



EUCLID SPECIALTY

The Prudent Choice

SOLIDARITY PROTECTION GROUP

a voluntary membership organization operating pursuant to the Liability Risk Retention Act of 1986 and whose principal office is:
4323 Warren Street, NW, Washington, DC 20016-2437

FIDUCIARY LIABILITY INSURANCE FOR GOVERNMENTAL PLANS RENEWAL APPLICATION

The policy for which application is made is written on a claims-made basis. The coverage afforded by this policy is limited to liability for only those claims first made during the policy period specified on the Policy Certificate resulting from wrongful acts and which are subsequently reported to the Insurer as soon as practicable. This is a policy with claims expenses included in the limits of liability. The limits of liability shall be reduced and may be exhausted by claims expenses, and to the extent that the limits of liability are thereby exceeded, the Insurer shall not be liable for claims expenses or any other loss. Please read everything carefully.

I. GENERAL INFORMATION

Name of Plan: Tulsa County Board of County Commissioners, on behalf of the Employees' Retirement System of Tulsa County

Address: 505 S. Denver Room 120, Tulsa, OK 74103 Telephone Number: 918-596-5854

Insurance Representative: Ron Peters, BOCC Chairman

Address: 505 S. Denver Room 120, Tulsa, OK 74103 Telephone Number: 918-596-5850

Complete the chart for all trusts or plans for which coverage is requested:

Full Trust or Plan Name	*Type	Current Asset Value	Last FYE Annual Contributions	Current # of Participants	** Status
Employees' Retirement System of Tulsa County	DB	\$266,628,249	\$11,861,626	3,546	A

* Types: Defined Benefit (DB); Defined Contribution (DC); Welfare Benefit Plan (W); Other (O) – Attach Explanation

** Status: Active (A); Frozen (F); Terminated (T) (If any trust or plan has been terminated, indicate date of transaction)

Prior Insurance Carrier(s):	Policy Period:	Limit of Liability:	Retention:	Premium:
<u>Hudson Insurance Co.</u>	<u>7/1/16 to 7/1/17</u>	<u>\$10M</u>	<u>\$25,000</u>	<u>\$36,212</u>
<u>Hudson Insurance Co.</u>	<u>7/1/15 to 7/1/16</u>	<u>\$10M</u>	<u>\$25,000</u>	<u>\$36,612</u>
<u>Federal Ins. Co.</u>	<u>7/1/14 to 7/1/15</u>	<u>\$5M Primary and \$5M Excess</u>	<u>\$15,000</u>	<u>\$51,278</u>

If no prior coverage, check here: N/A

Requested Effective Date: 07/01/2017

Requested Limit of Liability: \$10M Requested Retention: \$25,000

Number of current trustees of the Plan: 9

Number of current employees of the Plan: 1,885

	<u>Name of Service Provider:</u>	<u>Years of Service:</u>
Professional Administrator:	<u>Michael Willis, Tulsa County Clerk</u>	<u>Newly Elected</u>
Legal Counsel:	<u>Tulsa County District Attorney</u>	<u> </u>
Actuary:	<u>Milliman</u>	<u> </u>
Certified Public Accountant:	<u>Stanfield & O'Dell</u>	<u> </u>
Custodian of Assets:	<u>Bank of Oklahoma</u>	<u> </u>
Investment Manager(s):	<u>See Attached List</u>	<u> </u>

II. UNDERWRITING QUESTIONS

A. Plan Management (if any question is answered 'No' a written attachment is required)

- 1. How often does the board of trustees meet? Monthly
- 2. Does the board of trustees adhere to written guidelines to periodically review each service provider's performance? Yes X No
- 3. Does the board of trustees adhere to written guidelines to periodically review any fees or commissions charged to or paid by the Plan? Yes X No
- 4. Do the board of trustees and investment manager(s) adhere to written guidelines? Yes X No
- 5. How often is each investment manager's performance monitored? Monthly
- 6. Does the board of trustees have a written procedure to collect overdue and delinquent contributions? Yes No X

B. Plan Changes (if any question is answered 'Yes' a written attachment is required)

- 1. Has the legal name of the Plan changed or is such a change being anticipated? Yes No X
- 2. Has any other plan been merged into the Plan in the past 12 months or is such a merger being anticipated in the next 12 months? Yes No X
- 3. Has the Plan terminated or is a termination anticipated in the next 12 months? Yes No X
- 4. Have there been any amendments to the Plan in the past 12 months that resulted in a reduction in benefits, or are any such amendments anticipated in the next 12 months? Yes X No

C. Compliance/Indemnification (if any question is answered 'No' a written attachment is required)

- 1. Does the Plan conform to the standards of eligibility, participation, vesting, funding and other provisions of applicable State and Federal Regulations? Yes X No
- 2. Has the Plan been reviewed to assure that there are no violations of prohibited transactions and party-in-interest rules? Yes No X

3. Has the Plan filed for an exemption from a prohibited transaction? Yes___ No X
4. Are there any overdue, outstanding or delinquent employer contributions? Yes___ No X
5. Does the Plan have current coverage under a fidelity bond? Yes X No___
6. Has the actuary certified that the Plan is adequately funded? Yes X No___
- a. To what percent if the plan funded? 83%
7. Do the trustees have authority over the choice of the following;
- a. Actuarial Cost Method? Yes X No___
- b. Assumed interest rate? Yes X No___
- c. Length of time in which to amortize unfunded liabilities? Yes X No___
8. What is the bond rating of the governmental entity? A-
9. Do the Trustees, employees and plan have available a Public Defense? Yes X No___
10. Does the state have a government immunity statute? Yes X No___

D. Loss History (if any question is answered 'Yes' a written attachment is required)

1. Has any trustee or employee of the Plan been:
- a. accused, found guilty or held liable for a breach of trust or fiduciary duty Yes___ No X
- b. accused or convicted of criminal conduct? Yes___ No X
- c. refused coverage under a fidelity bond? Yes___ No X
2. Are there any current claims outstanding against the Plan or any fiduciaries? Yes___ No X
3. Have any claims been made against the Plan or any fiduciaries in the past 6 years? Yes___ No X
4. Has the Plan received any communication from or been the subject of any investigation or audit by the IRS or any other regulatory agency? Yes___ No X
5. Has any application for fiduciary liability coverage or fidelity bond insurance been declined, canceled or non-renewed? Yes___ No X
6. Does the Plan, the board of trustees, current employees or any other proposed fiduciary have any knowledge of or information pertaining to any facts, events or circumstances which may result in a claim being made against them under the proposed policy? NOT REQUIRED ON RENEWAL Not Applicable

It is agreed that, if knowledge of any facts, events or circumstances exist, whether or not disclosed, any claim based upon or arising from them, and that any claim based upon or arising from any pending or prior proceeding, is excluded from the proposed coverage.

III. REQUIRED ATTACHMENTS

The following information must be attached for each Plan to be covered under the proposed policy:

- List of current trustees along with years of experience
- Most recent Audited Financial Statements for the Plan
- Most recent Actuarial Report and Valuation
- Copy of the investment policy and/or guidelines
- If available, attach a copy of the governmental immunity statute for the state the risk is domiciled in
- Required attachments to underwriting questions, if any

IV. SIGNATURE

The undersigned represents, that to the best of his/her knowledge and belief the statements set forth herein are true, and he/she has not withheld any information which is reasonably likely to influence the judgment of Hudson Insurance Company in considering this application for fiduciary liability insurance. The undersigned further represents that if the information supplied on this application changes between the date of this application and the effective date of the insurance or the time when the policy is bound (whichever is later), the undersigned will immediately notify Hudson Insurance Company in writing of such changes and Hudson Insurance Company may withdraw or modify any outstanding quotations based upon such changes. The signing of this application does not bind Hudson Insurance Company to complete the insurance, but it is agreed that this application and any attachments form the basis of the contract should a policy be issued and shall be deemed attached to and form part of a policy. Hudson Insurance Company is hereby authorized to make any investigation and inquiry in connection with this application it deems necessary.

Signature of Trustee / Title: _____ Date: _____

Name of Trustee / (please print): _____

This application must be completed, signed and dated in order to bind coverage. Please submit this application and all required attachments to your Insurance Representative.

Insurance Representative, please submit this application and all required attachments to:

Euclid Specialty Managers, LLC
380 Maple Avenue West, Suite 302
Vienna, Virginia 22180
(571) 730-4810 (phone)
(571) 730-4813 (fax)

V. FRAUD WARNINGS

NOTICE TO COLORADO APPLICANTS: It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado division of insurance within the department of regulatory agencies.

NOTICE TO OHIO APPLICANTS: Any person who, with intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud.

NOTICE TO OKLAHOMA APPLICANTS: Any person who knowingly, and with intent to injure, defraud or deceive any insurer, makes any claim for the proceeds of an insurance policy containing any false, incomplete or misleading information is guilty of a felony.

NOTICE TO OREGON APPLICANTS: Any person who knowingly and with intent to injure, deceive, defraud any insurer or other person files an application or a claim containing any false, incomplete or misleading information or conceals information concerning any material fact may be guilty of insurance fraud, which is a crime and may subject such person to criminal and civil penalties.

NOTICE TO TENNESSEE APPLICANTS: It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits.

NOTICE TO APPLICANTS IN AR, FL, KY, MN, NJ, AND PA: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime, and subjects such person to criminal and civil penalties.

NOTICE TO ALL OTHER APPLICANTS: Any person who knowingly and with intent to injure, deceive, defraud any insurer or other person files an application or a claim containing any false, incomplete or misleading information or conceals information concerning any material fact commits insurance fraud, which is a crime and subjects such person to criminal and civil penalties.

CLAIMS INFORMATION

A. Provide:

- 1. Name of Claimant: N/A
- 2. Date of Alleged Wrongful Act: N/A
Date claim was made: N/A
- 3. Date reported to Fiduciary Liability Insurer: N/A
- 4. Name of Fiduciary Liability Insurer: N/A
- 5. Allegation: N/A

B. Describe the claim, including the alleged wrongful act, the event that led to the claim, and the current status of the claim:

 N/A

Claim Fee Information:

Total Loss: \$ N/A Claimant Demand: \$ N/A
Legal Fees Charged to Date: \$ N/A

C. What loss prevention measures, if applicable, have been taken to prevent a similar claim from recurring?

 N/A



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The Prudent Choice

STATE OF OKLAHOMA
TULSA COUNTY
RECEIVED

2016 APR 27 AM 9:39

PAT KEY
TULSA COUNTY CLERK

SOLIDARITY PROTECTION GROUP

a voluntary membership organization operating pursuant to the Liability Risk Retention Act of 1986 and whose principal office is:
4323 Warren Street, NW, Washington, DC 20016-2437

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I. GENERAL INFORMATION

Name of Plan: Tulsa County Board of County commissioners, on behalf of the Employees' Retirement System of Tulsa County

Address: 500 S Denver Room 120 Tulsa, Ok 74103 Telephone Number: 918 596-5854

Insurance Representative: Karen Keith
~~Patricia King~~, BOCC Chairman

Address: 500 S. Denver, Rm 120, Tulsa OK 74103 Telephone Number: 918 596-5850

Complete the chart for all trusts or plans for which coverage is requested:

Full Trust or Plan Name	*Type	Current Asset Value	Last FYE Annual Contributions	Current # of Participants	** Status
Employees' Retirement System of Tulsa County	DB	272,830,244	11,202,878	3,508	A

* Types: Defined Benefit (DB); Defined Contribution (DC); Welfare Benefit Plan (W); Other (O) – Attach Explanation

** Status: Active (A); Frozen (F); Terminated (T) (If any trust or plan has been terminated, indicate date of transaction)

Prior Insurance Carrier(s):	Policy Period:	Limit of Liability:	Retention:	Premium:
<u>Hudson Insurance Co.</u>	<u>07/01/15 to 07/01/16</u>	<u>\$10,000,000</u>	<u>\$25,000</u>	<u>\$36,212.00</u>
<u>Federal Ins. Co.</u>	<u>07/01/14 to 07/01/15</u>	<u>\$5,000,000</u>	<u>\$15,000</u>	
<u>Federal Ins. Co</u>	<u>07/01/14 to 07/01/15</u>	<u>Excess \$5,000,000</u>		

If no prior coverage, check here: _____

Requested Effective Date: 7/1/16

ESF31210001 (3/2012)

237762

3. Has the Plan filed for an exemption from a prohibited transaction? Yes___ No X
4. Are there any overdue, outstanding or delinquent employer contributions? Yes___ No X
5. Does the Plan have current coverage under a fidelity bond? Yes X No___
6. Has the actuary certified that the Plan is adequately funded? Yes X No___
- a. To what percent if the plan funded? 88%
7. Do the trustees have authority over the choice of the following:
- a. Actuarial Cost Method? Yes X No___
- b. Assumed interest rate? Yes X No___
- c. Length of time in which to amortize unfunded liabilities? Yes X No___
8. What is the bond rating of the governmental entity? A-
9. Do the Trustees, employees and plan have available a Public Defense? Yes X No___
10. Does the state have a government immunity statute? Yes X No___

D. Loss History (if any question is answered 'Yes' a written attachment is required)

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- a. accused, found guilty or held liable for a breach of trust or fiduciary duty Yes___ No X
- b. accused or convicted of criminal conduct? Yes___ No X
- c. refused coverage under a fidelity bond? Yes___ No X
2. Are there any current claims outstanding against the Plan or any fiduciaries? Yes___ No X
3. Have any claims been made against the Plan or any fiduciaries in the past 6 years? Yes___ No X
4. Has the Plan received any communication from or been the subject of any investigation or audit by the IRS or any other regulatory agency? Yes___ No X
5. Has any application for fiduciary liability coverage or fidelity bond insurance been declined, canceled or non-renewed? Yes___ No X
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- If available, attach a copy of the governmental immunity statute for the state the risk is domiciled in
- Required attachments to underwriting questions, if any



Front row, left to right: Karen Keith, Heather Little, Sherril Williams, Pat Key
Back row, left to right: Stephen A. Schuller, Richard Bales, John Baker, Dennis Semler
Not pictured: John Smaligo, Barry West

(photo courtesy of Nicole Vance)

Sherril L. Williams, Chairman joined the County Clerk's office in November 1992 after working six years for Tulsa County Social Services. She was elected to the Board of Trustees in 1997. She has served as Chairman, Vice-Chairman and Investment Committee Chairman.

Barry West, Appointed Member was appointed by the Board of County Commissioners in February, 1991. He serves on the Board's Investment Committee. West is a lawyer and a Certified Public Accountant.

Richard Bales, Vice-Chairman joined Tulsa County in September 1972. Bales is the Director of the Parks department. He was elected to the Board of Trustees in August, 2013. He has served as Chairman, Vice-Chairman and Investment Committee Chairman.

John Smaligo was elected **County Commissioner for District 1** in 2006 and took office January 1, 2007. He served on the Board of Trustees from July 1, 2015 to December 31, 2015.

Heather Little, Member joined Tulsa County in May, 2011. Little is an Internal Auditor in the Treasurer's office. She was elected to the Board of Trustees in May, 2015. She has served as Chairman, Vice-Chairman and Investment Committee Chairman.

Karen Keith was elected **County Commissioner for District 2**, in November 2008. She served on the Board of Trustees from January 1, 2016 to June 30, 2016.

John Baker, Member was elected to the Board effective July 1, 2011, as the retiree member. He worked in the City-County Health Department for 39 years serving the citizens of Tulsa County before he retired.

Pat Key was elected **County Clerk** in November, 2012 and took office January 1, 2013. She serves as Clerk to the Board of Trustees.

Stephen A. Schuller, Appointed Member was appointed by the Board of County Commissioners in December, 1989. He serves on the Board's Investment Committee. Schuller is a lawyer whose practice is concentrated in business, real estate and international transactions.

Dennis Semler was elected **County Treasurer** in January, 1995. He serves as Treasurer to the Board of Trustees. Semler also serves on the Board's Investment Committee. He is admitted to practice law by the State Supreme Court.

INTRODUCTORY SECTION

List of Professional Consultants

Actuary

Milliman

Auditors

Stanfield & O'Dell, PC

Custodian Bank

Bank of Oklahoma, NA

Investment Consultants

The Bogdahn Group

Investment Managers

Aberdeen Asset Management

Barrow, Hanley, Mewhinney & Strauss, LLC

Chickasaw Capital Management

Denver Investment

Loomis Sayles

Pinnacle Investment Advisors

State Street Global Advisors

Tocqueville Asset Management

Wasatch Hoisington