsements applicable to this Policy: **Per Declaration Schedule attached**

COVERAGES

Special Note: Insurance is provided with respect only to those coverages for which a premium is indicated

Section I - Buildings and Business Personal Property

Coverage	Limit of Insurance	Premium
Coverage A - Buildings [<input checked="" type="checkbox"/>] Replacement Cost Value [<input type="checkbox"/>] Actual Cash Value basis	Per attached schedule	
Coverage B - Business Personal Property	Per attached schedule	

Premium Section I

Section II - Business Liability

Coverage	Limit of Insurance	Premium
Coverage C - Business Liability The Limit of Insurance with respect to the products and completed operations hazards combined are an aggregate limit for all occurrences during the policy Period.	Bodily Injury each occurrence aggregate	
	Property Damage each occurrence aggregate	
	Combined Single Limit each occurrence aggregate	
Coverage D - Medical Expenses	each Person each accident	

Premium Section II

\$0.00

2% Assessment Fee (Public Law 21-10)

Section III - Workmen's Compensation and Employers Liability

Coverage E - This Policy applies to the Workmen's Compensation Law and any Occupational Disease law of: **Guam**

Classification of Works	Code No.	Premium Basis	Rates	Estimated Annual Premium

Minimum Premium: _____ Total Estimated Annual Premium _____

Coverage F - Employers Liability: Limit of Liability	Premium
--	---------

Premium Section III

\$0.00

Other Coverages

In considering of the additional premium and subject to Endorsement(s) incorporated herein, this Policy is extended to cover the following:

<u>Optional Coverage</u>	<u>Item</u>	<u>Limit of Insurance</u>	<u>Deductible</u>	<u>Premium</u>
--------------------------	-------------	---------------------------	-------------------	----------------

			Premium	\$0.00
			Total Premium	\$
			Plus 2% Assessment Fee of G.L.	

DONGBU INSURANCE COMPANY LTD.

By: _____
Authorized Signature
Moylan's Insurance Underwriters Inc.
Hagatna Branch
General Agent

Policy No.

Name of Insured:

DECLARATION SCHEDULE

Covered Causes of Per Attached Schedule of Covered Property

Limit of Insurance: Per Attached Schedule of Covered Property

Co-Insurance: Per Attached Schedule of Covered Property

Deductible: Per Attached Schedule of Covered Property

Subject to the following clauses/riders or endorsements marked "X" under the policy:

Section I - Building and Business Personal Property

Attached to and forming part of Part Two-Declarations Page

Effective Date of this Page: _____

Wherever a policy provision refers to the Declarations, such reference shall also apply to this Declaration

DONGBU INSURANCE COMPANY LTD.

By: _____

Authorized Signature

Moylan's Insurance Underwriters Inc.

Hagatna Branch

General Agent

CLT /COV /AGT /UND /REG

Named Insured: _____

SCHEDULE OF COVERED PROPERTY

DESCRIPTION	LIMITS
	\$
<u>Including:</u>	

Sublimits	
_____	\$
_____	\$
_____	\$
_____	\$
_____	\$
_____	\$
Self-Insured Retentions	
_____	\$
_____	\$
TOTAL ANNUAL PREMIUM:	\$

Nothing herein contained shall be held to vary, alter, waive or change any of the terms, limits or conditions of the policy, exception as hereinafter set forth.

This endorsement is effective _____

Attached to and forming part of Policy No. _____ of Dongbu Insurance Co., Ltd.

Date Issued: _____

By: _____
Moylan's Insurance Underwriters, Inc.
General Agent

ALL RISKS ENDORSEMENT

Except as hereinafter or hereinbefore excluded, this policy is hereby extended to insure against all risks of direct physical loss of or damage to the property covered from any external cause, and loss of income (if included in the Schedule) directly resulting from necessary interruption of the Insured's operations caused by such direct physical loss or damage.

Property Excluded

This policy does not insure against loss of or damage to:

- a) aircraft, watercraft, vehicles licensed or designed for highway use;
- b) animals, growing plants, standing timber, growing crops, trees, shrubs or lawns;
- c) currency, money, notes, postage, stamps, securities, evidence of debt, letters of credit, railroad or other tickets;
- d) jewelry, watches, pearls, precious and semi-precious stones, gold, silver, platinum, other precious metals or their alloys, bullion, furs and articles trimmed with fur except this exclusion shall not apply to industrial diamonds or precious metals or their alloys used for industrial purposes;
- e) property sold by the insured under conditional sale, trust agreement, installment payment or other deferred payment plans, after delivery to customers;
- f) architect fees, costs of excavations, grading and filling, underground flues, pipes, wiring (but not wiring in conduit), drains, brick or stone or concrete foundations, piers, or other supports below the undersurface of the lowest basement floor, land values;
- g) property eligible for insurance coverage in Nuclear Energy Property Insurance Association or Mutual Atomic Energy Reinsurance Pool;
- h) data processing equipment, and media (meaning all forms of converted data, program or instruction vehicles employed in the Insured's data processing operations).

Perils Excluded

This policy does not insure against loss or damage:

- a) by any fraudulent or dishonest act or omission by any Insured(s) or by any authorized representative thereof, or by any employee thereof, while working or otherwise, and whether acting alone or in concert with others; this exclusion shall not apply to robbery, or to safe burglary committed by an employee of the insured;
- b) by explosion or rupture of steam pipes, steam turbines, steam engines, steam vessels or steam boilers, which are designed to be operated at pressures in excess of fifteen pounds per square inch, if owned by, leased by or operated under the control of the insured;
- c) by mechanical breakdown or malfunction, including rupture or bursting caused by centrifugal force;
- d) for the cost of making good, faulty or defective workmanship or materials, errors in design, or latent defects, but this exclusion does not apply to loss or damage resulting such faulty or defective workmanship or materials, errors in design or latent defects;
- e) caused by or resulting from delay, loss of market, loss of use;
- f) by shrinkage, evaporation, loss of weight, contamination, change in flavor, color, texture or finish, change in temperature or humidity;
- g) by deterioration, wear and tear, rust or corrosion, moth, vermin, termites or other insects or inherent vice;
- h) to property while being actually worked upon and directly resulting therefrom, excepting ensuing loss from a peril not otherwise excluded by this policy;
- i) by unexplained or mysterious disappearance, or shortage disclosed on taking inventory;
- j) to electrical appliances or devices of any kind (including wiring) by artificially generated electrical current; however, this exclusion shall not apply to ensuing loss from a peril not otherwise excluded by this policy;

- k) caused by or resulting from hostile or warlike action in time of peace or war, including action in hindering, combating or defending against an actual, impending or expected attack, by any government or sovereign power (de jure or de facto), or by any authority maintaining or using military, naval or air forces; or by military, naval or air forces; or by an agent of any such government, power, authority, or forces; any weapon of war employing atomic fission or radioactive force whether in time of peace or war; insurrection, rebellion, revolution, civil war, usurped power or action taken by governmental authority in hindering, combating or defending against such an occurrence; seizure or destruction under quarantine or customs regulations; confiscation by or destruction by order of any governmental or public authority; or risks of contraband or illegal trade;
- l) by nuclear reaction or nuclear radiation or radioactive contamination, all whether controlled or uncontrolled, or due to any act or condition incident to any of the foregoing, and whether such loss be direct or indirect, proximate or remote, or be in whole or in part caused by, contributed to, or aggravated by the peril(s) insured against in this policy;
- m) by wet or dry rot; smog; smoke, fumes or vapors from agricultural or industrial operations; settling, cracking, shrinkage or expansion of pavements, foundations, walls, floors, roofs or ceilings; rain, snow, sand or dust whether driven by wind or not, to personal property in the open;
- n) by pilferage, burglary, larceny, theft or attempted theft if the described property had been vacant beyond a period of thirty (30) consecutive days immediately preceding the loss;
- o) to fences, pavements, swimming pools and related equipment, retaining walls, bulkheads, piers, wharves or docks when loss is caused by water pressure, ice or impact of watercraft;
- p) occasioned directly or indirectly by an ordinance or law regulation construction, repair or demolition of buildings or structures, equipment, machinery or any other real or personal property, or by the suspension, lapse, or cancellation of any lease, contract, or order, nor for any claim for recovery due to interference by strikers or other persons with rebuilding, repairing, or replacing property, or with the resumption or continuation of operations;
- q) occasioned directly or indirectly by an ordinance, law, regulation, or order pertaining to the manufacture, packaging, labeling, sale or distribution of goods, wares, merchandise or other products by the insured.

All other terms and conditions of the policy remain unaltered.

This endorsement is effective as of inception of the policy to which it is attached.

Attached to and forming part of Policy No. _____ issued to _____

DONGBU INSURANCE CO., LTD.

Date: _____

By: _____

EXCLUSION OF MOLD, FUNGUS, WET ROT, DRY ROT AND BACTERIA

We will not pay for loss or damage caused directly or indirectly by the presence, growth, proliferation, spread or any activity of mold, fungus, wet rot, dry rot and bacteria. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

We will not pay for loss or damage caused directly or resulting from continuous or repeated seepage or leakage of water, or the presence or condensation of humidity, moisture or vapor, that occurs over a period of 7 days and more.

"Mold" or "fungus" means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or byproducts produced or released by molds or fungi.

DONGBU INSURANCE CO., LTD

Date issued:

By: _____
Moylan's Insurance Underwriters, Inc.
General Agent

Endorsement attached to and forming part of

Policy No. _____

Effective Date: _____

Named Insured: _____

SCHEDULES

It is understood and agreed that, notwithstanding anything to the contrary in this policy or its endorsements, the schedules of property included with these specifications represent, to the best of the Insured's knowledge, a complete listing of the property it wishes to insure and the current replacement values thereof. The schedules are not to be used to establish sub-limits of coverage, nor are they to be considered as any form of valuation. The amount payable under this Policy shall not be limited by individual values shown on the schedule prepared for underwriters.

Date Issued: _____

By: _____
Moylan's Insurance Underwriters, Inc.
General Agent

Endorsement attached to and forming part of

Policy No. _____

Effective Date: _____

Named Insured: _____

WAIVER OF SUBROGATION - TENANTS

It is understood and agreed that, notwithstanding anything to the contrary in this policy or its endorsements, in event of loss, underwriters waive their rights of subrogation against any tenant occupying, renting or leasing property from the Insured.

Date Issued: _____

By: _____
Moylan's Insurance Underwrites, Inc.
General Agent

Endorsement attached to and forming part of

Policy No. _____

Effective Date: _____

Named Insured: _____

VALUATION

It is understood and agreed that, Recovery shall be made on the basis of one hundred percent (100%) of the property's current replacement value at the time and place of loss, subject to the limit of coverage provided by the Policy. The Insured shall not be required to rebuild damaged or destroyed structures on the same site nor with like kind and quality.

Date Issued: _____

By: _____
Moylan's Insurance Underwriters, Inc.
General Agent

Endorsement attached to and forming part of

Policy No. _____

Effective Date: _____

Named Insured: _____

MISREPRESENTATION & FRAUD

It is understood and agreed that, notwithstanding anything to the contrary in this policy or its endorsements, the insured shall not be prejudiced by an unintentional or inadvertent error, omission, incorrect valuation or incorrect description of the interest, risk or property; provided that notice is given to Underwriters as soon as practical after discovery of any such error or omission.

Date Issued: _____

By: _____
Moylan's Insurance Underwriters, Inc.
General Agent

Endorsement attached to and forming part of

Policy No. _____

Effective Date: _____

Named Insured: _____

CANCELLATION CLAUSE

It is understood and agreed that, notwithstanding anything to the contrary in this policy or its endorsements, if Underwriters desire to cancel this policy, other than for non-payment, they shall give not less than ninety (90) days prior written notice by email and Certified Mail to:

Greg P. Cruz, Chief Financial Officer
Guam Waterworks Authority
P.O. Box 3010
Hagatna, Guam 96923
Email: gpcruz@guamwaterworks.org

Date Issued: _____

By: _____
Moylan's Insurance Underwriters, Inc.
General Agent

Endorsement attached to and forming part of

Policy No. _____

Effective Date: _____

Named Insured: _____

AUTOMATIC ACQUISITION

It is understood and agreed that, notwithstanding anything to the contrary in this policy or its endorsements, this policy is extended to cover additional property which may be acquired during the term of this policy. Values must be reported to underwriters during the policy period for determination of additional premium. The Insured may add property up to 5% of the total schedule without any additional premium.

Date Issued: _____

By: _____
Moylan's Insurance Underwriters, Inc.
General Agent

Endorsement attached to and forming part of

Policy No. _____

Effective Date: _____

Named Insured: _____

WAIVER OF COINSURANCE OR AVERAGE CLAUSE

It is understood and agreed that, notwithstanding anything to the contrary in this policy or its endorsements, in the event of loss, there shall be no application of a coinsurance or average clause in determining the recovery due the Insured.

Date Issued: _____

By: _____
Moylan's Insurance Underwriters, Inc.
General Agent

Endorsement attached to and forming part of

Policy No. _____

Effective Date: _____

Named Insured: _____

DEMOLITION COST

It is understood and agreed that, notwithstanding anything to the contrary in this policy or its endorsements, this policy also covers, within the sum insured, the cost of demolishing any undamaged portion of the building(s) covered under this policy including the cost of clearing the site resulting from enforcement of any state or municipal law or ordinance regulating the construction or repair of buildings and in force at the time of loss which necessitates such demolition

Date Issued: _____

By: _____
Moylan's Insurance Underwriters, Inc.
General Agent

Endorsement attached to and forming part of

Policy No. _____

Effective Date: _____

Named Insured: _____

INCREASED COST OF CONSTRUCTION

It is understood and agreed that, notwithstanding anything to the contrary in this policy or its endorsements, the amount of insurance includes within the sum insured the actual amount of the increased costs of repair, rebuilding or construction resulting from the enforcement of any applicable law or ordinance regulating the construction or repair of buildings.

Date Issued: _____

By: _____
Moylan's Insurance Underwriters, Inc.
General Agent

Endorsement attached to and forming part of

Policy No. _____

Effective Date: _____

Named Insured: _____

DEMOLITION COST AND INCREASED TIME TO REBUILD

It is understood and agreed that, notwithstanding anything to the contrary in this policy or its endorsements, underwriters will be liable for loss to the interest insured by the Policy, caused by enforcement of any state or municipal law or ordinance regulating the construction or repair of buildings and in force at the time such loss occurs, which requires the demolition of any portion of the described building(s) not damaged by the peril(s) insured against. Underwriters will also be liable for loss due to the additional period of time required for repair or reconstruction, in conformity with the minimum standard of such law or ordinance.

Date Issued: _____

By: _____
Moylan's Insurance Underwriters, Inc.
General Agent

Endorsement attached to and forming part of

Policy No. _____

Effective Date: _____

Named Insured: _____

BUSINESS INTERRUPTION EXTENSION

It is understood and agreed that, notwithstanding anything to the contrary in this policy or its endorsements, coverage is extended to include the Actual Loss sustained by the Insured resulting directly from Interruption of Business for a period not to exceed twenty-four (24) calendar months.

Date Issued: _____

By: _____
Moylan's Insurance Underwriters, Inc.
General Agent

Endorsement attached to and forming part of

Policy No. _____

Effective Date: _____

Named Insured: _____

EXTRA EXPENSE EXTENSION

It is understood and agreed that, notwithstanding anything to the contrary in this policy or its endorsements, coverage is extended to include the necessary Extra Expense incurred by the Insured in order to continue as nearly as practicable the normal conduct of the insured's business following loss or damage to property insured by this policy.

Date Issued: _____

By: _____
Moylan's Insurance Underwriters, Inc.
General Agent

Endorsement attached to and forming part of

Policy No. _____

Effective Date: _____

Named Insured: _____

DENIAL OF ACCESS

It is understood and agreed that, notwithstanding anything to the contrary in this policy or its endorsements, this Policy is extended to cover the actual loss sustained when access to Insured's property is impaired or denied by order of civil authority, subject to a limitation of 4 weeks.

Date Issued: _____

By: _____
Moylan's Insurance Underwriters, Inc.
General Agent

Endorsement attached to and forming part of

Policy No. _____

Effective Date: _____

Named Insured: _____

JURISDICTION

It is understood and agreed that, notwithstanding anything to the contrary in this policy or its endorsements, this insurance shall be governed by and construed in accordance with the laws of Guam and the exclusive jurisdiction of the USA including Guam Courts. The seat of arbitration shall be Guam.

Date Issued: _____

By: _____
Moylan's Insurance Underwriters, Inc.
General Agent

Endorsement attached to and forming part of

Policy No. _____

Effective Date: _____

Named Insured: _____

PRESERVATION OF PROPERTY

It is understood and agreed that, notwithstanding anything to the contrary in this policy or its endorsements, the expenses incurred by the insured in taking reasonable and necessary actions for the temporary protection/preservation of property insured will be added to the total physical loss or damage subject to the applicable deductible and without increase in the limit contained in the policy.

Date Issued: _____

By: _____
Moylan's Insurance Underwriters, Inc.
General Agent

Endorsement attached to and forming part of

Policy No. _____

Effective Date: _____

Named Insured: _____

DAMAGE TO BUILDING EXTERIOR

It is understood and agreed that, notwithstanding anything to the contrary in this policy or its endorsements, any endorsement or clause that excludes coverage for loss or damage to paint; or waterproofing material applied to the exterior of a Buildings, or shingles of any material; applied to the exterior surface of Buildings shall be waived.

Date Issued: _____

By: _____
Moylan's Insurance Underwriters, Inc.
General Agent

Endorsement attached to and forming part of

Policy No. _____

Effective Date: _____

Named Insured: _____

DAMAGE TO BUILDING INTERIOR

It is understood and agreed that, notwithstanding anything to the contrary in this policy or its endorsements, any endorsement or clause that excludes coverage for damage to the inside of a building or property in the building caused by rain, sand, or dust unless the wind first damages the roof or wall and enters through the resulting opening shall be waived.

Date Issued: _____

By: _____
Moylan's Insurance Underwriters, Inc.
General Agent

Endorsement attached to and forming part of

Policy No. _____

Effective Date: _____

Named Insured: _____

EARTHQUAKE DAMAGE

It is understood and agreed that, notwithstanding anything to the contrary in this policy or its endorsements, any endorsement or clause that limits coverage to damage that weakens the structural frame or therefore the stability of the life of the building or structure shall be waived.

Any endorsement or clause that excludes loss for plaster cracks between masonry and gypsum board and any other deterioration of cement or plaster, as well as any damage caused by shrinkage, settling, deterioration and/or wear and tear shall be waived.

Date Issued: _____

By: _____
Moylan's Insurance Underwriters, Inc.
General Agent

Name Insured: _____

Policy No. _____

MULTI-YEAR POLICY ENDORSEMENT

In consideration of the 10% Term Discount given the Insured for the ____ () years term of this policy, it is hereby understood and agreed that:

- (A) In the event the insured elects to have policy cancelled before the expiry of the ____ year term, the insured shall refund to the company the equivalent of the 10% discount on the premium earned; such earned premium to be computed short rate on the gross annual premium, when cancellation is effected other than on the annual anniversary date of the policy.

- (B) In the event the company cancels the policy before the expiry of the ____ year term, the insured shall not be obligated to refund any part of the 10% term discount. Any earned premium shall be computed on pro rata basis.

All other policy terms and conditions remain unaltered.

DONGBU INSURANCE CO., LTD.

Effective Date: _____

By: _____
Moylan's Insurance Underwriters, Inc.
General Agent

Payment Schedule Agreement

Insured's Name: _____

Installment No.	Amount Due	Due Date	Due Date	Due Date	Due Date	Due Date
Beginning Balance	\$					
1						
2						
3						
4						
5						
6						

By acknowledging this Payment Schedule Agreement ("Agreement"), the Insured understands and agrees that failure to make payments according to the Agreement shall cause the entire unpaid balance to become due.

In the event it becomes necessary to retain the services of an attorney in our collection efforts, the Insured agrees to pay any and all attorney's fees equivalent to 15% of the unpaid balance.

Any unpaid balance shall be assessed interest at the rate of 12% per annum.

The Insured further understands and agrees that if a Total Loss claim is filed against the policy, the premium balance will be deducted from the loss proceeds. For Partial Losses, the payment schedule will remain the same. Where the payment schedule has not been followed and a claim has been filed, the Insured agrees that premium payments must be paid in FULL prior to settlement.

Nothing contained in this Agreement shall be construed to vary, alter, waive or change any of the terms, limits or conditions of the policy except as set forth herein.

This Agreement is effective _____

This Agreement shall be attached to and shall form part of Policy No. _____ issued by Dongbu Insurance Company

Dongbu Insurance Co. Ltd.
By: Moylan's Insurance Underwriters, Inc.
General Agent

Insured:

Authorized Signature
Date:

Signature of Insured
Date:

EXCLUSION OF CERTIFIED ACTS OF TERRORISM

This insurance does not apply to TERRORISM, including injury or damage arising, directly or indirectly, out of a "certified act of terrorism".

"Certified act of terrorism" means an act that is certified by the Secretary of Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism and Risk Insurance Act of 2002. The criteria contained in that Act for a "certified act of terrorism" includes the following:

1. The act resulted in aggregate losses in excess of \$5 million; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed on behalf of any foreign person or foreign interest, 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.

This endorsement fulfills the requirements of the U.S. Terrorism Risk Insurance Act of 2002.

Effective _____

All other terms and conditions remain

Attached to and forming part of Policy No. _____

issued to _____

effective _____

Dongbu Insurance Company Ltd.

Date: _____

By:

**Authorized Representative
Moylan's Insurance Underwriters, Inc.
General Agent**