

BUSINESS INSURANCE PROPOSAL FOR:

KC International Academy, Inc.

414 Wallace Avenue
Kansas City, MO 64125

CBIZ Your Team.



NYSE: CBZ

120+

offices

6,500+

team
members

82,000+

clients



84
Workplace
Awards

in 2022

Local. Trusted. Nationwide.

Top
15

Largest Accounting
Provider Nationally¹

Top
30

Largest Broker
of U.S. Business²

Top
4

Institutional
Consulting Team³

FINANCIAL &
ACCOUNTING

CLIENT

BENEFITS &
INSURANCE

Financial & Accounting

- Accounting & Tax
- Government Health Care Consulting
- Financial Advisory
- Valuation
- Litigation Support
- Risk & Advisory Services
- Tenant Advisory Services

Benefits & Insurance

- Benefits Consulting
- Payroll Services
- Human Capital Management
- Property & Casualty
- Retirement & Investment Solutions
- Talent & Compensation Solutions
- Individual Life Insurance



Commitment to Community

including

11 Million+
Lbs. of Food
Donated

since 2009



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¹Accounting Today – March 2023 ²Business Insurance magazine – July 2022 ³Barron's Top Institutional Consultants – 2022. Rankings and recognition by unaffiliated third parties may not be representative of a CBIZ Investment Advisory Services' client experience and should not be construed as a guarantee of a certain level of results. Neither CBIZ IAS nor its advisors pays a fee to the third party in exchange for the rating.

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CBIZ SERVICE TEAM

INDIVIDUAL / TITLE	FUNCTIONAL POSITION
Nate Byarlay, MBA, ARM, AINS Managing Director, Public Entity 816.945.5514 nbyarlay@cbiz.com	Your primary contact and the senior person responsible for coordinating and implementing the activities of the various specialists who will provide for your service needs. This includes the coordination of technical services, program services, claims management and claim reviews.
Anna Rivas, CISR Senior Account Manager 816.841.2273 anna.rivas@CBIZ.com	Responsible for day-to-day service activities, correspondence, account file maintenance, certificates, invoicing and financial accounting.
Amanda Miller Public Entity Claims Associate 816.945.5255 AGMiller@cbiz.com	Responsible for the reporting of claims to carriers. Involved in the initial submission of claims and follow-up with insurance company claims personnel.
Jason Walker Loss Control Mobile: 903.449.6968 Jason.Walker@cbiz.com	Coordinates carrier and in-house loss control services.

This is a summary of your insurance coverages. It is designed for your convenience. It does not alter or extend coverage in any way. Please consult your insurance contract for specific policy terms, conditions, or exclusions.

PREMIUM SUMMARY

Coverage	2024/2025 Annualized Premium	2025/2026 Estimated Premium
Workers Compensation	\$34,979	\$37,236
Cyber	\$6,620	\$7,441
Total Premium	\$41,599	\$44,677

MARKETING EFFORTS

Carrier	Line of Business	Indication
Risk Administration Services, Inc.	Workers' Compensation	Quoted - \$37,236
State National Insurance	Cyber	Quoted - \$7,441
Travelers	Cyber	Indication - \$10,000 subject to implementation of better controls

FIRST NAMED INSURED

Named Insured & FEIN	Workers' Comp	Cyber
KC International Academy, Inc. 454547605	X	X

LOCATION SCHEDULE

Loc #	Bldg. #	Address	City	State	Zip Code	Notes
1	1	426 Wallace Ave	Kansas City	MO	64125	
2	1	430 Wallace Ave	Kansas City	MO	64125	
3	1	8311 Wilson Ave	Kansas City	MO	64125	
4	1	8313 Wilson Ave	Kansas City	MO	64125	
5	1	8315 Wilson Ave	Kansas City	MO	64125	
6	1	416 Donnelly Ave	Kansas City	MO	64125	

WORKERS' COMPENSATION

Company: First Dakota Indemnity Company

A.M. Best Rating: A; VIII

Policy Period: July 01, 2025 - July 01, 2026

Coverage A: Workers' Compensation — statutory limits apply MO

Coverage B: Employers Liability:

Coverage	Limits
Bodily Injury — Each Accident	\$1,000,000
Bodily Injury by Disease — Policy Limit	\$1,000,000
Bodily Injury by Disease — Each Employee	\$1,000,000

Coverage C: Other states insurance applies to the states if any listed: All other states except MO or monopolistic states.

Scheduled States:

MO

Experience Modification:

2025 - 0.91

2024 - 0.92

2023 - 0.93

Officers Included: N/A

Officers Excluded: N/A

Premium Audit

This policy will be audited at end of the term. The final premium will be based on your actual exposure subject to the policy minimum premium.

Payments to subcontractors will be included in your audited payroll unless you obtain a valid certificate of insurance from the subcontractor indicating they have workers' compensation insurance. If the subcontractor is a sole proprietor or LLC (limited liability company), the certificate must state that the owners are covered by the workers' compensation to be excluded from the audit.

WORKERS' COMPENSATION (CONTINUED)

Rating Basis:

State	Class Code	Description	2024/2025 Payroll	2024/2025 Rates	2025/2026 Payroll	2025/2026 Rates
MO	0042	Landscape Gardening & Drivers	N/A	N/A	\$36,285	6.31
MO	4511	Analytical Laboratories Or Assaying - Including Laboratory, Outside Em	N/A	N/A	\$3,471	0.39
MO	5474	Painting NOC & Shop Operations, Drivers	N/A	N/A	\$16,352	5.28
MO	7380	Drivers, Chauffeurs, Messengers And Their Helpers NOC-Commercial	N/A	N/A	\$20,140	6.21
MO	7605	Burglar And Fire Alarm Installation Or Repair & Drivers	N/A	N/A	\$5,816	2.03
MO	8868	College: Professional Employees & Clerical	\$7,876,613	0.45	\$8,063,683	0.43
MO	9101	College: All Other Employees	\$442,852	3.27	\$453,436	3.23
MO	9156	Theater NOC: Players, Entertainers Or Musicians	N/A	N/A	\$1,911	2.15
Total Payroll			\$8,319,465		\$8,601,094	

TOTAL PAYROLL INCREASE: 3.4%

CYBER

Company: State National Insurance Company Inc.
A.M. Best Rating: A; X
Policy Period: July 01, 2025 - July 01, 2026
Coverage Form: Claims Made

Coverage	Limit
Aggregate limit of liability	\$1,000,000

Coverage	Limit	Retention
Cyber Incident Response		
Incident Response Costs	\$1,000,000	\$0
Legal And Regulatory Costs	\$1,000,000	\$2,500
IT Security and Forensic Costs	\$1,000,000	\$2,500
Crisis Communication Costs	\$1,000,000	\$2,500
Privacy Breach Management Costs	\$1,000,000	\$2,500
Third Party Privacy Breach Management Costs	\$1,000,000	\$2,500
Post Breach Remediation Costs	\$50,000	\$0
Cyber Crime		
Electronic Theft of Your Financial Assets	\$100,000	\$5,000
Electronic Theft of Third-Party Funds Held In Escrow	\$100,000	\$5,000
Electronic Theft of Personal Financial Assets	\$100,000	\$5,000
Extortion	\$1,000,000	\$2,500
Authorized Push Payment Fraud	\$100,000	\$5,000
Telephone Hacking	\$100,000	\$5,000
Unauthorized Use of Computer Resources	\$100,000	\$5,000
Customer Payment Fraud	\$50,000	\$5,000
System Damage and Business Interruption		
System Damage and Rectification Costs	\$1,000,000	\$2,500
Income Loss and Extra Expense	\$1,000,000	\$2,500
Dependent Business Interruption	\$1,000,000	\$2,500
Claim Preparation Costs	\$25,000	\$0
Hardware Replacement Costs	\$1,000,000	\$2,500

Coverage	Limit	Retention
Consequential Reputational Harm	\$1,000,000	\$2,500
Network Security & Privacy Liability		
Network Security Liability	\$1,000,000	\$2,500
Privacy Liability	\$1,000,000	\$2,500
Management Liability	\$1,000,000	\$2,500
Regulatory Investigation Costs	\$1,000,000	\$2,500
Merchant Services Liability	\$1,000,000	\$2,500
Media Liability		
Defamation	\$1,000,000	\$2,500
Intellectual Property Rights Infringement	\$1,000,000	\$2,500

Policy Extensions:

- Territorial Scope: Worldwide
- Indemnity Period: 6 Months
- Waiting Period: 8 Hours
- Retroactive Date: Unlimited
- Optional Extended Reporting Period: 12 Months For 100%, 24 Months For 150%, Or 36 Months For 200% Of Applicable Annualized Premium

Forms and Endorsements:

- Privacy Notice
- Consequential Reputational Harm Extension Endorsement
- Customer Payment Fraud Extension Endorsement
- Incident Response Outside Of The Policy Limit Endorsement
- System Damage And Rectification Costs Amendatory Endorsement
- System Failure Extension Endorsement
- Betterment Exclusion Amendatory Endorsement
- Hardware Replacement Costs Extension Endorsement
- Media Liability Amendatory Endorsement
- Policyholder Disclosure Notice Of Terrorism Insurance Coverage
- Schedule Of Information
- Missouri notice of guaranty fund protection
- Missouri Amendatory Endorsement
- War and Cyber War Exclusion Endorsement

Claims Made Notice:

Except to the such extent as may otherwise be provided herein, the coverage of this policy is generally limited to liability for only those claims that are first made against the insureds during the policy period and reported in writing to the insurer pursuant to the terms herein.

PAYMENT PLANS & TERMS

Payment of Premiums:

If your policies are billed by CBIZ and not directly from the carrier, payment is due the later of the effective date or 30 days after the invoice date.

For certain policies, normal credit terms are not available, and payment must be received **before** the insurance carrier will issue your policy. Your Service Team will inform you of such exceptions.

CLAIMS-MADE POLICIES

OCCURRENCE VERSUS CLAIMS MADE COVERAGE.

Insurance written on an occurrence form provides coverage for events or wrongful acts solely occurring during the policy period. The claim from the wrongful act can be brought in the future after the policy expires and still have coverage response. For example, if you buy an auto policy that is valid for one year, then it will cover an accident that happens during that one year, even if a lawsuit isn't filed until after the policy has already expired. On the other hand, **coverage is triggered for a claims-made insurance policy only when a claim is first reported during the policy period**, even if the injury occurred prior to the inception date of the insurance policy. Conversely, if the injury occurs during the policy period and a claim isn't reported until after the policy has expired, then the policy will not provide coverage. Management liability and professional liability policies are typically on claims-made forms. The common exceptions are media liability and health care professional liability, which tend to be on occurrence forms.

WHAT IS A RETROACTIVE DATE?

Claims-made policies also often contain a retroactive date that specifies the earliest point in time for which the insurance will provide coverage. The coverage applies to actual or alleged wrongful acts from the retroactive date forward. Only injuries or wrongful acts occurring after the retroactive date will be covered by a claims-made policy.

WHAT IS A CONTINUITY DATE?

This is synonymously called the prior and pending litigation date. Like a retroactive date, this feature sets a date in time for prior or active litigation but not wrongful acts. This clause will state that any litigation of any type that was initiated prior to the continuity date will not be covered, even if the allegations were not part of a potentially covered claim. Many claims can evolve from one type to another. For example, a pollution event could harm the value of a corporation and evolve into a Directors & Officers Liability claim, or a Privacy Litigation claim could evolve into a Directors & Officers Liability claim. This date is typically set as the date the named insured first bought a type of insurance policy. When moving coverage from one insurer to another, it is critical to maintain your continuity date.

WHAT IS A CLAIM?

Often a claims-made policy will define the term claim quite broadly to include much more than just a lawsuit. Many policies define claims to include written demands for damages as well as proceedings such as arbitration, administrative (such as those brought by the SEC or EEOC), regulatory, mediation and civil proceedings. The language of each policy will govern what constitutes a claim. If you receive a demand or threat of any kind, however, and are unsure what to do, then contact your insurance agent or your insurance company promptly.

CLAIMS-MADE POLICIES (CONTINUED)

DOES THE INSURANCE HAVE A CLAIM REPORTING REQUIREMENT?

Claims-made policies require that claims must be reported to the insurance company before the insurer will respond to the claim. The insurer's participation in the claim process often cannot begin until the claim is reported. Claims should be reported promptly to preserve your rights under the policy. The insurer will often reserve their rights to cover any defense expenses incurred prior to their receipt of the claim. They will need to consent to any expenses if they wish to have those expenses insured. Different policies set different time periods for claims. For example, claims normally must be reported as soon as practicable within the policy period. Other policies offer a limited grace period after the policy expiration for up to 30 or 60 days. In some instances, this grace period is only provided if coverage is discontinued. If coverage is continuous – the policy was renewed with the same insurer or a new insurer – the claim will be made on the next policy assuming you have backdated both the retroactive date and the continuity date to match the preceding policy. You should consult the specific language of your policy to verify your reporting requirements. Your insurance broker should also be able to offer assistance.

Failure to report a claim within the period set by the policy can seriously prejudice your rights under the policy, including an outright coverage denial by the insurer.

DO YOU HAVE THE RIGHT TO REPORT A CIRCUMSTANCE THAT IS NOT YET A CLAIM?

Many policies now provide you with the ability to report a circumstance that could give rise to a claim prior to receiving an actual claim. This provision enables you to report potential claims or circumstances under the policy for protection in the event such circumstances eventually evolve into claims.

We recommend reporting known circumstances anytime you are considering changing insurers so you are less likely to have complications with a new insurer. It is also recommended to send notice of potential circumstances prior to your policy expiration so you can preserve the limits of your next policy for new and unknown claims.

WHAT IS A DUTY-TO-DEFEND POLICY?

A duty-to-defend policy allows the insured to tender the defense of a claim to the insurance company. The insurance company will select counsel and control the defense of the claim. Typically a duty-to-defend policy form obligates the insurance company to provide a defense if coverage applies to any of the allegations in the claim.

A NON-DUTY-TO-DEFEND

A policy that allows the insured to select its own counsel and defense costs may be advanced or reimbursed by the insurance company. If there are matters that the insurer deems uninsurable under the terms of the policy, they will have the ability to allocate their reimbursement based upon covered and uncovered loss on an ongoing basis.

CLAIMS-MADE POLICIES (CONTINUED)

WHAT IS A HAMMER CLAUSE?

The hammer clause is also called the consent to settle clause. Many insurers have a provision that says that if the plaintiff offers to settle for a certain amount, the maximum the insurer will pay is that offered amount plus expenses paid up to the date of the settlement offer. It is their way to encourage the named insured to make a business decision to resolve the claim and move on to another business. The insured can continue to fight the claim for whatever reason, but not with the insurer's money. Many carriers now offer softened consent to settlement provisions of 50/50, 75/25 or 80/20. Such softened clauses allow the carrier to contribute to settlements and/or defense costs at the specified percentage (e.g., 50/50 = 50% allocated to the carrier, 50% at the insured's expense). Some carriers will consider deleting the provision in its entirety.

SUMMARY

For a claims-made policy to cover an otherwise covered claim (per the definitions and exclusions in your policy), the following conditions will apply:

1. The injury, damage or alleged wrongful act must occur after the retroactive date.
2. The claim for that injury, damage or wrongful act must be made against the insured during the policy period; and
3. The claim must be reported to the insurer within the time specified.

It is advisable to report all claims and potential claims during the policy period to reduce coverage limitations based upon missing the claims reporting deadline. The most common reason for denial of coverage is late or improper reporting.

COMPENSATION DISCLOSURE

The purpose of this disclosure is to explain to you how we are compensated for our work.

Compensation Disclosure – Commission Only Basis

For the placement and service of your insurance program, CBIZ will receive commission-based compensation from selected insurance companies and/or wholesale intermediaries.

CBIZ Insurance Services is committed to acting in our client's best interest by providing services and products that meet our clients' needs as communicated to CBIZ. From time to time, CBIZ may participate in agreements with one or more insurance companies' third-party vendors, in connection with the insurance-related transactions, to receive additional compensation or consideration. These compensation arrangements are provided to CBIZ as a result of the performance and expertise by which products and services are provided to the client and may result in enhancing CBIZ's ability to access certain markets and services on behalf of CBIZ clients. More information regarding these agreements and the consideration received pursuant to these agreements is available upon written request.

A.M. BEST COMPANY RATING INFORMATION

Each year the A.M. Best Company reviews the financial status of thousands of insurers, culminating in the assignment of Best's ratings. These ratings reflect their current opinion of the relative financial strength and operating performance of an insurance company in comparison to the norms of the property/casualty insurance industry. Ratings are assigned after extensive analysis measuring the performance of each company in such vital areas as: competency of underwriting, control of expenses, adequacy of reserves, soundness of investments and capital sufficiency.

Rating Guide:

A++, A+ (Superior)	A & A- (Excellent)	B++, B+ (Good)
B, B- (Fair)	C++, C+ (Marginal)	C, C- (Weak)
D (Poor)	E (Under Regulatory Supervision)	F (In Liquidation)

Financial Size Category: (In \$000 of Reported Policyholders' Surplus Conditional Reserve Funds)

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

TERRORISM NOTICE

On January 12, 2015, the President signed into law the Terrorism Risk Insurance Program Reauthorization Act of 2015.

This Act amends the Terrorism Risk Insurance Act of 2002 (TRIA) to extend the Terrorism Insurance Program through December 31, 2020, with modifications.

Modifications include:

- a. A change in the federal share of payments beginning on January 1, 2016, for acts of terrorism, to be reduced annually to 80% of insured losses.
- b. Specifies the aggregate industry—insured losses resulting from certified acts of terror will, beginning calendar years 2015–2019, trigger the federal share of compensation under the Program as:
 - I. \$100 million for 2015
 - II. \$120 million for 2016
 - III. \$140 million for 2017
 - IV. \$160 million for 2018
 - V. \$180 million for 2019
 - VI. \$200 million for 2020 and thereafter.
- d. Revises requirements for mandatory recoupment from insurers and the formula used to determine the insurance marketplace aggregate retention amount.
- e. Redefines an act of terrorism as one that is certified as such by the Secretary of the Treasury in consultation with the Secretary of the Department of Homeland Security (previously, in concurrence with the Secretary of State).

We encourage you to visit the following sites for a detailed summary of the reauthorization act.
[Further Consolidated Appropriations Act, 2020](#)
[Terrorism Risk Insurance Act \(TRIA\)](#)

IMPORTANT ISSUES — PLEASE READ

The property and liability limits that we illustrate in this proposal are options only. We can provide additional alternative limit options if you request. The selection of limits is solely your decision.

Our relationship with you is based on trust and we do our best to make no representation that would mislead anyone about any aspect of the products or services we offer. We value your trust. Therefore, we will continue to do all that we can to fully represent you in the insurance marketplace.

LOSS CONTROL

Loss control is a daily responsibility of your management. Our visits are not a substitute for your loss control program. Recommendations are developed from conditions observed at the time of our visit. They do not include every loss potential, code violation or exception to good practice.

Our inspections, reports and recommendations are provided to assist in your efforts to establish and maintain a safe workplace and don't warrant workplace safety or compliance with applicable laws, regulations or standards. Our observations and suggestions are not a substitute for legal advice. You are encouraged to seek appropriate legal counsel when implementing a program or process to maintain a comprehensive workplace safety program.

FEMA FLOOD ZONE

If flood coverage is included in this proposal it is based on information regarding the FEMA Flood Zone determination for your property that is currently available to the proposed insurance carrier. Such determinations are subject to change at any time and CBIZ cannot be held responsible for any changes in the flood zone determination reflected herein after the date of this proposal.

Consider buying flood and earthquake coverage. Neither flood loss nor earthquake loss is covered under standard property policies. All of us have exposure to floods, sewer backup and earthquakes.

STATE ASSESSMENTS & SURCHARGES

Your policy may be subject to state assessments and surcharges that may alter your base premium. Although we routinely try to gather this information in the quotation process, it is not always available.

CLAIM REPORTING REQUIREMENTS

Changing market conditions have had an adverse effect on many carriers' claim reporting terms and conditions. Many policy forms now include verbiage that severely restricts or negates coverage should a carrier not be immediately notified of a claim or potential claim. Refer to your policies for a more complete explanation of your carrier's reporting requirements.

IMPORTANT ISSUES (CONTINUED)

CONFIDENTIALITY

We will treat the information you provide us during our professional relationship as confidential and will use it only in performing services for you. We may share this information with third parties as may be required to provide services. We may also disclose this information to the extent required to comply with applicable laws or regulations or the order of any court or tribunal. The records you provide us will remain your property and returned to you upon request. You will treat any information we provide to you, including data, recommendations, proposals or reports as confidential, and you will not disclose it to any third parties. You may disclose this information to the extent required to comply with applicable laws or regulations or the order of any court or tribunal. We retain the sole rights to all our propriety computer programs, systems, methods and procedures and all files developed by us.

PAYMENT of PREMIUMS

If your policies are billed by CBIZ and not directly from the insurance carrier, payment is due the later of the effective date or 30 days after the invoice date.

PREMIUM FINANCING

You may choose to use a premium finance company in connection with the insurance coverages we place for you or the services we provide to you. Premium finance options are not always available. Where permitted by law, we may receive a fee for the administrative services we provide those companies. These services include processing the premium finance applications and marketing and sales support they do not have.

VACANCY RESTRICTIONS

Most property insurance policies restrict coverage on buildings that have been vacant beyond a specified period (usually 30 or 60 days). For example, a standard commercial property policy does not cover losses arising from vandalism, sprinkler leakage (unless the system has been protected from freezing), building glass breakage, theft, or attempted theft if the building where the loss occurs has been vacant for more than 60 consecutive days before the loss. Recovery for other insured losses is reduced by 15% under the same circumstances. It is also important to be aware of the policy's definition of vacancy. Under a standard commercial property policy, if the insured is a building owner or general lessee, a building is considered vacant unless at least 31% of its total square footage is used by the building owner, a lessee or a sub-lessee to conduct their customary operations. If the insured is a tenant, the vacancy provision applies only to the space leased to the insured, and this space is considered vacant when it doesn't have content for the insured to continue normal business operations.

EXPOSURE CHANGES

In evaluating your exposure to loss, we are dependent upon the information provided by you. You choose the values elected. If any areas need to be evaluated prior to binding coverage or should any of your exposures change after the coverage is bound (e.g., beginning of new operations, hiring employees in new states, buying additional property, autos, equipment), please let us know so coverage can be discussed. While we will strive to place your insurance with reputable, highly rated companies, we cannot guarantee the financial stability of an insurance company.

IMPORTANT ISSUES (CONTINUED)

To ensure that your important changes are effectively communicated, the binding or altering of coverage must be confirmed in writing by agency personnel.

The changes in exposure that have an impact on your insurance program include, but are not limited to:

1. Changes to any operation (e.g., expansion to another state, new products).
2. Mergers and/or acquisitions of new companies
3. Any assumed contractual liability, granting of indemnities, or hold harmless agreements.
4. Circumstances that may require an increase in liability insurance limits.
5. Any changes to fire or theft protection (e.g., installation or disconnection of sprinkler system, burglar alarms). This includes alterations to the same.
6. Any changes to scheduled equipment (e.g., contractors' equipment, computer equipment).
7. Property of yours that is in transit, unless we have previously arranged for this insurance.
8. Any changes in existing premises (e.g., vacancy, whether temporary or permanent, alterations, demolition). Also, any new premises purchased, constructed or occupied.
9. Any new exposures or plans for foreign travel or operations.

Please notify us throughout the year of changes to your business that may affect your risk exposure. Failure to do so may result in uncovered losses.

ORDER TO BIND

Please bind the coverage

☐ As outlined in the quotes recommended by CBIZ Insurance Services, Inc.

or

☐ As follows:

(Insert complete instructions for binding including carrier, limits, options)

KC International Academy, Inc.

Signature:

Name:

Title:

Date:
