



# Insurance Proposal Prepared For

## Woodbury County

620 Douglas Street, Suite #701  
Sioux City, IA 51101

Presentation Date: 04/05/2018

Producer: Steve Schultz  
Title: Area Vice President

Legal AJG Office Name: Arthur J. Gallagher Risk Management Co. Inc.  
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[www.ajg.com](http://www.ajg.com)

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## Executive Summary

Gallagher Risk Management Services, Inc. would like to thank you for the opportunity to offer a proposal for Cyber Liability Insurance. This proposal is a summary of policy terms and conditions.

Please refer to the carrier quotes or application and policy documentation in conjunction with this proposal. Upon review please contact a member of your service team if you wish to make any changes or if you have any questions.

Defense costs are limited and included within the policy limits.

Gallagher is responsible for the placement of the following lines of coverage:

### *Cyber Liability*

It is understood that any other type of exposure/coverage is either self-insured or placed by another brokerage firm other than Gallagher. If you need help in placing other lines of coverage or covering other types of exposures, please contact your Gallagher representative.

Should you wish to bind a coverage presented within this proposal please complete the "Client Authorization to Bind Coverage" and Application included in the proposal.

**Producer name: Steve Schultz**

Presentation Date: 04/05/18

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## Program Details

**Coverage:** Cyber Liability  
**Carrier:** BCS Insurance Company  
**Policy Period:** 06/30/2018 to 06/30/2019  
**Form Number:** Cyber and Privacy Liability Insurance Policy 94.111 (06/17)  
**Form Type:** Claims Made

| COVERAGE        | FORM TYPE   | RETROACTIVE DATE |
|-----------------|-------------|------------------|
| Cyber Liability | Claims Made | Full Prior Acts  |

| DESCRIPTION  | LIMIT       | RETENTION                                   |
|--|-------------|---|
| Policy Aggregate Limit of Liability  | \$5,000,000 | \$10,000                                    |
| Liability Coverages  |             |   |
| Privacy Liability (Including Employee Privacy)                                     | \$5,000,000 | \$10,000                                    |
| Privacy Regulatory Claims Coverage<br>(Where insurable by law)                     | \$5,000,000 | \$10,000                                    |
| Security Liability   | \$5,000,000 | \$10,000                                    |
| Multimedia Liability   | \$5,000,000 | \$10,000                                    |
| PCI DSS Assessment   | \$5,000,000 | \$10,000                                    |
| Security Breach Response Coverage includes the following as part of the Aggregate: |             |   |
| Legal Advisory   | \$5,000,000 | \$10,000                                    |
| Forensics Investigations   |             |   |
| Public Relations   |             |   |
| Notification Services  |             |   |
| Credit Monitoring  |             |   |
| First Party Coverages  |             |   |
| Cyber Extortion  | \$5,000,000 | \$10,000                                    |
| Business Income and Digital Asset Restoration                                      | \$5,000,000 | \$10,000 each claim / 12 hrs waiting period |
| Optional Coverage (if elected))  |             |   |
| Cyber Deception Endorsement  | \$100,000   | \$25,000                                    |

PREMIUM SUMMARY  
 AUTHORIZATION TO  
 BIND COVERAGE

# Woodbury County

## Definition of Claim:

| DESCRIPTION   |
|---|
| Claim means: <ol style="list-style-type: none"><li>1. A written demand received by "You" for money or services, including the service of a civil suit or institution of arbitration proceedings;</li><li>2. Initiation of a civil suit against "You" seeking injunctive relief;</li><li>3. Solely with respect to Coverage B., a "Regulatory Claim" made against "You";</li><li>4. Solely with respect to Coverage H., a "PCI DSS Assessment".</li></ol> <p>Multiple "Claims" arising from the same or a series of related or repeated "Wrongful Acts", acts, errors, or omissions or from any continuing "Wrongful Acts", acts, errors, or omissions shall be considered a single "Claim" for the purposes of this Policy, irrespective of the number of claimants or "You" involved therein". All such related "Claims" shall be deemed to have been first made at the time the earliest such "Claim" was made or deemed made under Section IX.A.</p> |

## Incident or Claim Reporting Provision:

| DESCRIPTION   |
|---|
| <p><b>Direct Reporting:</b><br/>Immediately report all claims, or any event that may give rise to a claim, for the following lines of coverage to the breach consultant AND the insurance carrier.</p> <p><b>2 Steps:</b></p> <ol style="list-style-type: none"><li>1. <b>Call Baker &amp; Hostetler at the 24 hour Security Breach Hotline</b><br/><b>1-866-288-1705</b><br/>Baker &amp; Hostetler LLP<br/>45 Rockefeller Plaza<br/>New York, NY 10111-0100</li><li>2. <b>File your claim with the insurance carrier:</b><br/>rpsyberclaims@clydeco.us<br/>Clyde &amp; Co. US LLP<br/>101 Second Street, 24th Floor<br/>San Francisco CA 94105</li></ol> |

## Extended Reporting Period (ERP) Options\*:

| DESCRIPTION  | PREMIUM AMOUNT | LENGTH               |
|--------------|----------------|----------------------|
| Optional ERP | 100%           | One Year (12 months) |

\*If ERP coverage is desired, then that request must be in writing to the carrier. State Amendatory Endorsements may provide alternative ERP Options.

Endorsements include, but are not limited to:

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| DESCRIPTION   |
|---|
| 94.200 (06/17) CYBER AND PRIVACY LIABILITY POLICY FORM  |
| 94.510 (09/15) Cyber Deception Endorsement (If elected) |
| 94.102 (01 15) Nuclear Incident Exclusion               |
| 94.103 (01 15) Radioactive Contamination Exclusion      |
| 94.805 (06/17) Breach Response Team Endorsement         |
| 94.801 (01/15) IOWA Amendatory                          |

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Exclusions include, but are not limited to (see attached policy form for all exclusions and limitations):

| DESCRIPTION   |
|---|
| Prior and Pending "Claims" and Circumstances  |
| "Bodily Injury" or "Property Damage"  |
| Intentional acts of any current principal, partner, director or officer of "Your" Organization  |
| Employment Practices with the exception of any "Claim" alleging a "Privacy Wrongful Act" or "Security Wrongful Act" in connection with an "Employee's" or prospective employee's employment |
| Insured vs Insured with exception of Privacy Liability coverage for "Claims" made by a current or former employee of "Your" Organization  |
| Satellite failure/ malfunction, electrical, mechanical infrastructure failure with carveout   |
| Failure of telephone lines, data transmission lines or wireless communications connection   |
| ERISA violations  |
| Terrorism – except carve-back for acts perpetrated electronically   |
| Pollution   |
| Seizure, confiscation, destruction, damage or loss of use of digital assets by order of any governmental authority  |
| Electrical Failure or Electromagnetic Discharge   |
| Ordinary wear and tear gradual deterioration or failure to maintain digital assets or "Computer Systems" on which digital assets are processed or stored, whether owned by you or others    |

**Binding Requirements:**

| DESCRIPTION                            |
|--|
| Currently Signed and Dated Application |

|                                      |             |
|--------------------------------------|-------------|
| Premium                              | \$14,673.00 |
| Cyber Deception Premium (if elected) | \$450.00    |

| ADDITIONAL OPTION AVAILABLE | LIMIT | RETENTION | PREMIUM |
|-----------------------------|-------|-----------|---------|
|                             |       |           |         |
|                             |       |           |         |
|                             |       |           |         |

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## Client Authorization to Bind Coverage

After careful consideration of Gallagher's proposal dated 04/05/2018, we accept the following coverage(s). Please check the desired coverage(s) and note any coverage amendments below:

|  |                                 | LINE OF COVERAGE  | CARRIER               |
|--|---------------------------------|---|-----------------------|
| <input checked="" type="checkbox"/> Accept | <input type="checkbox"/> Reject | \$5M Cyber Liability  | BCS Insurance Company |
| <input checked="" type="checkbox"/> Accept | <input type="checkbox"/> Reject | Cyber Deception Coverage  |                       |
| <input checked="" type="checkbox"/> Accept | <input type="checkbox"/> Reject | OPTIONAL LIMITS OR RETENTIONS<br>(as shown on "Additional Limit Options") | BCS Insurance Company |
|  |                                 | Limit                      Retention                      Premium         |                       |
|  |                                 | Limit                      Retention                      Premium         |                       |

The above coverage may not necessarily represent the entirety of available insurance products. If you are interested in pursuing additional coverages other than those addressed in the coverage considerations included in this proposal, please list below:

**Producer/ Insured Coverage Amendments and Notes:**

**Fee Agreement:**

N/A

It is understood this proposal provides only a summary of the details; the policies will contain the actual coverages.

We confirm the values, schedules, and other data contained in the proposal are from our records and acknowledge it is our responsibility to see that they are maintained accurately.

We agree that your liability to us arising from your negligent acts or omissions, whether related to the insurance or surety placed pursuant to these binding instructions or not, shall not exceed \$20 million, in the aggregate. Further, without limiting the foregoing, we agree that in the event you breach your obligations, you shall only be liable for actual damages we incur and that you shall not be liable for any indirect, consequential or punitive damages.

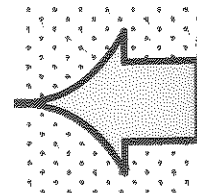
By:

*Rocky Dewitt*  
Specify: owner, partner or corporate officer

Rocky Dewitt  
Print Name

Date:

6/19/18





# Woodbury County

## Changes & Developments

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

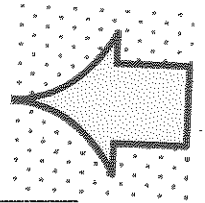
1. Changes in any operation such as expansion to other states or new products.
2. Mergers and/or acquisition of new companies.
3. Any newly assumed contractual liability, granting of indemnities, or hold harmless agreements.
4. Circumstances which may require increased liability insurance limits.
5.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

No Changes and/or Developments

Signature: \_\_\_\_\_

Title: Board Chairman

Date: 6/19/18



**SIGN  
HERE**

## Named Insured

Named Insured

Woodbury County

Any entity not named above, may not be an insured entity. This may include partnerships and joint ventures.

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## Bindable Quotations & Compensation Disclosure Schedule

| Coverage(s)     | Carrier Name(s)       | Wholesaler, MGA, or Intermediary Name<br>1 | Estimated Annual Premium<br>2                               | Comm % or Fee<br>3 | Wholesaler, MGA or Intermediary %<br>4 | AJG Owned? Yes or No |
|-----------------|-----------------------|--|---|--------------------|--|----------------------|
| Cyber Liability | BCS Insurance Company | RPS  | \$14,673.00 + Cyber Deception Premium (if elected) \$450.00 | 15 %               | 7.5 %                                  | Yes                  |

Some carriers pay Gallagher supplemental or contingent commissions in addition to the policy commission. Contingent commissions are typically contingent upon performance factors such as growth, profit, volume or retention, while supplemental commissions are not. These supplemental or contingent commissions may range from less than 1% up to 10% of the policy premium. Please refer to the Compensation Commission Disclosure or contact your Gallagher representative for additional information.

1. We were able to obtain more advantageous terms and conditions for you through an intermediary/ wholesaler.
2. If the premium is shown as an indication: The premium indicated is an estimate provided by the market. The actual premium and acceptance of the coverage requested will be determined by the market after a thorough review of the completed application.  
\* A verbal quotation was received from this carrier. We are awaiting a quotation in writing.
3. The commission rate is a percentage of annual premium .  
\* Gallagher is receiving 15 % commission on this policy. The fee due Gallagher will be reduced by the amount of the commissions received.
4. \*The non-Gallagher intermediary/wholesaler did not provide their compensation information for this proposal. The usual and customary compensation to a wholesaler/ intermediary ranges from 5% to 12%, but we cannot verify that range is applicable in connection with this proposal.

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## Important Disclosures

The quotation(s) attached are an outline of certain terms and conditions of the insurance proposed by the insurers, based on the information provided by your company. It does not include all the terms, coverages, exclusions, limitations and/or conditions of the actual policy contract language. The insurance policies themselves must be read for those details. Policy forms for your reference will be made available upon request.

We will not be operating in a fiduciary capacity, but only as your broker, obtaining a variety of coverage terms and conditions to protect the risks of your enterprise. We will seek to bind those coverages based upon your authorization; however, we can make no warranties in respect to policy limits or coverage considerations of the carrier. Actual coverage is determined by policy language, so read all policies carefully. Contact us with questions on these or any other issues of concern.

The information contained in this proposal is based on the historical loss experience and exposures provided to Arthur J. Gallagher. This proposal is not an actuarial study. Should you wish to have this proposal reviewed by an independent actuary, we will be pleased to provide you with a listing of actuaries for your use.

TRIA/TRIPRA Disclaimer – If this proposal contains options to purchase TRIA/TRIPRA coverage, the proposed TRIA/TRIPRA program may not cover all terrorism losses. While the amendments to TRIA eliminated the distinction between foreign and domestic acts of terrorism, a number of lines of coverage excluded under the amendments passed in 2005 remain excluded including commercial automobile, burglary and theft insurance; surety insurance, farm owners multiple perils and professional liability (although directors and officers liability is specifically included). If such excluded coverages are required, we recommend that you consider purchasing a separate terrorism policy. Please note that a separate terrorism policy for these excluded coverages may be necessary to satisfy loan covenants or other contractual obligations. TRIPRA includes a \$100 billion cap on insurers' aggregate liability.

The TRIPRA program increases the amount needed in total losses by \$20 million each calendar year before the TRIPRA program responds from the 2015 trigger of \$100 million to \$200 million by the year 2020.

TRIPRA is set to expire on December 31, 2020. There is no certainty of extension, thus the coverage provided by your insurers may or may not extend beyond December 31, 2020. In the event you have loan covenants or other contractual obligations requiring that TRIA/TRIPRA be maintained throughout the duration of your policy period, we recommend that a separate "Stand Alone" terrorism policy be purchased to satisfy those obligations.

Premiums for the above policies are due and payable as billed in full or as insurance company installments. Premiums may be financed subject to acceptance by an approved finance company. Following acceptance, completion (and signature) of a premium finance agreement with the specified down payment is required.

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## Compensation Disclosure

One of the core values highlighted in The Gallagher Way states, "We are an Open Society," and our open society extends to the compensation Gallagher receives. In general, Gallagher may be compensated as follows:

1. Gallagher Companies are primarily compensated from the usual and customary commissions or fees received from the brokerage and servicing of insurance policies, annuity contracts, guarantee contracts and surety bonds (collectively "insurance coverages") handled for a client's account, which may vary from company to company and insurance coverage to insurance coverage. As permitted by law, Gallagher companies occasionally receive both commissions and fees.
2. In placing, renewing, consulting on or servicing your insurance coverages, Gallagher Companies may participate in contingent and supplemental commission arrangements with intermediaries and insurance companies. Contingent commissions provide for additional compensation if stipulated underwriting, profitability, volume or retention goals are achieved. Such goals are typically based on the total amount of certain insurance coverages placed by Gallagher with the particular insurance company and/or through the particular intermediary, not on an individual policy basis. Some insurance markets, including Gallagher-owned intermediaries, have modified their commission schedule with Gallagher, resulting in an increase in certain commission rates. These additional commissions, commonly referred to as "supplemental commissions" are frequently known as of the effective date of the applicable insurance placement, but some insurance companies pay this commission later and apart from when commission is normally paid at policy issuance. As a result, Gallagher may be considered to have an incentive to place your insurance coverages with a particular insurance company. Note: Upon request, your Gallagher representative can provide more specific market information regarding contingent and supplemental commission related to your insurance coverage placed through Gallagher.
3. Gallagher Companies may also receive investment income on fiduciary funds temporarily held by them, such as premiums or return premiums.
4. Gallagher Companies may access other facilities, including wholesalers, reinsurance intermediaries, captive managers, underwriting managers and others that act as intermediaries for both Gallagher and other brokers in the insurance marketplace. Gallagher Companies may own some of these facilities, in whole or in part. If such a facility is utilized in the placement of a client's account, the facility may earn and retain customary brokerage commission or fees for its work.
5. Gallagher assists its clients in procuring premium finance quotes and unless prohibited by law may earn compensation for this optional value-added service.
6. From time to time, Gallagher may participate in insurance company promotional events or training and development that insurers provide for Gallagher employees.
7. Gallagher strives to find appropriate coverage at a competitive price for our clients. In order to achieve these goals, we gather and analyze data about our clients and their insurance coverage. This data and the resulting analytical tools help us better understand the current marketplace, more accurately predict future trends and offer tailored solutions to our clients. This data may also be provided to insurers pursuant to consulting service agreements from which we earn fees.

If you have specific questions about the compensation received by Gallagher and its affiliates in relation to your insurance placements, please contact your Gallagher representative for more details.

## Woodbury County

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In the event you wish to register a formal complaint regarding compensation Gallagher receives from insurers or third parties, please contact Gallagher via e-mail at [Compensation\\_Complaints@ajg.com](mailto:Compensation_Complaints@ajg.com) or by regular mail at:

AJG Chief Compliance Officer  
Arthur J. Gallagher & Co.  
2850 Golf Rd., 8th Floor  
Rolling Meadows, IL 60008

# Woodbury County

## Carrier Ratings and Admitted Status

| Proposed Carriers     | A.M. Best's Rating | Admitted/Non-Admitted |
|-----------------------|--------------------|-----------------------|
| BCS Insurance Company | A- IX (EXCELLENT)  | Admitted              |

If the above indicates coverage is placed with a non-admitted carrier, the carrier is doing business in the state as a surplus lines or non-admitted carrier. As such, this carrier is not subject to the same regulations which apply to an admitted carrier nor do they participate in any insurance guaranty fund applicable in that state.

The above A.M. Best Rating was verified on the date the proposal document was created.

## Guide to Best Ratings Rating Levels and Categories

| Level   | Category  | Level   | Category | Level | Category                     |
|---------|-----------|---------|----------|-------|------------------------------|
| A++, A+ | Superior  | B, B-   | Fair     | D     | Poor                         |
| A, A-   | Excellent | C++, C+ | Marginal | E     | Under Regulatory Supervision |
| B++, B+ | Good      | C, C-   | Weak     | F     | In Liquidation               |
|         |           |         |          | S     | Suspended                    |

### Financial Size Categories

(In \$000 of Reported Policyholders' Surplus Plus Conditional Reserve Funds)

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

Best's Insurance Reports, published annually by A.M. Best Company, Inc., presents comprehensive reports on the financial position, history, and transactions of insurance companies operating in the United States and Canada. Companies licensed to do business in the United States are assigned a Best's Rating which attempts to measure the comparative position of the company or association against industry averages.

A Best's Financial Strength Rating opinion addresses the relative ability of an insurer to meet its ongoing insurance obligations. It is not a warranty of a company's financial strength and ability to meet its obligations to policyholders. View the A.M. Best Important Notice: Best's Credit Ratings for a disclaimer notice and complete details at <http://www.ambest.com/ratings/notice>.

Best's Credit Ratings are under continuous review and subject to change and/or affirmation. For the latest Best's Credit Ratings and Best Credit Reports (which include Best Ratings), visit the A.M. Best website at <http://www.ambest.com>. See Guide to Best's Credit Ratings for explanation of use and charges. Copies of the Best's Insurance Reports for carriers listed above are also available upon request of your Gallagher representative.

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# Woodbury County

Gallagher companies use A.M. Best Company's rating services to evaluate the financial condition of insurers whose policies we propose to deliver. Gallagher companies make no representations and warranties concerning the solvency of any carrier, nor does it make any representation or warranty concerning the rating of the carrier which may change.

| <b>BEST'S FINANCIAL STRENGTH RATING GUIDE - (FSR)</b>   |   |                 |   |
|---|---|-----------------|---|
| <p>A Best's Financial Strength Rating (FSR) is an independent opinion of an insurer's financial strength and ability to meet its ongoing insurance policy and contract obligations. An FSR is not assigned to specific insurance policies or contracts and does not address any other risk, including, but not limited to, an insurer's claims-payment policies or procedures; the ability of the insurer to dispute or deny claims payment on grounds of misrepresentation or fraud; or any specific liability contractually borne by the policy or contract holder. An FSR is not a recommendation to purchase, hold or terminate any insurance policy, contract or any other financial obligation issued by an insurer, nor does it address the suitability of any particular policy or contract for a specific purpose or purchaser. In addition, an FSR may be displayed with a rating identifier, modifier or affiliation code that denotes a unique aspect of the opinion.</p>   |   |                 |   |
| <b>Best's Financial Strength Rating (FSR) Scale</b>   |   |                 |   |
| Rating Categories   | Rating Symbols  | Rating Notches* | Category Definitions  |
| Superior  | A+  | A++             | Assigned to insurance companies that have, in our opinion, a superior ability to meet their ongoing insurance obligations.  |
| Excellent   | A   | A-              | Assigned to insurance companies that have, in our opinion, an excellent ability to meet their ongoing insurance obligations.  |
| Good  | B+  | B++             | Assigned to insurance companies that have, in our opinion, a good ability to meet their ongoing insurance obligations.  |
| Fair  | B   | B-              | Assigned to insurance companies that have, in our opinion, a fair ability to meet their ongoing insurance obligations. Financial strength is vulnerable to adverse changes in underwriting and economic conditions.           |
| Marginal  | C+  | C++             | Assigned to insurance companies that have, in our opinion, a marginal ability to meet their ongoing insurance obligations. Financial strength is vulnerable to adverse changes in underwriting and economic conditions.       |
| Weak  | C   | C-              | Assigned to insurance companies that have, in our opinion, a weak ability to meet their ongoing insurance obligations. Financial strength is very vulnerable to adverse changes in underwriting and economic conditions.      |
| Poor  | D   | -               | Assigned to insurance companies that have, in our opinion, a poor ability to meet their ongoing insurance obligations. Financial strength is extremely vulnerable to adverse changes in underwriting and economic conditions. |
| <p>* Each Best's Financial Strength Rating Category from "A+" to "C" includes a Rating Notch to reflect a gradation of financial strength within the category. A Rating Notch is expressed with either a second plus "+" or a minus "-".</p>  |   |                 |   |
| <b>FSR Non-Rating Designations</b>  |   |                 |   |
| Designation Symbols   | Designation Definitions   |                 |   |
| E   | Status assigned to insurance companies that are publicly placed under a significant form of regulatory supervision, control or restraint - including cease and desist orders, conservatorship or rehabilitation, but not liquidation - that prevents conduct of normal ongoing insurance operations; an impaired insurer.   |                 |   |
| F   | Status assigned to insurance companies that are publicly placed in liquidation by a court of law or by a forced liquidation; an impaired insurer.   |                 |   |
| S   | Status assigned to rated insurance companies to suspend the outstanding FSR when sudden and significant events impact operations and rating implications cannot be evaluated due to a lack of timely or adequate information; or in cases where continued maintenance of the previously published rating opinion is in violation of evolving regulatory requirements. |                 |   |
| NR  | Status assigned to insurance companies that are not rated; may include previously rated insurance companies or insurance companies that have never been rated by AMBRS.   |                 |   |
| <b>Rating Disclosure -- Use and Limitations</b>   |   |                 |   |
| <p>A Best's Credit Rating (BCR) is a forward-looking independent and objective opinion regarding an insurer's, issuer's or financial obligation's relative creditworthiness. The opinion represents a comprehensive analysis consisting of a quantitative and qualitative evaluation of balance sheet strength, operating performance and business profile or, where appropriate, the specific nature and details of a security. Because a BCR is a forward-looking opinion as of the date it is released, it cannot be considered as a fact or guarantee of future credit quality and therefore cannot be described as accurate or inaccurate. A BCR is a relative measure of risk that implies credit quality and is assigned using a scale with a defined population of categories and notches. Entities or obligations assigned the same BCR symbol developed using the same scale, should not be viewed as completely identical in terms of credit quality. Alternatively, they are alike in category (or notches within a category), but given there is a prescribed progression of categories (and notches) used in assigning the ratings of a much larger population of entities or obligations, the categories (notches) cannot mirror the precise subtleties of risk that are inherent within similarly rated entities or obligations. While a BCR reflects the opinion of A.M. Best Rating Services, Inc. (AMBRS) of relative creditworthiness, it is not an indicator or predictor of defined impairment or default probability with respect to any specific insurer, issuer or financial obligation. A BCR is not investment advice, nor should it be construed as a consulting or advisory service, as such; it is not intended to be utilized as a recommendation to purchase, hold or terminate any insurance policy, contract, security or any other financial obligation, nor does it address the suitability of any particular policy or contract for a specific purpose or purchaser. Users of a BCR should not rely on it in making any investment decision; however, if used, the BCR must be considered as only one factor. Users must make their own evaluation of each investment decision. A BCR opinion is provided on an "as is" basis without any expressed or implied warranty. In addition, a BCR may be changed, suspended or withdrawn at any time for any reason at the sole discretion of AMBRS.</p> |   |                 |   |
| <p>BCRs are distributed via the AMBRS website at <a href="http://www.ambest.com">www.ambest.com</a>. For additional information regarding the development of a BCR and other rating-related information and definitions, including outlooks, modifiers, identifiers and affiliation codes, please refer to the report titled "Understanding Best's Credit Ratings" available at no charge on the AMBRS website. BCRs are proprietary and may not be reproduced without permission.<br/>                     Copyright © 2016 by A.M. Best Company, Inc. and/or its affiliates. ALL RIGHTS RESERVED.</p>   |   |                 |   |
|   |   |                 | Version 090116  |



BCS INSURANCE COMPANY  
2 Mid America Plaza, Suite 200  
Oakbrook Terrace, IL 60181

# CYBER LIABILITY AND PRIVACY COVERAGE RENEWAL APPLICATION

94.003 (08/15)

CERTAIN COVERAGES OFFERED ARE LIMITED TO LIABILITY FOR CLAIMS THAT ARE FIRST MADE AGAINST THE INSURED AND NOTIFIED TO US DURING THE POLICY PERIOD AS REQUIRED. CLAIM EXPENSES SHALL REDUCE THE APPLICABLE LIMITS OF LIABILITY AND ARE SUBJECT TO THE APPLICABLE RETENTION(S). PLEASE READ THE POLICY CAREFULLY.

You, Your Company, and Applicant mean all corporations, organizations or other entities, including subsidiaries, proposed for this insurance.

## I. GENERAL INFORMATION

|                                       |                                |
|---------------------------------------|--------------------------------|
| Name of Applicant                     | Woodbury County                |
| Mailing Address                       | 620 Douglas Street, Suite #701 |
| City                                  | Sioux City                     |
| State                                 | Iowa                           |
| ZIP Code                              | 51101                          |
| Description of Applicant's Operations | Government                     |


## II. REVENUES

| Indicate the following as it relates to the Applicant's fiscal year end (FYE): | Operating expenditures for the most recent Financial Year End |
|--|---|
| Most Recent FYE  | \$55,000,000  |
| Prior FYE  | \$52,000,000  |

\* With respect to the information required to be disclosed in response to the questions above, the proposed insurance will not afford coverage for any claim arising from any fact, circumstance, situation, event or act about which any executive officer of the Applicant had knowledge prior to the issuance of the proposed policy, nor for any person or entity who knew of such fact, circumstance, situation, event or act prior to the issuance of the proposed policy.

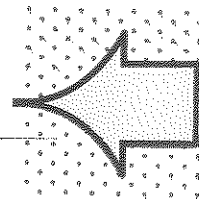
### FRAUD WARNING

It is a crime to knowingly and intentionally attempt to defraud an insurance company by providing false or misleading information or concealing material information during the application process or when filing a claim. Such conduct could result in your policy being voided and subject you to criminal and civil penalties.

  
Signature \* of Applicant's Authorized Representative (President, CEO or Chief Information/Security Officer)  
Board Chairman  
Title

Rocky Dewitt  
Name (Printed)

6/19/18  
Date





**V. PRODUCER INFORMATION (ONLY REQUIRED IN FLORIDA, IOWA AND NEW HAMPSHIRE)**

\_\_\_\_\_  
Producer Signature

\_\_\_\_\_  
Producer Name (Printed)

\_\_\_\_\_  
Agency Name

\_\_\_\_\_  
Agency Code                      License Number

# CYBER DECEPTION SUPPLEMENTAL APPLICATION

1. Does the **Applicant** have dual control when transferring funds in excess of \$25,000 to external parties? Yes  No
2. Does the **Applicant** provide training for staff members who transact funds in excess of \$25,000 externally? Yes  No
3. Have there been any losses for a "Cyber Deception Event" in the past year in excess of \$10,000? Yes  No

"Cyber Deception Event" means:

1. The good faith transfer by "You" of "Your Organization's" funds or the transfer of "Your Goods", in lieu of payment, to a third party as a direct result of a "Cyber Deception", whereby "You" were directed to transfer "Goods" or pay funds to a third party under false pretences; or
2. The theft of "Your Organization's" funds as a result of an unauthorized intrusion into or "Security Compromise" of "Your" "Computer System" directly enabled as a result of a "Cyber Deception".

Signature \* of Applicant's Authorized Representative Name (Printed) (President, CEO or Chief Information/Security Officer)

Board Chairman

Title



Rocky Dewitt  
Name (Printed)

6/19/18  
Date

