



May 20, 2010

USAA # 1701104

THE LAW FIRM OF PUCKETT &  
FARAJ, PC  
1800 DIAGONAL RD STE 210  
ALEXANDRIA, VA 22314

Dear Marcy:

Thank you for your interest in the USAA Business Insurance Program\* underwritten by The Hartford. The following quotation is based on current rates and is valid for thirty days. All coverages are subject to the actual policy conditions and exclusions.

We have several payment options available for your convenience which I will be happy to discuss with you.

As always, we appreciate the opportunity to serve you.

Please call me at 1-800-292-8135 ext 69645 if you have any questions, wish to confirm our quote or bind coverage.

Sincerely,

*Brenda K Pringle Garnand*

Brenda K Pringle Garnand  
Commercial Account Representative

\*USAA Business Insurance Program products are available through USAA General Agency and issued by Hartford Fire Insurance Company. Available only to persons eligible for USAA property and casualty insurance and subject to underwriting to determine acceptability.

Log on to [www.USAA.com](http://www.USAA.com) for more information on USAA products and services

9800 Fredericksburg Road San Antonio, Texas 78288-0001



Commercial Insurance Proposal  
Prepared for:

**THE LAW FIRM OF PUCKETT & FARAJ, PC**  
**1800 DIAGONAL RD STE 210**  
**ALEXANDRIA, VA 22314**

Proposed by (Agency Name)

This document is a proposal of insurance for the applicant indicated above. It is not to be used as proof of coverage, unless bound by agent signature.

Coverage bound  
for 30 days, Effective \_\_\_\_\_ By \_\_\_\_\_  
(Date) (Authorized Representative)

Proposal Date 5/20/2010

*Regardless of whether an authorized representative has bound coverage, the coverages and premium stated herein are preliminary and subject to change based upon additional underwriting review. Coverage bound may be cancelled immediately upon notice to the insured and/or its agent subject to applicable state law. Coverage will expire upon the expiration of the 30-day period without further notice, unless extended in writing with consent of The Hartford. Coverage cannot be backdated without a signed no-loss letter and consent of The Hartford.*

*The premium amounts stated herein are determined based on the coverages and limits selected together with the specific characteristics of the insured. Changes to coverages, limits or insured characteristics may result in changes in premium and may only be determined by The Hartford or its automated submission system.*

*The coverage descriptions in this proposal are abbreviated. Any coverage bound in accordance with the terms of this proposal is subject to the terms, conditions, limitations and exclusions of the applicable policy(ies). If there is any conflict between the coverage statements within this proposal and the applicable insurance policy(ies), the policy provisions will prevail. For questions regarding this proposal, contact your independent Hartford agent or authorized Hartford representative.*

## ***Why The Hartford?***

### **Company:**

- Founded in 1810, The Hartford is a leading provider of business property and casualty, personal automobile and homeowners, investment products, life insurance and group benefits

### **Product:**

- Broad coverages at competitive prices – The Hartford and (Agency Name) are committed to bringing value to you at an affordable price.

### **Claims Excellence:**

- Claim reporting available any time, day or night
- State-of-the-art technology enables fast claim settlements

### **Numerous Premium Payment Options:**

- Pay by phone or by check
- Or, take advantage of Electronic Funds Transfer (EFT) – no check, stamp or worries

**The Hartford offers innovative solutions to other lines of commercial insurance as well.** They realize that cash flow is very important to small business owners. Are you interested in paying your Workers' Compensation premium on a pay-as-you-go basis? QuickBooks®\* payroll users are eligible for our XactPAY Web® billing option. The premium is calculated and withdrawn from your bank account with every payroll run through QuickBooks®. Benefits include:

- Elimination of a large down payment
- Elimination of late fees, finance and billing fees
- Elimination of the need to write checks
- Potential to minimize audit adjustments

**Buying business insurance can be intimidating. The Hartford is here to help.** A site dedicated to small business owners, <http://sb.thehartford.com/> helps you find out what hundreds of insurance terms mean and ways to reduce your risk.

\*QuickBooks® is a registered trademark and service mark of Intuit, Inc. in the United States and other countries and is displayed herein with permission. XactPAY Web is a special edition for QuickBooks users with (1) the 2006 or newer version of QuickBooks Pro/Premier/Enterprise U.S. PC (XactPay Web is not available to QuickBooks Simple Start users), and (2) a subscription for Intuit QuickBooks Basic, Standard, Enhanced or Assisted Payroll (XactPay Web is not available to QuickBooks Online Payroll subscribers). The purchase of a Hartford Workers' Compensation policy is necessary to utilize the XactPAY Web service. All insurance policies offered by The Hartford are sold through licensed agents appointed by The Hartford. The Hartford coverages described herein may be offered by one or more of the property and casualty insurance subsidiaries of The Hartford Financial Group, Inc.

**Spectrum Quote Proposal**  
Proposed with  
**Sentinel Insurance Company**  
5/20/2010 to 5/20/2011

**Total Annual Spectrum Premium** \$ **1,844.00 \***

**Policy Level:**

**Property Coverage**

**Limits of Insurance**

Special Property Coverage Form automatically includes the following coverages at *no additional charge*:

Valuable Papers Coverage On Premises	\$ 25,000
Valuable Papers Coverage Off Premises	\$ 25,000
Accounts Receivable Coverage On Premises	\$ 25,000
Accounts Receivable Coverage Off Premises	\$ 25,000
Money and Securities – Inside	\$ 10,000
Money and Securities – Outside	\$ 5,000
Fire Department Service Charge	\$ 25,000
Fire Extinguisher Recharge	\$ Included
Ordinance or Law Coverage:	
▶ Undamaged Portion	\$ 25,000
▶ Demolition Costs	\$ 25,000
▶ Increased Cost of Construction	\$ 25,000
▶ Tenants Improvements & Betterments Increased Cost of Construction	\$ 25,000
Appurtenant Structures not more than \$50,000 at each scheduled premises.	\$ Included
Appurtenant Structures not more than \$5,000 at each scheduled premises.	\$ Included
Newly Acquired or Constructed Property - Building	\$ 500,000
Business Personal Property at Newly Acquired Locations	\$ 250,000
Property Off-Premises – Building	\$ 5,000
Property Off-Premises – Business Personal Property	\$ 2,500
Automatic Increase in Building: Limit of Insurance: 8% Annual	\$ Included
Tenant's Glass	\$ 25,000
Arson and Theft Reward	\$ 10,000
Definition of Premises: 1000 feet	\$ Included

**Liability Coverages**

**Limits of Insurance**

**Premium**

Business Liability	Each Occurrence	\$ 2,000,000	
	General Aggregate	\$ 4,000,000	\$ 66
	Products/Completed Operations Aggregate	\$ 4,000,000	\$ Included
	Personal and Advertising Injury	\$ 2,000,000	\$ Included
Damage to Premises Rented to You		\$ 1,000,000	\$ Included
Medical Expenses		\$ 10,000	\$ Included
Terrorism			\$ 9

**Umbrella Liability Coverages**

	<b><u>Limits of Insurance</u></b>	<b><u>Premium</u></b>
Per Occurrence	\$ 4,000,000	
Aggregate	\$ 4,000,000	\$ 1,344
Self-Insured Retention	\$ 10,000	
Minimum Premium Difference		\$ 53

**Property Coverages**

	<b><u>Limits of Insurance</u></b>	<b><u>Premium</u></b>
Property Deductible	\$ 500	
Automatic Equipment Breakdown Coverage which includes:	\$ Included	\$ 13
▶ Mechanical Breakdown	\$ Included	\$ Included
▶ Artificially Generated Electric Current	\$ Included	\$ Included
▶ Explosion of Steam Equipment	\$ Included	\$ Included
▶ Loss or damage to Steam Equipment	\$ Included	\$ Included
▶ Loss or damage to Water Heating Equipment.	\$ Included	\$ Included
Business Income And Extra Expense Actual Loss Sustained – 12 mos.	\$ Included	\$ 19
Terrorism		\$ 0
Identity Recovery Coverage	\$ 15,000	Included

**Location/Building Level:****Location/Building Information:**

Location No./Building No.	:	001/001
Street Address	:	1800 Diagonal Rd Ste 210
City, State and Zip Code	:	Alexandria, VA 22314
Protection Class	:	03
Class Code	:	65741
Description	:	Lawyers & Law Firms
Construction	:	Non-Combustible
Year Built	:	1990
Sprinklered	:	Yes
Area	:	1,400

	<b><u>Limits of Insurance</u></b>	<b><u>Premium</u></b>
Business Personal Property	\$ 40,000	\$ 85
Fungi Limited Coverage	\$ 50,000	\$ Included
Fungi Limited Business Interruption	\$ 30 Days	\$ Included

**Stretch Endorsements:**

		<b><u>Premium</u></b>
Stretch	See Stretch Summary Attached	\$ 125

The Limits of Insurance for the following Additional Coverages are in addition to any other limit of insurance provided under this policy

**Regular Stretch Endorsement**

<b><i>Coverage</i></b>	<b><i>Limit</i></b>
Accounts Receivable – On/Off-Premises	\$ 25,000
Brands and Labels	Up to Business Personal Property Limit
Claim Expenses	\$ 10,000
Computer Fraud	\$ 5,000
Computers and Media	\$ 10,000
Debris Removal	\$ 25,000
Employee Dishonesty (including ERISA)	\$ 10,000
Fine Arts	\$ 10,000
Forgery	\$ 10,000
Laptop Computers – World-Wide Coverage	\$ 5,000
Off Premises Utility Services – Direct Damage	\$ 10,000
Outdoor Signs	Full Value
Pairs or Sets	Up to Business Personal Property Limit
Personal Property of Others	\$ 10,000
Property at Other Premises	\$ 10,000
Salespersons' Samples	\$ 1,000
Sewer and Drain Back Up	Included up to Covered Property Limits
Sump Overflow or Sump Pump Failure	\$ 15,000
Temperature Change	\$ 10,000
Tenant Building and Business Personal Property Coverage-Required by Lease	\$ 20,000
Transit Property in the Care of Carriers for Hire	\$ 10,000
Unauthorized Business Card Use	\$ 2,500
Valuable Papers and Records – On/Off-Premises	\$ 25,000

The Limits of Insurance for the following Coverage Extensions are a replacement of the Limit of Insurance provided under the Property Coverage Form.

<b><i>Coverage</i></b>	<b><i>Limit</i></b>
Newly Acquired or Constructed Property – 180 Days	
Building	\$1,000,000
Business Personal Property	\$ 500,000
Business Income and Extra Expense	\$ 500,000
Outdoor Property	\$ 20,000 aggregate/ \$1,000 per item
Personal Effects	\$ 25,000
Property Off-Premises	\$ 15,000

The following changes apply only if Business Income and Extra Expense are covered under this policy. The Limits of Insurance for the following Business Income and Extra Expense Coverages are in addition to any other Limit of Insurance provided under this policy:

<b><i>Coverage</i></b>	<b><i>Limit</i></b>
Business Income Extension for Off-Premises Utility Services	\$ 25,000
Business Income Extension for Web Sites	\$ 10,000/7 days
Business Income from Dependent Properties	\$ 25,000

The following Limit of Insurance for the following Business Income Coverage is a replacement of the Limit of Insurance provided under the Property Coverage Form.

**Coverage**  
Extended Business Income

**Limit**  
60 Days

The following changes apply to Loss Payment Conditions:

**Coverage**  
Valuation Changes  
Commodity Stock  
"Finished Stock"  
Mercantile Stock - Sold

**Limit**  
Included  
Included  
Included

### **Recommendations and Comments**

#### **DISCLOSURE PURSUANT TO TERRORISM RISK INSURANCE ACT**

On December 26, 2007, legislation was enacted extending the Terrorism Risk Insurance Act (as amended "TRIA"). In accordance with TRIA, we are required to offer you coverage for "certified acts of terrorism" in policies for which the act applies. However, coverage for "certified acts of terrorism" is limited by the terms, conditions, exclusions, limits, endorsements and other provisions of your policy(ies), as well as any applicable rules of law to which this coverage quote applies.

"Certified act of terrorism" means an act 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. The criteria contained in TRIA for a "certified act of terrorism" include the following:

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to TRIA; and
2. The act resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of an United States mission; and
3. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals acting 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.

#### **Disclosure of Premium**

In accordance with TRIA, we are required to provide you with a notice disclosing the portion of your premium, if any, attributable to coverage for "certified acts of terrorism" under TRIA. The portion of your premium attributable to this terrorism coverage is shown in the premium section(s) of this quote proposal.

#### **Disclosure of Federal Participation in Payment of Terrorism Losses**

The United States Department of the Treasury will pay a share of terrorism losses insured under the federal program. The federal share equals 85% of that portion of such insured losses that exceeds the applicable insurer deductible. However, if aggregate industry insured losses attributable to certified acts of terrorism under TRIA exceed \$100 billion in a Program Year (January 1 through December 31), the Treasury shall not make any payment for any portion of such losses that exceeds \$100 billion.

#### **Cap on Insurer Participation in Payment of Terrorism Losses**

If aggregate industry insured losses attributable to "certified acts of terrorism" under TRIA, exceed \$100 billion in a Program Year (January 1 through December 31) and we have met our insurer deductible under TRIA, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

**PLEASE CONTACT YOUR AGENT, BROKER OR REPRESENTATIVE IF YOU HAVE QUESTIONS**

*\* The Total Spectrum Annual Premium includes a State Surcharge of \$ 0 and a policy base premium of \$130.00*

The Hartford Direct Bill System, offers you the flexibility of various payment plans. You can tailor a plan to meet your cash flow needs. For each installment, there is a nominal fee. Also, to help you keep track of your premium payments, all of your Hartford Commercial Business can be placed on one payment plan.

To make paying your premiums as easy as possible, we also offer you the benefit of electronic payments. With this option, your payments are automatically deducted from your bank account, in accordance with the schedule you select. So there's no bill, no check, no stamp, no worry. When you receive your first bill, just call the toll free number provided and ask to sign up for Repetitive EFT (Repetitive Electronic Funds Transfer).

**Total Annual Spectrum Premium** **\$ 1,844.00 \***

Acknowledged and Accepted By

\_\_\_\_\_ On \_\_\_\_\_  
(Signature of the Insured) (Date)

*Regardless of whether an authorized representative has bound coverage, the coverages and premium stated herein are preliminary and subject to change based upon additional underwriting review. Coverage bound may be cancelled immediately upon notice to the insured and/or its agent subject to applicable state law. Coverage will expire upon the expiration of the 30-day period without further notice, unless extended in writing with consent of The Hartford. Coverage cannot be backdated without a signed no-loss letter and consent of The Hartford.*

*The coverage descriptions in this proposal are abbreviated. Any coverage bound in accordance with the terms of this proposal is subject to the terms, conditions, limitations and exclusions of the applicable policy(ies). If there is any conflict between the coverage statements within this proposal and the applicable insurance policy(ies), the policy provisions will prevail. For questions regarding this proposal, contact your independent Hartford agent or authorized Hartford representative.*



**Worker's Compensation Proposal**  
Proposed with  
**Hartford Casualty Insurance Company**  
5/20/2010 to 5/20/2011

**Part I – Workers’ Compensation Insurance (Coverage A and C)**

Statutory Coverage as provided by the following states:

**Virginia**

Coverage includes Medical and Loss of Income Benefits for injuries arising out of a work related injury.

**Part II – Employers Liability Insurance (Coverage B)**

**Limits of Insurance**

Bodily Injury By Accident	\$ 100,000	Each Accident
Bodily Injury By Disease	\$ 500,000	Policy Limit
Bodily Injury By Disease	\$ 100,000	Each Employee

**Rating Information:**

State:	Virginia	Location:	01		
Class Code	Description:	Rate:	Premium Basis (Rate per \$100 of Exposure)	Class Premium:	
8820	Attorney - All Employees & Clerical, Messengers, Drivers	.09	214,000	\$	193.00

**State Recap:**

Total Class Premium	\$ 193.00
Total Estimated Annual Standard Premium	\$ 193.00
Expense Constant 0900	\$ 260.00
Terrorism (9752) 214,000	.0300 \$ 64.00
Total Estimated Annual Premium	\$ 517.00

**Notes**

Premium is based on an estimated payroll and subject to annual audit.

At the inception of the policy period our records show that you have employees located in the following states:

**Virginia**

If you have employees working in any other states, please notify our office immediately.

Sole Proprietors are not automatically covered for Workers’ Compensation Coverage and must elect to be covered.

No single endorsement combines as many workers’ compensation enhancements as our broad form. Both our no-cost basic version and our inexpensive extended version, exceed legal requirements.

Merit Mods are tentative and subject to final calculation.

Our **basic** broad form offers a number of enhancements at no additional charge. A few of these coverages include:

*(not applicable in all states)*

- Voluntary Compensation Covered
- Employer Liability Stop Gap in Monopolistic States
- Pay for reasonable Expenses, including Loss of Earnings

Our **Extended** broad form includes coverages in the **Basic** broad form and provides several additional coverages for an added charge: *(not applicable in all states)*

- 500/500/500 Employers Liability Limits
- Foreign Voluntary Compensation
- Longshore and Harbor Workers' Compensation Act Coverage Endorsement

### **Recommendations and Comments**

### **Premium Summary**

**5/20/2010 to 5/20/2011**

Term

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2. The act resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of an United States mission; and
3. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals acting 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.

#### **Disclosure of Premium**

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the Treasury.

**PLEASE CONTACT YOUR AGENT, BROKER OR REPRESENTATIVE IF YOU HAVE QUESTIONS**

**Total WC Estimated Annual Premium** **\$ 517.00**

**Policy Minimum Premium: \$ 274 (VA)**

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To make paying your premiums as easy as possible, we also offer you the benefit of electronic payments. With this option, your payments are automatically deducted from your bank account, in accordance with the schedule you select. So there's no bill, no check, no stamp, no worry. When you receive your first bill, just call the toll free number provided and ask to sign up for Repetitive EFT (Repetitive Electronic Funds Transfer).

Acknowledged and Accepted By

\_\_\_\_\_ On \_\_\_\_\_  
(Signature of the Insured) (Date)

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