



Wells Fargo Insurance Services
1721 Magnavox Way
P.O. Box 885 (46801-0885)
Fort Wayne, IN 46804

Tel: 260 432 3400
Fax: 260 432 2075
wellsfargo.com/wfis

January 10, 2011

RECEIVED

JAN 12 2011

Nancy H. McAfee
Risk Manager
City of Fort Wayne
One Main St., Room 920
Fort Wayne, IN 46802

RISK MANAGEMENT

Re: Excess Workers' Compensation Policy No. AGC4043085

Dear Nan,

Enclosed is the captioned policy which became effective January 1, 2011.

The policy generates an annual premium of \$88,782, which has already been invoiced.

Thank you for the continuation of this business.

Should you have any questions, don't hesitate to give me a call.

Sincerely,

Bill -

William G. Niezer

WGN/dkw
Enclosure

Together we'll go far



SPECIFIC EXCESS AND AGGREGATE EXCESS
WORKERS' COMPENSATION AND
EMPLOYERS' LIABILITY INSURANCE AGREEMENT

SAFETY NATIONAL CASUALTY CORPORATION
ST. LOUIS, MISSOURI

(Hereinafter called the CORPORATION)

In consideration of the payment of premium and subject to all the terms of this Agreement, hereby agrees with the EMPLOYER named in the Declarations (hereinafter called the EMPLOYER), as follows:

A. Coverage of Agreement

This Agreement applies only to Loss sustained by the EMPLOYER because of liability imposed upon the EMPLOYER by the Workers' Compensation or Employers' Liability Laws of:

- (1) the State(s) designated in the Declarations, or
- (2) other State(s), provided that the Loss shall not be greater than it would have been had liability been imposed by the State(s) specified in the Declarations,

on account of bodily injury by accident or bodily injury by occupational disease due to Occurrences taking place within the Liability Period to Employees of the EMPLOYER engaged in the business operations specified in the Declarations and all other operations necessary, incidental, or appurtenant thereto. Bodily injury includes resulting death.

The inclusion of more than one EMPLOYER in the Declarations shall not increase the EMPLOYER's Self-Insured Retention nor the CORPORATION's Maximum Limit of Indemnity.

The insurance afforded by this Agreement applies to operations in the State(s) specified in the Declarations, including, however, incidental operations conducted by Employees who are regularly engaged in operations in the specified State(s), but who may be temporarily outside the specified State(s).

B. Insurance Under This Agreement

(1) Specific Excess Insurance

With respect to each Occurrence taking place within a Liability Period, the EMPLOYER shall retain as its own Loss, as defined below, the amount specified in Item 7 of the Declarations, and the CORPORATION agrees to reimburse the EMPLOYER only for such Loss in excess of such Self-Insured Retention, subject to the Maximum Limit of Indemnity Per Occurrence, or the Employers' Liability Maximum Limit of Indemnity Per Occurrence, whichever is applicable, as specified in Item 8 of the Declarations. The separate Employers' Liability Maximum Limit of Indemnity Per Occurrence shall not operate, in any case, to increase the total amount the CORPORATION agrees to reimburse the

EMPLOYER for Loss per any one Occurrence as per Item 8(a) of the Declarations.

(2) Aggregate Excess Insurance

The CORPORATION further agrees to indemnify the EMPLOYER for Loss on account of all Occurrences taking place within such Liability Period (but excluding Loss per Occurrence in excess of the amount specified in Item 7 of the Declarations as the EMPLOYER's Self-Insured Retention under Section B(1)) which is in excess of an aggregate amount, hereinafter called the Loss Fund, determined for each Liability Period as provided below, subject to the Maximum Limit of Indemnity as specified in Item 11 of the Declarations.

C. Definitions

- (1) "Loss" – shall mean actual payments, less recoveries, legally made by the EMPLOYER to Employees and their dependents in satisfaction of: (a) statutory benefits, (b) settlements of suits and claims, and (c) awards and judgments. Loss shall also include Claim Expenses, paid by the EMPLOYER, as defined in Paragraph (2) of this Section. The term Loss shall not include the items specifically excluded by Paragraph (3) of this Section.
- (2) "Claim Expenses" – shall mean court costs, interest upon awards and judgments and the reasonable allocated costs of investigation, adjustment, defense, and appeal, including pension or appeal bond costs (provided that the prosecution of such appeal and/or the posting of such pension or appeal bond is approved by the CORPORATION) of claims, suits or other proceedings brought against the EMPLOYER under the Workers' Compensation or Employers' Liability Laws of the State(s) designated in the Declarations, or other State(s), as provided in Section A, even though such claims, suits, proceedings or demands are wholly groundless, false or fraudulent. Claim Expenses shall not include fees to the EMPLOYER's Service Company.
- (3) "Exclusions from Loss" – shall refer to the following amounts paid by the EMPLOYER, and specifically excluded from the term Loss:
 - (a) Salaries, wages, and remuneration provided to Employees;

- (b) Fees to the EMPLOYER's Service Company and/or costs of self-administration of claims;
 - (c) Punitive or exemplary damages as they relate to claims made under the Employers' Liability coverage provided by this Agreement;
 - (d) Fines or penalties assessed against the EMPLOYER for any violation by the EMPLOYER, or its representative(s), of any statute or regulation, unless the fines or penalties result from a reasonable dispute as to Workers' Compensation benefits owed by the EMPLOYER;
 - (e) Assessments and taxes made upon the EMPLOYER as self-insurer whether imposed by statute, regulation, or otherwise;
 - (f) Any amounts required to be paid by the EMPLOYER because of:
 - 1) Serious and willful misconduct of the EMPLOYER, including intentional torts and intentional acts or omissions resulting in injury, acts or omissions taken with reckless disregard of the possible occurrence of an injury or acts or omissions taken that are substantially certain to result in injury, regardless of whether or not said actions may be classified in the State(s) as intentional torts,
 - 2) Coercion, criticism, demotion, evaluation, re-assignment, discipline, defamation, harassment, humiliation, discrimination against or termination of any Employee and/or related personnel practices, policies, acts or omissions by the EMPLOYER,
 - 3) Knowingly employing an Employee in violation of law,
 - 4) Rejection by the EMPLOYER of any Workers' Compensation Law,
 - 5) Failure to comply with any health, safety, or notification law or regulation,
 - (g) Loss voluntarily assumed by the EMPLOYER under any contract or agreement, whether express or implied;
 - (h) Loss for which the EMPLOYER carries a full coverage Workers' Compensation and Employers' Liability policy; and
 - (i) Any amount owed by the EMPLOYER pursuant to provision of any law that provides non-occupational disability benefits.
- (4) "Loss Fund" – shall be the greater of: (a) the product of the Loss Fund Percentage, as stated in Item 9 of the Declarations and the Manual or Standard Premium, whichever is applicable, as stated in Item 6 of the Declarations, or (b) the Minimum Loss Fund specified in Item 10 of the Declarations. (See Section F for the determination of the Manual or Standard Premium.)
- (5) "Occurrence" – shall mean accident. In addition, bodily injury by occupational disease must be caused or aggravated by the conditions of employment and shall be deemed to have occurred on the last day of the last exposure to those conditions of employment causing or aggravating such injury by occupational disease, or such

dates as is otherwise established by the Workers' Compensation and Employers' Liability Laws of the appropriate State(s). Bodily injury by occupational disease sustained by each Employee shall be deemed to be a separate Occurrence unless such disease results directly from an accident.

- (6) "Employee" – as respects liability imposed upon the EMPLOYER by the Workers' Compensation Law of any State, the word Employee shall mean any person performing work which renders the EMPLOYER liable under the Workers' Compensation Law of a State named in Item 2 of the Declarations, which is the State of the injured Employee's normal employment, for bodily injuries or occupational disease sustained by such person.
- (7) "State" – shall mean any state, territory, or possession of the United States of America and the District of Columbia.

D. Reimbursement

If the EMPLOYER pays any Loss incurred in any Liability Period in excess of the Self-Insured Retention Per Occurrence or the Loss Fund created for the respective Liability Period, the CORPORATION shall reimburse the EMPLOYER upon receipt of a formal proof of loss and other evidence acceptable to the CORPORATION of such payment. Within a reasonable period of time, reimbursement payments shall be made by the CORPORATION.

The CORPORATION shall have, and may exercise at any time, and from time to time, the right to offset any balance or balances, whether on account of premiums, Losses or otherwise, due from the EMPLOYER to the CORPORATION against any balance or balances due from the CORPORATION to the EMPLOYER under this Agreement.

E. Liability Period

The liability of the CORPORATION for Loss hereunder shall be determined separately for each Liability Period. The initial Liability Period shall commence at 12:01 A.M. on the Effective Date and end at 12:01 A.M. on the Anniversary Date, designated in Items 3 and 4 respectively, of the Declarations. Each succeeding Liability Period shall begin concurrently with the end of the previous Liability Period and continue for the same number of consecutive months as the initial Liability Period. All time is stated in local time for the State(s) designated in the Declarations.

In the event the Employer fails to give express written intent to continue coverage at the end of a given Liability Period, the Agreement shall be deemed terminated, and the Anniversary Date shall serve as the termination date of the Agreement.

F. Premium

Upon acceptance of the Agreement and at the beginning of each Payroll Reporting Period, as specified in Item 15 of the Declarations, the EMPLOYER shall pay to the CORPORATION the amount of the Deposit Premium specified in Item 14 of the Declarations. The EMPLOYER shall pay premiums when due. The Deposit Premium shall be

held by the CORPORATION until the expiration of the Payroll Reporting Period. Within thirty (30) days after the close of each Payroll Reporting Period, the EMPLOYER shall render to the CORPORATION a report, upon a form satisfactory to the CORPORATION, exhibiting, by classification, the amount of such remuneration earned by Employees during such reporting period, and the EMPLOYER shall therewith pay to the CORPORATION the excess of the Earned Premium over the Deposit Premium previously paid. In case the Deposit Premium paid exceeds the Earned Premium, the Corporation shall return to the EMPLOYER the amount of such excess or give appropriate credit, subject to the proportion of Minimum Premium for the Liability Period in the case of multi-year Liability Periods.

Upon expiration of a Liability Period, a summary of voluntary payroll reports for such Liability Period shall be made to determine the Earned Premium under this Agreement. In no event, however, shall the Earned Premium in respect of any Liability Period be less than the Minimum Premium specified in the Declarations.

For each Payroll Reporting Period, the CORPORATION shall compute the Earned Premium as follows:

- (1) Remuneration – The remuneration earned, or man-hours accumulated, during such period by all Employees, including volunteers, engaged in each classification covered by this Agreement shall be computed in accordance with the rules set forth in the appropriate Manual of Workers' Compensation and Employers' Liability Insurance.
- (2) Manual and Standard Premium – The remuneration, or man-hours, so computed for Employees engaged in each such classification shall be multiplied by the Manual Rate per \$100 of remuneration/man-hour, in effect at the inception of each Payroll Reporting Period, and the products so obtained shall be added together to determine the Manual Premium. An Experience Modification Factor may be applied to the Manual Premium to determine a Standard Premium. Such Experience Modification Factor shall be determined at the inception of this Agreement and is subject to annual review and possible revision. A Standard Premium takes precedence over any Manual Premium.
- (3) Earned Premium – Against the Manual or Standard Premium shall be applied the Premium Rate, as specified in Item 12 of the Declarations, to determine the appropriate Earned Premium.

This Agreement is issued by the CORPORATION and accepted by the EMPLOYER subject to the agreement that, in the event of any change in the Rates per \$100 remuneration/man-hour, as stated in Item 6 of the Declarations, because of any general rate increase or any legislative amendment affecting the benefits under the Workers' Compensation Law of any State(s) named in Item 2 of the Declarations, such change, upon the effective date thereof, shall be, without endorsement, made a part of this Agreement.

G. Self-Insurer

The EMPLOYER, by acceptance of this Agreement,

warrants that it is a duly qualified Self-Insurer in the State(s) designated in the Declarations, and will continue to maintain such qualifications during the currency of this Agreement. In the event the EMPLOYER should at any time while this Agreement is in force terminate such qualifications or if they should be cancelled or revoked, such loss of qualifications shall operate as notice of cancellation of this Agreement by the EMPLOYER, subject to the additional terms of the Cancellation Section of this Agreement.

H. Service and Administration

This Agreement contemplates the concurrent and continued existence of a separate service agreement between the EMPLOYER and the Service Company, its designated representative, named in Item 5 of the Declarations, providing services approved by the CORPORATION. The EMPLOYER agrees that its Service Company shall furnish the CORPORATION with quarterly loss runs concurrent with each Liability Period of this Agreement. The provision of loss runs alone does not relieve the EMPLOYER of its reporting obligations as set forth in Section I of this Agreement. In addition, the electronic transfer of loss information by a Service Company of the EMPLOYER shall not constitute notice of a claim.

Cancellation of the service agreement between the Service Company and the EMPLOYER shall operate as a notice of cancellation of this Agreement by the EMPLOYER, subject to the additional terms of the Cancellation Section of this Agreement. Any change in service companies must be immediately communicated to and approved by the CORPORATION, and this obligation shall survive the termination or non-renewal of this Agreement.

I. Prompt Reporting of Claims

As soon as the EMPLOYER becomes aware, the EMPLOYER must provide prompt notice to the CORPORATION of: (a) any claim or action commenced against the EMPLOYER which exceeds, or is likely to exceed, fifty percent (50%) of the Self-Insured Retention Per Occurrence specified in Item 7 of the Declarations and (b) the reopening of any claim in which a further award might involve liability of the CORPORATION under this Agreement.

In addition, the following categories of claims shall be reported to the CORPORATION immediately, regardless of any question of potential involvement of the CORPORATION:

1. Fatalities;
2. Paraplegics and quadriplegics;
3. Serious burns, defined as 2nd or 3rd degree burns involving 25% or more of the body;
4. Brain injury;
5. Spinal cord injury;
6. Amputation of a major extremity; and
7. Any Occurrence which results in a serious injury to two or more Employees.

If the CORPORATION is prejudiced by the EMPLOYER's failure to provide prompt notice of a claim in

accordance with the requirements set forth above and/or as otherwise provided by the Law of any State(s), the CORPORATION may elect to deny coverage for Loss arising from such claim. To constitute prompt, sufficient notice, the EMPLOYER must provide complete information as to the details of the injury, disease, or death.

J. Defense of Claims

The EMPLOYER shall investigate and settle or defend all claims and shall conduct the defense and appeal of all actions, suits, and proceedings commenced against it. The EMPLOYER shall forward promptly to the CORPORATION copies of any pleadings or reports as may be requested. The CORPORATION shall not be obliged to assume charge of the investigation, defense, appeal or settlement of any claim, suit, or proceeding brought against the EMPLOYER, but the CORPORATION shall be given the opportunity to investigate, defend, or participate with the EMPLOYER in the investigation and defense of any claim, if, in the opinion of the CORPORATION, its liability under this Agreement might be involved.

K. Good Faith Claims Administration

The EMPLOYER shall use diligence, prudence, and good faith in the investigation, defense, pursuit of recovery from others and settlement of all claims. The EMPLOYER shall not unreasonably refuse to settle any claim which, in the exercise of sound judgment with respect to the entire claim, should be settled, provided, however, that the EMPLOYER shall not make any payment or agree to any settlement for any sum which would involve the limits of the CORPORATION's liability hereunder without the approval of the CORPORATION.

If the CORPORATION is prejudiced by the EMPLOYER's failure to exercise diligence, prudence, and good faith, the CORPORATION may elect to disclaim coverage for Loss from such claim.

L. Inspection and Audit

The CORPORATION shall have the right, but not the obligation, to inspect the premises and equipment and/or to audit the books and records of the EMPLOYER and of its agents and representatives, including all records relating to payroll and claims matters, at any reasonable time during the period of this Agreement and within three (3) years after final settlement of all claims due to Occurrences happening during the term of this Agreement. An audit to determine Manual or Standard Premium shall supersede any and all prior voluntary payroll reports by the EMPLOYER, and will be used to determine the final adjustment of premiums due to the CORPORATION and the Loss Fund amounts. Should a determination be made that additional audit premium is due to the CORPORATION, the due date for payment of such audit premium shall be thirty (30) days after the date of billing.

M. Other Insurance

If the EMPLOYER carries other valid and collectible insurance, reinsurance, or indemnity with any other insurer or

reinsurer covering a Loss also covered by this Agreement (other than insurance or reinsurance that is purchased to apply in excess of the sum of the Self-Insured Retention and the Maximum Limits of Indemnity hereunder), the insurance afforded by this Agreement shall apply in excess of and shall not contribute with such other insurance or reinsurance.

N. Recovery From Others

The EMPLOYER agrees to prosecute any and all valid claims the EMPLOYER may have against any other party or source that may mitigate any Loss under this Agreement and return to the CORPORATION any amount so recovered, less the reasonable expense of collecting such amounts.

The CORPORATION shall have the EMPLOYER's rights to prosecute any and all valid claims against any other party or source that may mitigate any Loss under this Agreement. The EMPLOYER agrees that it will assist the CORPORATION in any prosecution of any and all valid claims against any other party or source that may mitigate any Loss under this Agreement. Any amounts recovered by the CORPORATION from any other party or source that may mitigate Loss under this Agreement shall first be used to pay the expenses of collection and to reimburse the CORPORATION for any amount it may have paid the EMPLOYER for the Liability Period concerned, and all remaining amounts collected shall be paid to the EMPLOYER.

O. Change in Agreement

No condition, provision, or declaration of this Agreement shall be waived or altered at any time, except as specified in Section F, except by endorsement signed by the President or a Senior Vice President and the Secretary or an Assistant Secretary of the CORPORATION.

This Agreement hereby terminates, supersedes, and replaces all previously issued Workers' Compensation Insurance or Reinsurance Agreements, as amended, between the EMPLOYER and the CORPORATION.

If terms of this Agreement are in conflict with any law applicable to this Agreement, this statement amends this Agreement to conform to such law. In addition, in the event any terms are in conflict with applicable laws, the remaining terms of the Agreement shall be enforceable.

P. Cancellation

This Agreement may be cancelled by either party giving the other party written notice not less than sixty (60) days prior to the date of cancellation, except, that if the CORPORATION cancels for non-payment of any premium, the cancellation shall become effective ten (10) days after dispatch of notice by the CORPORATION. The date of cancellation then becomes the termination date of the final Liability Period. This Agreement does not apply to Loss as a result of Occurrences taking place after the effective date of such cancellation.

If cancellation is effected by the EMPLOYER, the Manual or Standard Premium shall be determined by the short rate tables used for casualty insurance, and the Loss Fund and Earned Premium shall be the product of the Loss Fund

Percentage (Item 9) and the Premium Rate (Item 12) respectively, times the Manual or Standard Premium so arrived at, but not less than the Minimum Loss Fund and the Minimum Premium specified in the Declarations.

If cancellation is effected by the CORPORATION for non-payment of premium, the EMPLOYER shall pay the CORPORATION Earned Premium for the period up to the date of cancellation, but the Loss Fund shall be computed upon the same basis as provided in the event the EMPLOYER cancels.

If the CORPORATION cancels for any other reason, the Manual or Standard Premium shall be determined upon a pro rata basis and the Loss Fund and Earned Premium adjusted in accordance therewith.

Q. Assignment

An assignment of interest under this Agreement will not bind the CORPORATION unless an endorsement signed by the President or a Senior Vice President and the Secretary or an Assistant Secretary of the CORPORATION assigning interest under this Agreement is issued by the CORPORATION.

R. Bankruptcy or Insolvency of Employer

The bankruptcy or insolvency of the EMPLOYER will not relieve the CORPORATION or the EMPLOYER of its duties and liabilities under this Agreement. After payments have been made by or on behalf of the EMPLOYER, reimbursements due under this Agreement will be made by the

CORPORATION as if the EMPLOYER had not become bankrupt or insolvent, but not in excess of the CORPORATION's limit of indemnity.

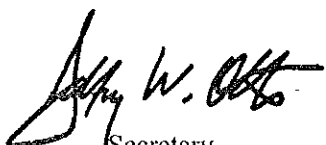
S. Sole Representative

If more than one EMPLOYER is named in Item 1 of the Declarations, or an endorsement related thereto, the EMPLOYER first named in Item 1, or a related endorsement, will act on behalf of all EMPLOYERS to give or receive notice of cancellation, to receive return premium or reimbursement, or to request changes in this Agreement.

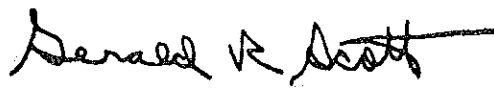
T. Acceptance

By acceptance of this Agreement, the EMPLOYER agrees that the statements in this Agreement, in the Declarations, and in the application are the EMPLOYER's representations; that this Agreement is issued in reliance upon such representations; that this Agreement embodies all agreements existing between the EMPLOYER and the CORPORATION, or any of its agents, relating to this excess insurance, and that full compliance by the EMPLOYER with all terms of this Agreement is a condition precedent to the CORPORATION's liability hereunder.

IN WITNESS WHEREOF, SAFETY NATIONAL CASUALTY CORPORATION has caused this Agreement to be executed by printing below the facsimile signatures of its President and Secretary and by the actual signature of its Secretary on the Declarations.



Secretary



President

SAFETY NATIONAL CASUALTY CORPORATION

PRIVACY STATEMENT

Our Commitment To Our Customers

Safety National Casualty Corporation ("Safety National") is proud to have provided quality products and services to its customers for over 50 years. We greatly appreciate the trust that you and all of our customers place in us. We protect that trust by respecting the privacy of all of our customers, both present and past. The following will explain our privacy practices so that you will understand our commitment to your privacy.

We Respect Your Privacy

When you apply to Safety National for any type of insurance, you disclose information about you to us. The collection, use and disclosure of such information is regulated by law. Safety National and its affiliates maintain physical, electronic and procedural safeguards that comply with state and federal regulations to guard your personal information. Our employees are also advised of the importance of maintaining the confidentiality of your information.

Types Of Information We Collect

Safety National obtains most of our information directly from you, your agent or broker. The application you complete, as well as any additional information you provide, generally gives us most of the details we need to know. Depending on the nature of your insurance transaction, we may need further details about you.

We may obtain information from third parties, such as other insurance or reinsurance companies, medical providers, government agencies, information clearinghouses and other public records. We may also obtain information about you from your other transactions with us, our affiliates or others.

What We Do With Your Information

Information that has been collected about you will be retained in our files. We will review your information in evaluating your request for insurance coverage, determining your rates or underwriting risk, servicing your policy or adjusting claims. We may retain information about our former customers and would disclose that information only to affiliates and to nonaffiliates as described in this notice or as otherwise permitted by law.

To Whom Do We Disclose Your Information

We will not disclose any non-public, personal information about our customers or former customers, except as permitted by law. That means we may disclose information we have collected about you to the following types of third parties:

- Our affiliated companies (members of the Delphi Financial group of companies).
- Your agent or broker.
- Parties who perform a business or insurance function for Safety National, including reinsurance, underwriting, claims administration or adjusting, investigation, loss control and computer systems companies.
- Other insurance companies or agents as reasonably necessary concerning your application, policy or claim.
- Insurance regulatory or statistical reporting agencies.
- Law enforcement or governmental authorities in connection with suspected fraud or illegal activities.
- Authorized persons as ordered by subpoena, warrant or court order, or as required by law.

We do not disclose any non-public, personal information about you to non-affiliated companies for marketing purposes or for any other purpose except those specifically allowed by law and described above.

Independent Sales Agents or Brokers

Your policy may have been placed with us through an independent agent or broker ("Sales Agent"). Your Sales Agent may have gathered information about you. The use and protection of information obtained by your Sales Agent is their responsibility, not Safety National's. If you have questions about how your Sales Agent uses or discloses your information, please contact them directly.

POLICYHOLDER NOTICE
INDIANA - FILING OF COMPLAINTS WITH INSURANCE DEPARTMENT

As our Insured Employer, your satisfaction is very important to us. If you have a question about your Excess Workers' Compensation and Employers' Liability Agreement, if you need assistance with a problem, or if you have a claim, you should first contact your insurance agent or us. You may reach us at (888) 995-5300. Should you have a valid claim under your Agreement with us, we fully expect to provide a fair settlement in a timely fashion.

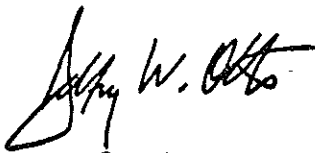
Should you feel you are not being treated fairly with respect to a claim, you may contact the Indiana Department of Insurance with your complaint.

To contact the Department, write or call:

Consumer Services Division
Indiana Department of Insurance
311 West Washington Street, Suite 300
Indianapolis, IN 46204-2787
317-232-2395 or 1-800-622-4461

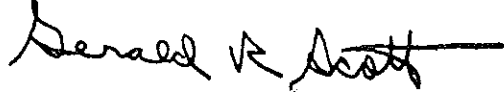
All other terms, conditions, agreements and stipulations remain unchanged.

Attached to and forming a part of Excess Workers' Compensation and Employers' Liability Insurance Agreement No. AGC4043085, issued by SAFETY NATIONAL CASUALTY CORPORATION of St. Louis, Missouri to CITY OF FORT WAYNE AND ALL RELATED BOARDS AND COMMISSIONS, dated January 01, 2011.



Secretary

SAFETY NATIONAL CASUALTY CORPORATION



President

SAFETY NATIONAL CASUALTY CORPORATION
1832 SCHUETZ ROAD
ST. LOUIS, MO 63146

DECLARATIONS – SPECIFIC AND AGGREGATE EXCESS

AGC4043085

- Item 1. Employer: CITY OF FORT WAYNE AND ALL RELATED BOARDS AND COMMISSIONS
Address: ONE MAIN STREET, ROOM 920, FORT WAYNE, IN 46802
- Item 2. This Agreement covers all business operations of the EMPLOYER as a Self-Insurer in the following State(s):
INDIANA
- Item 3. Effective Date: 12:01 A.M. January 01, 2011
- Item 4. Anniversary Date: 12:01 A.M. January 01, 2012
- Item 5. The Service Company shall be WELLS FARGO INSURANCE SERVICES USA, INC.

Item 6. CLASSIFICATIONS OF OPERATIONS	Code Number	Estimated Total Annual Remuneration/Manhours	Rate Per \$ 100 Remuneration/Manhours
See Attached			
	Total Estimated Manual Premium		\$ 1,026,385
	SNCC Experience Modification Factor		1.00
	Total Estimated Standard Premium		\$ 1,026,385

Specific Excess Insurance

- Item 7. Self-Insured Retention Per Occurrence \$ 300,000
- Item 8. (a) Maximum Limit of Indemnity Per Occurrence Statutory
(b) Employers' Liability Maximum Limit of Indemnity Per Occurrence \$ 1,000,000

Aggregate Excess Insurance

- Item 9. Loss Fund Percentage 130.00 %
- Item 10. Minimum Loss Fund for the Liability Period \$ 1,334,301
- Item 11. Maximum Limit of Indemnity of the CORPORATION for the Liability Period \$ 1,000,000

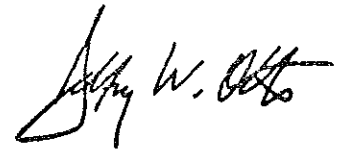
Other Terms

- Item 12. Premium Rate 8.65 % of Annual Standard Premium
- Item 13. Minimum Premium for the Liability Period \$ 84,343
- Item 14. Deposit Premium for the Payroll Reporting Period \$ 88,782
- Item 15. Payroll Reporting Period Annually as of January 01
- Item 16. Endorsements See Endorsement Schedule

Signed at St. Louis, Missouri on December 22, 2010

Countersigned this day of

By: _____ N/A



Secretary

XWC 1005 00 1101

ITEM 6

RE: CITY OF FORT WAYNE AND ALL RELATED BOARDS AND COMMISSIONS

Policy No: AGC4043085

Effective Date: 12:01 A.M. January 01, 2011

Declarations:

Item 6.

St	Classifications of Operations	Code No.	Estimated Total Annual Remuneration/ Manhours	Rate per \$100 Remuneration/ Manhours	Estimated Premium
IN	Street or Road Construction: Paving or Repaving & Drivers	5506	\$ 5,925,677	See Note1	
	Street or Road Construction: Subsurface Work & Drivers	5507	If Any		
	Sewer Construction All Operations	6306	\$ 3,264,364		
	Waterworks Operation & Drivers	7520	\$ 6,415,445		
	Sewage Disposal Plant Operation & Drivers	7580	\$ 2,204,137		
	Firefighters & Drivers	7710	\$ 227,231		
	Police Officers & Drivers	7720	\$ 1,977,559		
	Automobile Service or Repair Center & Drivers	8380	If Any		
	Architect Or Engineer	8601	\$ 168,440		
	Clerical Office Employees NOC	8810	\$ 20,596,157		
	Attorney-All Employees & Clerical, Messengers, Drivers	8820	\$ 332,883		
	Hospital: Veterinary & Drivers	8831	\$ 1,089,923		
	Parks NOC-All Employees & Drivers	9102	\$ 6,383,568		
	Municipal, Township, County or State Employee NOC	9410	\$ 5,296,008		
			\$ 53,881,392		
	Total Payroll		\$ 53,881,392		

IN Note 1: To be determined upon audit in accordance with Published Rates multiplied by a 0.95 factor.

XWC 1004 00 1101

Endorsement Schedule

RE: CITY OF FORT WAYNE AND ALL RELATED BOARDS AND COMMISSIONS

Policy No: AGC4043085

Effective Date: 12:01 A.M. January 01, 2011

Number	Title
XWC 0233 00 1291	FIREFIGHTERS & POLICE OFFICERS EMPLOYEE EXCLUSION
XWC 0294 01 0908	INDIANA NOTICE OF CANCELLATION OR NONRENEWAL
XWC 1061 10 1207	POLICYHOLDER DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE

XWC 0233 00 1291

ENDORSEMENT

FIREFIGHTERS & POLICE OFFICERS EMPLOYEE EXCLUSION

Effective 12:01 A.M., Local Time, January 01, 2011

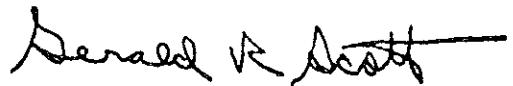
In consideration of the payment of premium and adherence by both parties to the terms of this Agreement, it is hereby understood and agreed as follows:

This Agreement shall not apply to, and therefore provides no coverage for, any Loss resulting from injury or occupational disease to any and all Employees classified as firefighters and police officers. Accordingly, it is understood and agreed that this Agreement shall afford no coverage whatsoever to firefighters and police officers.

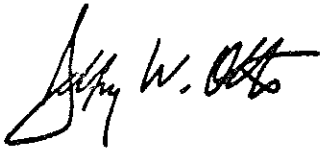
All other terms, conditions, agreements and stipulations remain unchanged.

Attached to and forming a part of Excess Workers' Compensation and Employers' Liability Insurance Agreement No. AGC4043085, issued by SAFETY NATIONAL CASUALTY CORPORATION of St. Louis, Missouri to CITY OF FORT WAYNE AND ALL RELATED BOARDS AND COMMISSIONS, dated January 01, 2011.

SAFETY NATIONAL CASUALTY CORPORATION



President



Secretary

ENDORSEMENT

INDIANA NOTICE OF CANCELLATION OR NONRENEWAL

Effective 12:01 A.M., Local Time, January 01, 2011

In consideration of the payment of premium and adherence by both parties to the terms of this Agreement, it is hereby understood and agreed as follows:

The Cancellation section of this Agreement is amended to include the following:

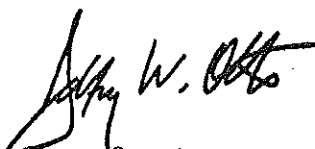
- (1) If this Agreement has been in effect for fewer than ninety (90) days, the CORPORATION may cancel by providing written notice of cancellation to the EMPLOYER at least:
 - (a) Ten (10) days before cancellation for non-payment of premium;
 - (b) Twenty (20) days before cancelling if the EMPLOYER has perpetrated a fraud or material misrepresentation upon the CORPORATION; or
 - (c) Thirty (30) days if cancellation is for any other reason.
- (2) If this Agreement has been in effect for more than ninety (90) days, the CORPORATION may cancel this Agreement only for one or more of the following reasons:
 - (a) Non-payment of premium;
 - (b) There is a substantial change in the scale of the risk covered by this Agreement;
 - (c) The EMPLOYER has perpetrated a fraud or material misrepresentation upon the CORPORATION;
 - (d) The EMPLOYER has failed to comply with reasonable safety recommendations; and/or
 - (e) Reinsurance of the risk associated with this Agreement has been cancelled.
- (3) If this Agreement has been in effect for more than ninety (90) days, notice of cancellation to the EMPLOYER shall be provided in the following manner:
 - (a) Notice shall be provided ten (10) days before cancellation before the effective date of cancellation if this Agreement is cancelled as the result of the EMPLOYER's non-payment of premium;
 - (b) Notice shall be provided twenty (20) days before the effective date of cancellation if this Agreement is cancelled as the result of the EMPLOYER's perpetration of a fraud or material misrepresentation upon the CORPORATION; and
 - (c) Notice shall be provided forty-five (45) days before the effective date of cancellation if this Agreement is cancelled because of a substantial change in the scale of the risk covered by this Agreement, because of the EMPLOYER's failure to comply with reasonable safety precautions or because of the cancellation of the reinsurance of the risk associated with this Agreement.

XWC 0294 01 0908

ENDORSEMENT (CONTINUED)

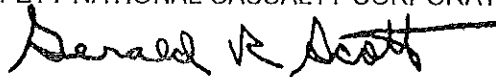
All other terms, conditions, agreements and stipulations remain unchanged.

Attached to and forming a part of Excess Workers' Compensation and Employers' Liability Insurance Agreement No. AGC4043085, issued by SAFETY NATIONAL CASUALTY CORPORATION of St. Louis, Missouri to CITY OF FORT WAYNE AND ALL RELATED BOARDS AND COMMISSIONS, dated January 01, 2011.



Secretary

SAFETY NATIONAL CASUALTY CORPORATION



President

XWC 1061 10 1207

ENDORSEMENT

POLICYHOLDER DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE

Effective 12:01 A.M., Local Time, January 01, 2011

In consideration of the payment of premium and adherence by both parties to the terms of this Agreement, it is hereby understood and agreed as follows:

Coverage for workers' compensation losses caused by certified acts of terrorism is included in this Agreement as set forth under the Terrorism Risk Insurance Act of 2002 as amended ("the Act").

For purposes of this Endorsement, a "certified act of terrorism" is defined as any act:

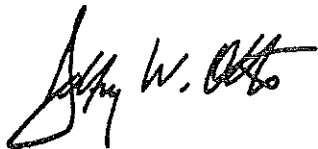
- a. That is certified by the Secretary of the Treasury in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism; and,
- b. That is violent or dangerous to human life, property or infrastructure; and,
- c. That results in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and,
- d. That has been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

Coverage for such losses is still subject to all terms, definitions, exclusions, and conditions in your Agreement, and any applicable federal and/or state laws, rules, or regulations. Under the Act, terrorism losses would be partially reimbursed by the U.S. Government under a formula established by the Act. Under this formula, the U.S. Government would generally reimburse 85% of covered terrorism losses exceeding a deductible paid by the CORPORATION. The Act contains a \$100 billion cap that limits the reimbursement from the U.S. Government as well as from all insurers. If aggregate insured losses for all insurers exceed \$100 billion, the EMPLOYER's coverage may be reduced.

The portion of the EMPLOYER'S annual premium that is attributable to coverage for losses caused by a certified act of terrorism is: 0.5%.

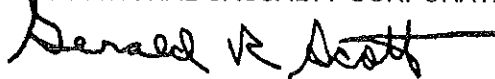
All other terms, conditions, agreements and stipulations remain unchanged.

Attached to and forming a part of Excess Workers' Compensation and Employers' Liability Insurance Agreement No. AGC4043085, issued by SAFETY NATIONAL CASUALTY CORPORATION of St. Louis, Missouri to CITY OF FORT WAYNE AND ALL RELATED BOARDS AND COMMISSIONS, dated January 01, 2011.



Secretary

SAFETY NATIONAL CASUALTY CORPORATION



President

WORKER'S COMPENSATION BOARD OF INDIANA
402 West Washington Street, Room W196
Indianapolis, IN 46204
www.in.gov/workcomp

FORM SI-3
(Revised 2003)

WORKER'S COMPENSATION AND OCCUPATIONAL DISEASES ACTS
CERTIFICATE OF EXCESS INSURANCE

This certifies that a Worker's Compensation and Occupational diseases Excess Insurance Policy has been issued and delivered to the Employer named below, and that by issuance and delivery of the said policy and the filing of this certificate of insurance, it is admitted that said excess policy was effective on the date stated below and that the coverage provided therein is applicable to benefits under the Worker's Compensation Act and the Occupational Diseases Act of the State of Indiana and that said policy shall remain in full force and effect until thirty (30) days after receipt by the Worker's Compensation Board of notice of its cancellation.

NAME OF INSURED EMPLOYER: CITY OF FORT WAYNE AND ALL RELATED BOARDS AND COMMISSIONS

ADDRESS: ONE MAIN STREET, ROOM 920, FORT WAYNE, IN 46802

NAME OF INSURER: SAFETY NATIONAL CASUALTY CORPORATION

ADDRESS: 1832 SCHUETZ ROAD, ST. LOUIS, MO 63146-3540

NAME OF AUTHORIZED AGENT: Wells Fargo Insurance Services USA

ADDRESS: 1721 Magnavox Way, Fort Wayne, IN 46804

TELEPHONE NUMBER: 260-432-3400

SIGNATURE OF AUTHORIZED AGENT: *William A. Nizer*

POLICY NUMBER: AGC4043085

EFFECTIVE DATE: January 01, 2011

EXPIRATION DATE: January 01, 2012

A copy of the policy is attached to this certificate.

FORM OF COVERAGE: Specific Excess X Aggregate Excess X

POLICY LIMITS: Specific Excess: Statutory; Aggregate Excess: \$ 1,000,000

Loss Fund: 130 %; MTLF: \$ 1,334,301

Employers' Liability: \$ 1,000,000 Per Occ.

SELF-INSURED RETENTION: \$ 300,000

It is specifically understood and agreed to by the excess insurance carrier that this excess policy is issued for the purpose of inducing the Worker's Compensation Board of Indiana to approve the Self-Insurance application of the employer herein named and covered by this policy.

NOTE: This excess insurance coverage shall be for both worker's compensation and occupational diseases unless otherwise specifically designated herein and the express approval of the Board is specifically endorsed hereon.