



404 East Ramsey Road, Suite 108 • San Antonio, Texas 78216 • TEL - (210) 695-8582 • FAX - (210) 695-8583

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October 26, 2009

County of Hidalgo, Texas  
Hidalgo County Purchasing Dept.  
2812 S. Hwy 281 – New Admin Bldg.  
Edinburg, TX 78539

RE: Commercial Excess Liability  
Temporary Confirmation of Coverage  
Effective: 01/01/2010

Attn: Vangie Y. Garcia, Buyer II

It is a pleasure to enclose the Temporary Confirmation of Coverage for the captioned Excess Liability coverage provided by Star Insurance Company. We appreciate your confidence in **Johnny Fontenot**, **Robert Waggoner** and **Tracey Howell** and will endeavor to merit this confidence with every transaction.

Please take a moment to review the Confirmation of Coverage, verifying that the coverage is as required. Should you need any changes or corrections, kindly advise at your first opportunity. The policy will be reviewed and forwarded upon receipt.

We have enclosed an invoice for the policy premium along with a self-addressed remittance envelope for your convenience.

Should you have any questions, please do not hesitate to give me a call. Your business is important to us and we appreciate the opportunity to service your insurance needs!

Sincerely,

**McGriff, Seibels & Williams, Inc.**

***Susan Shoemaker, CPCU, ARM***  
Senior Account Manager

## TEMPORARY CONFIRMATION OF INSURANCE

Assigned No.: CP0267872

This Temporary Confirmation of Insurance is evidence that, in accordance with your instructions and acting on your behalf, we have procured from certain Insurer(s) the coverage described hereinafter. This Confirmation is subject to all the terms and conditions of the Policy or Cover Note to be issued and shall be automatically terminated and voided by delivery of said Policy or Cover Note. In the event of any inconsistency, the terms and conditions of the Policy or Cover Note prevail.

1. Name of Assured **HIDALGO COUNTY**

2. Mailing Address: **2812 S. BUSINESS 281, NEW ADMINISTRATION BUILDING  
EDINBURG, TX 78539**

3. Insurer(s): **STAR INSURANCE COMPANY**  
A.M. Best's Rating: **A-IX**

4. Confirmation Term From: **01/01/2010** To: **Policy/Cover Note Issuance** TIME **12:01 A.M. C.S.T.**

5. Policy Term From: **01/01/2010** To: **01/01/2011** TIME **12:01 A.M. C.S.T.**

6. Coverage: **EXCESS LIABILITY COVERAGE**

7. Interest: **PER DECLARATIONS**

8. Limits of Liability: **\$ 1,000,000 Each Accident / Occurrence Limit  
\$ 2,000,000 Policy Aggregate Limit  
Workers' Compensation Statutory Coverage**

9. Underlying Limit(s) and Deductible(s): **\$ 1,000,000 General Liability Self-Insured Retention  
\$ 350,000 Workers' Compensation Self-Insured Retention**

10. Description of Location and Subject of Insurance: **PER DECLARATIONS**

11. Service of Suit should be sent per General Conditions herein.

12. Rate: **PER DECLARATIONS**

13. Premium: **\$ 168,515.00** PAYABLE TO: **McGriff, Seibels & Williams of Texas, Inc  
Drawer 456 / P.O. Box 11407  
Birmingham, AL 35246-0001**

Policy Fee: **\$ -**

**TOTAL: \$ 168,515.00** **NO FLAT CANCELLATIONS**

**PREMIUM DUE DATE TO MSW: 01/01/2010**

14. This confirmation is made and accepted subject to the foregoing stipulations and General Conditions attached hereto, which are specially referred to and made a part of this Confirmation together with such other provisions, agreements or conditions as may be endorsed hereon or added hereto; and no officer, agent or other representative of the Undersigned shall have power to waive or be deemed to have waived any provisions or condition of this Confirmation unless such waiver, if any shall be written upon or attached hereto, nor shall any privilege or permission affecting this Confirmation exist or be claimed by the Assured unless so written or attached

Issued at: San Antonio, Texas

McGRIFF, SEIBELS & WILLIAMS OF TEXAS, INC.

On: October 31, 2009

BY: \_\_\_\_\_

(sgs)

Authorized Representative

**GENERAL CONDITIONS**  
**Temporary Confirmation of Insurance**

**FRAUD:**

1. If the Assured shall make any claim knowing the same to be false or fraudulent, as regards amount or otherwise, this Confirmation shall become void, and all claims thereunder shall be forfeited.

**CANCELLATION:**

2. This Confirmation may be cancelled on the customary short rate basis by the Assured at any time by surrender of this confirmation to McGriff, Seibels & Williams of Texas, Inc. This Confirmation may also be cancelled, with or without the return or tender of the unearned premium, by the Insurer(s) or by McGriff, Seibels & Williams of Texas, Inc., in their behalf, by delivering to the Assured, or by sending to the Assured by mail, registered or unregistered, at the Assured's address as shown herein, not less than ten days written notice, stating when the cancellation shall be effective, and in such case the Insurer(s) shall refund the paid premium less the earned portion thereof on demand, subject always to the retention by the Insurer(s) hereon of any minimum premium stipulated herein (or proportion thereof previously agreed upon) in the event of cancellation either by the Insurer(s) or the Assured.

**CLAIMS:**

3. Loss, if any, to be payable in United States Currency. The Assured shall immediately report to McGriff, Seibels & Williams of Texas, Inc., at their office in Houston, Texas, any occurrence likely to result in a claim under this insurance.
4. This insurance is subject to all provisions of this Confirmation, whether printed, typed, added by endorsement, or appearing in forms attached or incorporated by reference. Provisions added by endorsement or forms attached or incorporated by reference supersede any inconsistent printed or typed provisions in this Confirmation.
5. Forms & Special Conditions: Forms applicable are subject in all respects to the terms, conditions and limitations of the policy(ies) or cover note(s) in current use by Insurer(s), unless otherwise specified hereinafter.
6. It is agreed that in the event of the failure of Insurers hereon to pay any amount claimed to be due hereunder, the Insurers hereon, at the request of the Assured (or Reinsured), will submit to the jurisdiction of a Court of competent jurisdiction within the United States. Nothing in this clause constitutes or should be understood to constitute a waiver of Insurers' rights to commence an action in any Court of competent jurisdiction in the United States, to remove an action to a United States District Court, or to seek a transfer of a case to another Court as permitted by the laws of the United States or of any state in the United States.

It is further agreed that service of process in such suit may be made upon the Company's Secretary at the Home Office of the Company as shown on the Declarations.

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

7. This Confirmation shall not be assigned, either in whole or in part, without the written consent of McGriff, Seibels & Williams of Texas, Inc. endorsed hereon.
8. This Confirmation shall not be valid unless signed by an Authorized Officer of McGriff, Seibels & Williams of Texas, Inc.

**DEFINITION:**

It is hereby understood and agreed wherever the printed word "Confirmation" appears herein, it shall be deemed to read "Temporary Confirmation of Insurance"

**IMPORTANT: THIS TEMPORARY CONFIRMATION OF INSURANCE CANNOT BE CANCELLED FLAT. EARNED PREMIUM MUST BE PAID FOR THE TIME INSURANCE HAS BEEN IN FORCE. PREMIUM OF THE AMOUNT SHOWN HEREIN IS DUE AND PAYABLE TO McGRIFF, SEIBELS & WILLIAMS OF TEXAS, INC. ON OR BEFORE THE DUE DATE SHOWN HEREON. IF THE PREMIUM IS NOT PAID WITHIN THE TIME SPECIFIED, THE INSURANCE EVIDENCED BY THIS CONFIRMATION AUTOMATICALLY TERMINATES AND PRO-RATA PREMIUM SHALL BE DUE AND PAYABLE.**

**THE ASSURED IS REQUESTED TO READ THIS TEMPORARY CONFIRMATION OF INSURANCE, AND IF INCORRECT, RETURN IT IMMEDIATELY FOR ALTERATION.**

**COMPLAINT NOTICE**

**IMPORTANT NOTICE**

**AVISO IMPORTANTE**

1 To obtain information or make a complaint:

Para obtener informacion o para someter una queja:

2 You may call **McGRIFF, SEIBELS & WILLIAMS OF TEXAS, INC.'S** toll-free telephone number for information or to make a complaint at:

Usted puede llamar al numero de telefono gratis de **McGRIFF, SEIBELS & WILLIAMS OF TEXAS, INC.** para informacion o para someter una queja al:

**1-877-624-7433**

**1-877-624-7433**

3 You may also write to **McGRIFF, SEIBELS & WILLIAMS OF TEXAS, INC. :**

Usted tambien puede escribir a **McGRIFF, SEIBELS & WILLIAMS OF TEXAS, INC.:**

**5080 Spectrum Drive 900E  
Addison, TX 75001**

**5080 Spectrum Drive 900E  
Addison, TX 75001**

4 You may contact the Texas Department of Insurance to obtain information on companies, coverages, rights or complaints at:

Puede comunicarse con el Departamento de Seguros de Texas para obtener informacion acerca de companias, coberturas, derechos o quejas al:

**1-800-252-3439**

**1-800-252-3439**

5 You may write the Texas Department of Insurance:

Puede escribir al Departamento de Seguros de Texas:

**P.O. Box 149104  
Austin, TX 78714-9104  
FAX#(512)475-1771  
WEB: <http://www.tdi.state.tx.us>  
EMAIL: [ConsumerProtection@tdi.state.tx.us](mailto:ConsumerProtection@tdi.state.tx.us)**

**P.O. Box 149104  
Austin, TX 78714-9104  
FAX#(512)475-1771  
WEB: <http://www.tdi.state.tx.us>  
EMAIL: [ConsumerProtection@tdi.state.tx.us](mailto:ConsumerProtection@tdi.state.tx.us)**

**6 PREMIUM OR CLAIM DISPUTES:**

Should you have a dispute concerning your premium or about a claim you should contact the agent or the company first. If the dispute is not resolved, you may contact the

**7 ATTACH THIS NOTICE TO YOUR POLICY:**

This notice is for information only and does not become a part or condition of the attached document.

**DISPUTAS SOBRE PRIMAS O RECLAMOS:**

Si tiene una disputa concerniente a su prima o a un reclamo, debe comunicarse con el agente o la compania primero. Si no se resuelve la disputa, prede entonces comunicarse con el **UNA ESTE AVISO A SU POLIZA:**

Esta aviso es solo para proposito de informacion y no se convierte en parte o condicion del documento adjunto.

# Best's Rating Center

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## Star Insurance Company

(a member of Meadowbrook Insurance Group)

A.M. Best #: 00695 NAIC #: 18023 FEIN #: 382626205

Address: 26255 American Drive  
Southfield, MI 48034-6112  
UNITED STATES

Phone: 248-358-1100  
Fax: 248-358-1614  
Web: www.meadowbrook.com

This rating is assigned to companies that have, in our opinion, an excellent ability to meet their ongoing obligations to policyholders.



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### Best's Ratings

Financial Strength Ratings	View Definitions	Issuer Credit Ratings Definitions	View
Rating: <b>A- (Excellent)</b>		Long-Term: <b>a-</b>	
Affiliation Code: <b>p (Pooled)</b>		Outlook: <b>Stable</b>	
Financial Size Category: <b>IX (\$250 Million to \$500 Million)</b>		Action: <b>Affirmed</b>	
Outlook: <b>Stable</b>		Date: <b>June 24, 2009</b>	
Action: <b>Affirmed</b>			
Effective Date: <b>June 24, 2009</b>			

\* Denotes Under Review Ratings. See rating definitions

### Reports and News

Visit our NewsRoom for the latest news and press releases for this company and its A.M. Best Group

**AMB Credit Report - Insurance Professional** - includes Best's Financial Strength Rating and rationale along with comprehensive analytical commentary, detailed business overview and key financial data

Report Revision Date: 07/19/2009 (represents the latest significant change)

Historical Reports are available in [AMB Credit Report - Insurance Professional Archive](#)

**Best's Executive Summary Reports (Financial Overview)** - available in three versions. These presentation style reports feature balance sheet, income statement, key financial performance tests including profitability, liquidity and reserve analysis

Data Status: 2009 Best's Statement File - P/C US. Contains data compiled as of 10/21/2009 (Quality Cross Checked)

- **Single Company** - five years of financial data specifically on this company
- **Comparison** - side-by-side financial analysis of this company with a peer group of up to five other companies you select
- **Composite** - evaluate this company's financials against a peer group composite. Report displays both the average and total composite of your selected peer group

**AMB Credit Report - Business Professional** - provides three years of key financial data presented with colorful charts and tables. Each report also features the latest Best's Ratings, Rating Rationale and an excerpt from our Business Review commentary

Data Status: Contains data compiled as of 10/21/2009 (Quality Cross Checked)

**Best's Key Rating Guide Presentation Report** - includes Best's Financial Strength Rating and financial data as provided in Best's Key Rating Guide products

Data Status: 2008 Financial Data (Quality Cross Checked)

### Financial and Analytical Products

[Best's Property/Casualty Center - Premium Data & Reports](#)

[Best's Key Rating Guide - P/C, US & Canada](#)

[Best's Statement File - P/C, US](#)

[Best's Statement File - Global](#)

[Best's Insurance Reports - P/C, US & Canada](#)

[Best's State Line - P/C, US](#)

[Best's Insurance Expense Exhibit \(IEE\) - P/C, US](#)

[Best's Schedule F \(Reinsurance\) - P/C, US](#)

[Best's Schedule D \(Municipal Bonds\) - US](#)

[Best's Schedule D \(Common Stocks\) - US](#)

[Best's Schedule D \(Preferred Stocks\) - US](#)

[Best's Schedule P \(Loss Reserves\) - P/C, US](#)

[Best's Schedule D - Hybrid - P/C & L/H, US](#)

[Best's Schedule D \(Corporate Bonds\) - US](#)

[Best's Insurance Reports - Online - P/C, US & Canada](#)

Important Notice: Best's Ratings reflect our independent opinion, based on a comprehensive quantitative and qualitative evaluation of a company's balance sheet strength, operating performance and business

The following is a brief summary of the measures that we have taken as your broker to review and report to you objectively on the financial security of your insuring companies. Information is included on A.M. Best Company, our primary security rating source, and the internal policies and standards which we have established to address this important issue for our customers.

**HISTORY**

A.M. Best Company was incorporated in 1899 as the first rating agency in the world to offer reliable information on the financial condition of U.S. insurance companies. The Best's Rating Guide was first published in 1900, and has since become a cornerstone of the security review process by continuously evaluating the financial integrity of over 4,100 insurance companies. In 1984, the first edition of the Best's International Rating Guide was published, reporting on the claims-paying ability of over 950 international insurers.

The information used by Best to rate insurance carriers is provided by the companies themselves as a part of their normal filings with the National Association of Insurance Commissioners, those states in which the company is licensed, the SEC and/or with its shareholders. Rating reviews are performed annually on each insurance company, and on an interim basis as conditions dictate.

**RATING SYSTEM**

The Best's rating system is designed to evaluate a wide range of objective and subjective factors which affect the overall performance of an insurance company (not applicable to associations or intermediaries). These factors deal with the companies' financial strength, its operating performance and its ability to meet its financial obligations to policyholders, as follows:

- Profitability - Spread of risk
- Quality of reinsurance program - Leverage/capitalization
- Quality and diversification of assets - Liquidity
- Adequacy of policy loss reserves - Adequacy of policyholder's surplus
- Capital structure - Management experience and objectives

**RATING SYMBOLS**

A typical Best's rating is composed of two parts. The "Security" portion provides an alphabetical indication of the quality of the security provided by a company to its policyholders. This rating is further defined in three categories: "Secure," "Vulnerable" or "Not Assigned." The "Financial Size" (FSC) portion of the Best's rating uses Roman numerals to rank companies based on the dollar amounts of their policyholders' surplus and contingent reserve funds.

While comparative rankings for security or financial size by themselves may not adequately portray the complete financial health of a company, the combination of the two has proven to be reliable in predicting the ability of a company to meet its claims obligations in a timely manner, both now and in the near future. The actual rating symbols used by Best and their meanings are:

<b>"Secure" Ratings</b>	A++ or A+	Superior
	A or A-	Excellent
	B++ or B+	Very Good
<b>"Vulnerable" Ratings</b>	B or B-	Adequate
	C++ or C+	Fair
	C or C-	Marginal
	D	Very Vulnerable
	E	Under Supervision
	F	In Liquidation

**"Not Assigned" Ratings** NA-1 through NA-11, indicating conditions such as inadequacy of size (to justify a rating), inapplicable rating procedure, incomplete

**Financial Size Categories**

I	Under \$1,000,000	VIII	\$100,000,000 - \$250,000,000
II	\$1,000,000 - \$2,000,000	IX	\$250,000,000 - \$500,000,000
III	\$2,000,000 - \$5,000,000	X	\$500,000,000 - \$700,000,000
IV	\$5,000,000 - \$10,000,000	XI	\$750,000,000 - \$1,000,000,000
V	\$10,000,000 - \$25,000,000	XII	\$1,000,000,000 - \$1,250,000,000
VI	\$25,000,000 - \$50,000,000	XIII	\$1,250,000,000 - \$1,500,000,000
VII	\$50,000,000 - \$100,000,000	XIV	\$1,500,000,000 - \$2,000,000,000
		XV	Over \$2,000,000,000

Source: Best's Rating Key Guide - 1999 Edition

**MSW SECURITY REVIEW**

McGriff, Seibels & Williams has established an internal "Security Review Committee" composed of senior management representatives from the Finance, Marketing, Branch, Wholesale and Administrative Divisions of the company. This committee's purpose is to:

This committee meets periodically to review the current listing of all companies, intermediaries and associations which are actively used by MSW. It will also act on any pending requests received from throughout the company to have new providers activate.

**MSW MINIMUM SECURITY STANDARDS**

Approved Companies:	A- (Excellent)	VIII (\$100,000,000 - \$250,000,000)
Acceptable Companies:	B+ (Very Good)	VIII (\$100,000,000 - \$250,000,000)
Restricted Companies:	All Companies with ratings of B+ VII or below	
Prohibited Companies:	All other Companies not mentioned in one of the Standards above	

**MSW PROVIDER CLASSIFICATIONS**

**"Approved Provider"** - Any provider whose Best's rating is A- VIII or higher. The Best's rating of an "approved" provider must be printed on all MSW binders and proposals delivered to clients or prospects.

**"Acceptable Provider"** - Any provider whose Best's rating is B+ VIII or higher, but below A- VIII. The Best's rating of an "acceptable" provider must be printed on all MSW binders and proposals delivered to clients or prospects.

In addition, certain providers, which have been reviewed by the Security Review Committee, may be considered acceptable security. The client will not be required to sign any form of disclaimer or acknowledgement of receipt of this information.

**"Restricted Provider"** - Any domestic insurance provider whose Best's rating is B+ VII or lower, or who has no Best's rating and has not been given an exception by the Security Review Committee. They will be accessible only upon presentation of a standard.

**"Prohibited Provider"** - All other providers not mentioned in one of the paragraphs above. These providers will not be set up for active use in the MSW agency management system at any time, for any reason.

All A.M. Best rating changes will be posted on our website ([www.mcgriff.com](http://www.mcgriff.com)). Rate changes that result in a provider moving to a lower classification (e.g. downgraded from "Approved" to "Acceptable" or from "Acceptable" to "Restricted") will be communicated to you in writing and delivered via U.S. Mail.