



# McDonald's® Owner/Operator Umbrella Liability Program

RSUI Indemnity Company & Landmark American Insurance Company, members of Alleghany Insurance Holdings

## Introduction

The RSUI Indemnity Company and Landmark American Insurance Company are offering a McDonald's Owner/Operator Umbrella Liability Program (the "Umbrella Program"). Policies will be issued by RSUI Indemnity Company in all states except Florida where Landmark American Insurance Company paper will be used. This Umbrella Program is a competitive and comprehensive Umbrella Liability program that will be available to McDonald's owners/operators on March 1, 2013, through your broker. The Umbrella program offers broad Umbrella coverage at a competitive annual premium.

## Umbrella Program Benefits/Features

- The Umbrella Program will be reinsured in part by McDonald's Owner/Operator Insurance Company, Ltd.
- Broad Umbrella coverage of \$25,000,000 (per restaurant location if underlying CGL is "per location").
- No additional applications required (eases administration).
- Strong and stable Umbrella carriers, RSUI Indemnity Company and Landmark American Insurance Company, with an A.M. Best's rating of A XIII.
- Competitive premium – The annual premium of \$895 per restaurant (other than satellites) and \$430 per satellite is below other insurance carriers' rates.

## Important Notes

- An exclusion of Certified Acts of Terrorism and Other Nuclear, Biological, Chemical or Radiological Acts of Terrorism will again be attached to this year's policy. Terrorism coverage is offered as an option at an additional premium of 15% of the per-location rate. Terrorism must be purchased in the underlying in order to be able to purchase it in the umbrella. If terrorism coverage is purchased for the umbrella, the Exception To Terrorism Exclusion for Certified Acts of Terrorism, Cap on Losses from Certified Acts of Terrorism form, and an Exclusion of Punitive Damages Related to a Certified Act of Terrorism form, will be attached to the policy.
- Uninsured Motorist Coverage remains **excluded** in the policy jacket, as in previous years. If the Insured wishes to purchase UM/UIM coverage in the states of FL, LA, NH, or WV, RSUI/Landmark will offer coverage with a \$1,000,000 sublimit and will need written confirmation that the insured's underlying Auto policy includes UM/UIM with limits of \$1,000,000. UM/UIM coverage will no longer be offered in VT or WI. The cost to purchase coverage is 50% of the per store rate per vehicle or \$447.50. Signed rejection forms must be returned for each state listed.
- Landmark American Insurance Company is a non-admitted carrier doing business in FL as a surplus lines carrier. As such, this carrier is not subject to the same regulations which apply to an admitted carrier, nor do they participate in any guarantee fund applicable in those states.
- This flyer is an outline of the coverages proposed by the insurer. It does not include all the terms, coverages, exclusions, limitations, or conditions of the actual contract language. The policies themselves must be read for those details. Policy forms are available on request.

# McDonald's® Owner/Operator Umbrella Liability Program

RSUI Indemnity Company & Landmark American Insurance Company, a member of Alleghany Insurance Holdings

3/1/2013–3/1/2014

## Schedule of Underlying Insurance

Underlying Insurer	Type of Coverage	Minimum Limits of Liability <sup>(1)</sup>
<b>Approved Carrier or approved pools and programs; ask broker for updated list.</b>	Employers' Liability	\$100,000 each accident \$500,000 Disease each policy \$100,000 Disease each employee
<b>Approved Carrier</b>	Commercial General Liability (Occurrence Form)	\$1,000,000 each occurrence <sup>(2)</sup> \$1,000,000 personal & advertising injury \$2,000,000 general aggregate – per location \$2,000,000 Products/Completed Operations aggregate <sup>(4)</sup>
	Fire Legal Liability	\$1,000,000 any one fire
<b>Approved Carrier</b>	Employee Benefits Liability	\$1,000,000 each claim \$1,000,000 aggregate
<b>Approved Carrier</b>	Automobile Liability	\$1,000,000 combined single limit <sup>(3)</sup> (commercial auto hired and non-owned auto, or any business use of vehicles.)

**Underlying carriers must have a minimum Best's Rating of A IX per McDonald's license and lease agreement.**

<sup>(1)</sup>This schedule denotes the minimum underlying limits. If actual limits are higher, then the higher underlying limits apply first, then the umbrella.

<sup>(2)</sup>McDonald's Corporation's minimum franchise required limit per occurrence for General Liability coverage is \$5,000,000; Walmart \$10,000,000. This requirement can be satisfied by purchasing this Umbrella policy in excess of the \$1,000,000 underlying policy.

<sup>(3)</sup>Note: minimum limit was increased effective 10/1/05 from \$500,000 to \$1,000,000.

<sup>(4)</sup>Note: minimum limit was increased effective 10/1/06 from \$1,000,000 to \$2,000,000.

**Offices and Warehouses**— no additional charge

**Satellites**— A dependent food service location that operates as an extension of a base unit. Support from the base may include food preparation, inventory, and labor. Examples: Walmart, Home Depot, etc.

**Oil Premises**— Subject to full-store rate; must have minimum limits as shown above.

## Umbrella Program

<b>Effective Date</b>	March 1, 2013 – March 1, 2014
<b>Carrier</b>	RSUI Indemnity Company (where permitted) Landmark American Insurance Company (FL)
<b>Limits of Liability</b>	\$25,000,000 per occurrence \$25,000,000 general aggregate/location (if underlying CGL is per location) \$25,000,000 Products/Completed Operations policy aggregate
<b>Terms and Conditions</b>	<ul style="list-style-type: none"> <li>• Applicable Surplus Lines taxes and fees will apply in FL.</li> <li>• No deductible or retention applies.</li> <li>• Defense costs are in addition to the limit.</li> <li>• Policies will be issued to each owner/operator.</li> <li>• Premium adjustments due to additions/deletions of stores will be made monthly on a pro rata basis.</li> <li>• 60-day notice of cancellation (10-day notice of cancellation for nonpayment of premium).</li> </ul>
<b>Policy Attachments</b>	<ul style="list-style-type: none"> <li>• Automobile Limitation – RSG 26044 0803</li> <li>• Contractual Limitation – RSG 26050 0803</li> <li>• Employee Benefits Liability – Following Form - RSG 94041 0104</li> <li>• Notice of Cancellation – RSG 24009 0803</li> <li>• Personal and Advertising Injury Limitation – RSG 26082 0803</li> <li>• Unimpaired Aggregate Limits – RSG 24003 0803</li> <li>• Property Damage Exclusion Amended – Personal Property – RSG 26164 0803</li> <li>• Exception to Terrorism Exclusion for Certified Acts of Terrorism, Cap on Losses from Certified Acts of Terrorism – RSG 26143 0108 or various state forms as required (will be included on policies where the Terrorism option is purchased)</li> <li>• Service of Suit Clause – RSG 24017 0407 (will be included on Landmark American policies only)</li> </ul>
<b>Key Exclusions</b>	<ul style="list-style-type: none"> <li>• Exclusion – Electronic Data – RSG 26195 1105</li> <li>• Exclusion – Violation of Statutes That Govern E-Mails, Fax, Phone Calls or Other Methods of Sending Material or Information – RSG 26182 1004</li> <li>• Fungi or Bacteria Exclusion – RSG 26114 0803 or various state forms as required</li> <li>• War Liability Exclusion – RSG 26123 0803 or various state forms as required</li> <li>• Exclusion of Certified Acts of Terrorism and Other Nuclear, Biological, Chemical or Radiological Acts of Terrorism – RSG 26118 0108 or various state forms as required</li> <li>• Exclusion of Punitive Damages Related to a Certified Act of Terrorism – RSG 26115 0108 or various state forms as required (will be included on policies where the Terrorism option is purchased)</li> </ul>
<b>Term Rate per Store (other than satellites)</b>	\$895 per store 3/1/13 – 3/1/14
<b>Term Rate per Satellite</b>	\$430 per store 3/1/13 – 3/1/14
<b>Optional Terrorism Coverage</b>	\$134.25 per store (other than satellite) \$64.50 per satellite store
<b>Optional UM/UIM Coverage (FL, LA, NH, &amp; WV only)</b>	\$447.50 per vehicle
<b>Surplus Lines Taxes and Stamping Fees</b>	Are applicable in addition to the premium in the states of FL. State taxes and fees will vary. See your broker for details.

This is a brief summary of some of the key terms, conditions, and features of the McDonald's® Owner/Operator Umbrella Liability Program. The summary is not complete and is qualified in its entirety by the actual insurance policy issued under the Umbrella Program.

For additional information or specimen copies of forms and endorsements, please contact your broker.