



MCM - Oakland Touchdown

Indication

9/1/2007, 12:01 AM - 3/1/2009, 12:00 AM

Submitted to

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Submitted by

**Arch Insurance Group
6400 Fiddler's Green Circle, Suite 1977
Englewood, CO 80111**

10/1/2007

Proposal Summary

Named Insured

- MCM - Oakland Touchdown

Program Summary

- Work Comp, Deductible General Liability
- Paid Program, with Letter of Credit as Collateral
- Unbundled Claim Service

Exposure Base

- WC - WC Payroll - 14,512,288
- GL - Revenue - 177,700,000

Financial Summary
MCM - Oakland Touchdown: (9/1/07 - 3/1/09)

GUARANTEED COST / SMALL DEDUCTIBLE

Premium & Rates					
	<u>Fixed Cost Premium</u>	<u>Exposure</u>	<u>Expos Type</u>	<u>Fixed Cost Rate</u>	<u>Per</u>
Work Comp	1,215,240	14,512,288	WC Payroll		
TOTAL	1,215,240				
Retained Loss Amounts					<u>Amount</u>
Work Comp - per occurrence retained loss amount including allocated expense					0

LOSS SENSITIVE

Premium & Rates						
	<u>Fixed Cost Premium</u>	<u>Exposure</u>	<u>Expos Type</u>	<u>Fixed Cost Rate</u>	<u>Per</u>	
Deductible General Liability	594,460	177,700,000	Revenue	3.3453	Per 1,000	
TOTAL	594,460					
Retained Loss Amounts					<u>Rate</u>	<u>Amount</u>
General Liability - per occurrence retained loss amount including allocated expense						25,000
Program will be audited based on:					Rate per indicated exposure base	
Total Collateral Required for all Arch Policy Periods						133,000
Letter of Credit (due 10/1/07)						133,000
Initial Escrow for this Policy Period						10,000

OTHER PROGRAM DETAILS

Payment Plan:				
<u>Due Date</u>	<u>Fixed Cost Premium *</u>	<u>Surcharges & Assessments **</u>		<u>Total</u>
09/15/07	602,062	32,819		634,881
10/15/07	0	0		0
11/15/07	0	0		0
12/15/07	402,666	0		402,666
01/15/08	0	0		0
02/15/08	0	0		0
03/15/08	402,486	0		402,486
04/15/08	0	0		0
05/15/08	0	0		0
06/15/08	402,486	0		402,486
07/15/08	0	0		0
08/15/08	0	0		0
Total	1,809,700	32,819		1,842,519

* Including TRIA, DTEC, and Expense Constant ** These surcharges are estimated and may change at policy issuance and/or premium audit.

Commissions (included in fixed costs above):				
<u>Commission Adjusted Based on:</u>				
	<u>\$</u>	<u>%</u>	<u>of</u>	
Work Comp	0	0.0%	% of Fixed Cost Premium	
General Liability	0	0.0%	% of Fixed Cost Premium	
Total	0			

Comments

See Sample Loss Sensitive Program Agreement attached for more details about how the plan will operate. The actual LSPA will be sent after the binder. The signed LSPA is due 30 days after receipt.

GL Policy Limits: 2/4/4 Million

The above dollar amounts are minimum. The premium is deposit and adjusts upward at audit.

DTEC Premium: \$0. Work Comp TRIA Premium is \$7,256. Customer has rejected TRIA Coverage for General Liability.

TRIA is not included in the above pricing.

**Commercial Intellisys
Arch**

Named Insured:	MCM CONSTRUCTION	Date:	09/26/07
Special Notes:	09/26/07 GC		
Quote Number:	099482-01	Agy/Prod Number:	999999
Policy Number:		Agy/Prod Name:	UNASSIGNED
Customer ID:		Operator:	JARELLANO
System Assign:	23190200000000		
Business Type:			
Insurance Co.:	ARCH INSURANCE COMPANY		
Line Of Business:	WORKERS COMP (VOLUNTARY)		
Effective Date:	09/26/07	Expiration Date:	09/26/08
Anniversary Date:		Audit Frequency:	ANNUAL
Policy Term:	1 YEAR		
Predominant State:	CA		
Transaction Type:	NEW BUSINESS QUOTE		

POLICY PREMIUM TOTALS

<u>Coverages</u>	<u>Term Premium</u>
Class Premium	1,511,165.00
Employer's Liab Premium	42,313.00
Schedule Mod Premium	-155,348.00
Standard Premium	1,398,130.00
Premium Discount	-190,146.00
Foreign Terrorism	7,256.00
Estimated Premium	1,215,240.00
Taxes and Assessments	32,819.00
Estimated Total	1,248,059.00

TERM STATE TOTALS

<u>State</u>	<u>Exposure</u>	<u>Estimated Premium</u>	<u>Taxes and Assessments</u>	<u>State Total</u>
CA	14,512,288	1,215,240.00	32,819.00	1,248,059.00
Estimated Totals	14,512,288	1,215,240.00	32,819.00	1,248,059.00

Named Insured: MCM CONSTRUCTION
 Customer ID:
 Policy Number:
 Quote Number: 099482-01
 Transaction Type: NEW BUS. QUOTE Effective: 09/26/07

PREMIUM RECAP BY RATING GROUP

State: CA Rating Group: 0001-01

Class Code	Term Exposure	Rate	Premium
5213	292,287	9.16	26,773.00
5222	7,455,694	12.86	958,802.00
5507	527,977	5.57	29,408.00
5606	221,250	2.37	5,244.00
6003	3,271,963	11.41	373,331.00
6003U	118,000	22.82	26,928.00
6220	2,053,997	4.12	84,625.00
8810	571,120	1.06	6,054.00
TOTAL CLASS PREMIUM			1,511,165.00
INCREASE LIMITS (.028)		(SP: 1,511,165.00)	42,313.00
TOTAL SUBJECT PREMIUM			1,553,478.00
EXPERIENCE PREMIUM			.00
TOTAL MODIFIED PREMIUM			1,553,478.00
SCHEDULE MODIFICATION (-.1)		(SP: 1,553,478.00)	-155,348.00
STANDARD TOTAL			1,398,130.00
PREMIUM DISCOUNT (-.136)		(SP: 1,398,130.00)	-190,146.00
FOREIGN TERRORISM (.05)		(SP: 14,512,288.00)	7,256.00
TERRORISM PREMIUM IS PER \$100 OF PAYROLL			
TOTAL ESTIMATED PREMIUM			1,215,240.00
CIGA SURCHARGE (.02)		(SP: 1,215,240.00)	24,305.00
CA ADMIN REVOLVING FUND ASSESS (.004483)		(SP: 1,215,240.00)	5,448.00
CA FRAUD ASSESSMENT (.001643)		(SP: 1,215,240.00)	1,997.00
CA UNINS EMPL BENEFITS ASSESS (.000262)		(SP: 1,215,240.00)	318.00
CA SUBS INJ BENEFITS ASSESS (.000618)		(SP: 1,215,240.00)	751.00
FINAL TOTAL			1,248,059.00

Named Insured: MCM CONSTRUCTION
Customer ID:
Policy Number:
Quote Number: 099482-01
Transaction Type: NEW BUS. QUOTE Effective: 09/26/07

WORKERS COMP POLICY INFORMATION RECAP

Predominant State: CA
Employers Liability: Each Accident: 1,000,000
Policy Limit: 1,000,000
Each Employee: 1,000,000
Admiralty Limit: Per Accident: N/A
Program Type: N/A
FELA Limit: Per Accident: N/A
Program Type: N/A
Retro Plan: NO

Interstate Exper Mod ID:
Effective Date:
Exper Mod:

Policy Minimum Premium: 22
Empl Liab Minimum Premium: 150
Admiralty Minimum Premium:
FELA Minimum Premium:

Combined Policy Premium:
NJ Premium:

Executive Officers: NO
Employee Leasing: NO
Deposit Factor:
Installment Plan:

WORKERS COMP STATE INFORMATION RECAP

State: CA RATE
CHANGE PENDING
Rate Mode: G
Retro Plan: NO
Intra Exper Mod ID: WCIRB
Effective Date: 09/26/07
Exper Mod: 1.00 (ACTUAL)
Rate Revision Date: 07/01/06
Dev Revision Date: 07/01/07
Premium Discount
First: NIL (5000)
Next: .109 (95000)
Next: .126 (400000)
Balance: .144 (BALANCE)
Commission (Norm): 0
Prem Subj to Comm: 1,215,240

Named Insured: MCM CONSTRUCTION
 Customer ID:
 Policy Number:
 Quote Number: 099482-01
 Transaction Type: NEW BUS. QUOTE Effective: 09/26/07

CLASS CODE INFORMATION

State: 04 (CA) Rating Group: 0001-01
 Class Code: 5213 CONCRETE CONSTRUCTION - N.O.C. - INCLUDING FOUNDAT
 Hazard Group: 4 Analogy Desc: NONE
 Premium Type: 01 RATABLE
 USL&H Applies: NO
 Defense Base: NO
 DC Ben Applies: NO
 TWM&C Applies: NO Disease Load: Exclude Med:
 Base Rate Cvr: Min Prem Ovr: Loss Cnst Ovr: 0
 Exposure: 292,287 (A) Rate Class:

CLASS CODE DEVIATION FACTORS

Co. Rate Dev	Co. Min Dev	Class Prem	Term Fact	Class Min	Audit Fact
1.000	1.000	26,773	1.000	9	N/A

CLASS CODE RATING FORMULAS

CLASS PREMIUM	BASE RATE =	FINAL RATE * EXPOSURE / RATING BASIS =	FINAL PREMIUM
	9.16	9.16 292287.00 100	26773.00
	ADDL FACTORS: BASE LCM 1.76900		

State: 04 (CA) Rating Group: 0001-01
 Class Code: 5222 CONCRETE BRIDGE CONSTRUCTION
 Hazard Group: 4 Analogy Desc: NONE
 Premium Type: 01 RATABLE
 USL&H Applies: NO
 Defense Base: NO
 DC Ben Applies: NO
 TWM&C Applies: NO Disease Load: Exclude Med:
 Base Rate Ovr: Min Prem Ovr: Loss Cnst Ovr: 0
 Exposure: 7,455,694 (A) Rate Class:

CLASS CODE DEVIATION FACTORS

Co. Rate Dev	Co. Min Dev	Class Prem	Term Fact	Class Min	Audit Fact
1.000	1.000	958,802	1.000	13	N/A

CLASS CODE RATING FORMULAS

CLASS PREMIUM	BASE RATE =	FINAL RATE * EXPOSURE / RATING BASIS =	FINAL PREMIUM
	12.86	12.86 7455694.00 100	958802.00
	ADDL FACTORS: BASE LCM 1.76900		

Class Code Information

Named Insured: MCM CONSTRUCTION
 Customer ID:
 Policy Number:
 Quote Number: 099482-01
 Transaction Type: NEW BUS. QUOTE Effective: 09/26/07

State: 04 (CA) **Rating Group:** 0001-01
Class Code: 5507 **STREET OR ROAD CONSTRUCTION-GRADING-ALL OPERATIONS**
Hazard Group: 4 **Analogy Desc:** NONE
Premium Type: 01 RATABLE
 USL&H Applies: NO **Disease Load:** **Exclude Med:**
 Defense Base: NC **Min Prem Ovr:** **Loss Cnst Ovr:** 0
 DC Ben Applies: NO
 TWM&C Applies: NO
 Base Rate Ovr:
 Exposure: 527,977 **(A) Rate Class:**

CLASS CODE DEVIATION FACTORS

Co. Rate Dev	Co. Min Dev	Class Prem	Term Fact	Class Min	Audit Fact
1.000	1.000	29,408	1.000	6	N/A

CLASS CODE RATING FORMULAS

CLASS PREMIUM	BASE RATE =	FINAL RATE * EXPOSURE / RATING BASIS =	FINAL PREMIUM
	5.57	5.57 527977.00 100	29408.00
	ADDL FACTORS:	BASE LCM 1.76900	

State: 04 (CA) **Rating Group:** 0001-01
Class Code: 5606 **CONTRACTORS - CONSTRUCTION OR ERECTION - EXECUTIVE**
Hazard Group: 2 **Analogy Desc:** NONE
Premium Type: 01 RATABLE
 USL&H Applies: NO **Disease Load:** **Exclude Med:**
 Defense Base: NO **Min Prem Ovr:** **Loss Cnst Ovr:** 0
 DC Ben Applies: NO
 TWM&C Applies: NO
 Base Rate Ovr:
 Exposure: 221,250 **(A) Rate Class:**

CLASS CODE DEVIATION FACTORS

Co. Rate Dev	Co. Min Dev	Class Prem	Term Fact	Class Min	Audit Fact
1.000	1.000	5,244	1.000	2	N/A

CLASS CODE RATING FORMULAS

CLASS PREMIUM	BASE RATE =	FINAL RATE * EXPOSURE / RATING BASIS =	FINAL PREMIUM
	2.37	2.37 221250.00 100	5244.00
	ADDL FACTORS:	BASE LCM 1.76900	

State: 04 (CA) **Rating Group:** 0001-01
Class Code: 6003 **BRIDGE OR TRESTLE CONSTRUCTION-WOOD-ALL OPERATIONS**
Hazard Group: 4 **Analogy Desc:** NONE
Premium Type: 01 RATABLE
 USL&H Applies: NO **Disease Load:** **Exclude Med:**
 Defense Base: NO **Min Prem Ovr:** **Loss Cnst Ovr:** 0
 DC Ben Applies: NO
 TWM&C Applies: NO
 Base Rate Ovr:
 Exposure: 3,271,963 **(A) Rate Class:**

CLASS CODE DEVIATION FACTORS

Co. Rate Dev	Co. Min Dev	Class Prem	Term Fact	Class Min	Audit Fact
1.000	1.000	373,331	1.000	11	N/A

CLASS CODE RATING FORMULAS

CLASS PREMIUM	BASE RATE =	FINAL RATE * EXPOSURE / RATING BASIS =	FINAL PREMIUM
	11.41	11.41 3271963.00 100	373331.00

ADDL FACTORS: BASE LCM 1.76900

Class Code Information

Named Insured: MCM CONSTRUCTION
 Customer ID:
 Policy Number:
 Quote Number: 099482-01
 Transaction Type: NEW BUS. QUOTE Effective: 09/26/07

State: 04 (CA) **Rating Group:** 0001-01
Class Code: 6003U **BRIDGE OR TRESTLE CONSTRUCTION-WOOD-ALL OPERATIONS**
Hazard Group: 4 **Analogy Desc:** NONE
Premium Type: 05 U - RATABLE

USL&H Applies: YES (FACTOR=2)
 Defense Base: NO
 DC Ben Applies: NO
 TWM&C Applies: NO **Disease Load:**
Base Rate Ovr: **Min Prem Ovr:** **Exclude Med:**
Exposure: 118,000 **(A) Rate Class:** **Loss Cnst Ovr:** 0

CLASS CODE DEVIATION FACTORS

Co. Rate Dev	Co. Min Dev	Class Prem	Term Fact	Class Min	Audit Fact
1.000	1.000	26,928	1.000	22	N/A

CLASS CODE RATING FORMULAS

CLASS PREMIUM BASE RATE * USLH FACTOR = FINAL RATE * EXPOSURE /
 11.41 2.000 22.82 118000.00
 RATING BASIS = FINAL PREMIUM
 100 26928.00
 ADDL FACTORS: BASE LCM 1.76900

State: 04 (CA) **Rating Group:** 0001-01
Class Code: 6220 **EXCAVATION-N.O.C.-INCLUDING BORROWING, FILLING OR**
Hazard Group: 4 **Analogy Desc:** NONE
Premium Type: 01 RATABLE

USL&H Applies: NO
 Defense Base: NO
 DC Ben Applies: NO
 TWM&C Applies: NO **Disease Load:** **Exclude Med:**
Base Rate Ovr: **Min Prem Ovr:** **Loss Cnst Ovr:** 0
Exposure: 2,053,997 **(A) Rate Class:**

CLASS CODE DEVIATION FACTORS

Co. Rate Dev	Co. Min Dev	Class Prem	Term Fact	Class Min	Audit Fact
1.000	1.000	84,625	1.000	4	N/A

CLASS CODE RATING FORMULAS

CLASS PREMIUM BASE RATE = FINAL RATE * EXPOSURE / RATING BASIS =
 4.12 4.12 2053997.00 100 84625.00
 ADDL FACTORS: BASE LCM 1.76900

Class Code Information

Named Insured: MCM CONSTRUCTION
Customer ID:
Policy Number:
Quote Number: 099482-01
Transaction Type: NEW BUS. QUOTE Effective: 09/26/07

State: 04 (CA)
Class Code: 8810
Hazard Group: 2

Rating Group: 0001-01
CLERICAL OFFICE EMPLOYEES-N.O.C.
Analogy Desc: NONE
Premium Type: 01 RATABLE

USL&H Applies: NO
Defense Base: NO
DC Ben Applies: NO
TWM&C Applies: NO
Base Rate Ovrd:
Exposure: 571,120

Disease Load:
Min Prem Ovrd:
(A) Rate Class:

Exclude Med:
Loss Cnst Ovrd: 0

CLASS CODE DEVIATION FACTORS

Co. Rate Dev	Co. Min Dev	Class Prem	Term Fact	Class Min	Audit Fact
1.000	1.000	6,054	1.000	1	N/A

CLASS CODE RATING FORMULAS

CLASS PREMIUM	BASE RATE =	FINAL RATE *	EXPOSURE /	RATING BASIS =	FINAL PREMIUM
	1.06	1.06	571120.00	100	6054.00
	ADDL FACTORS: BASE LCM 1.76900				