



New Jersey Schools Insurance Group
6000 Midlantic Drive, Suite 300 North
Mount Laurel, New Jersey 08054
www.njsig.org

Board of Trustees Meeting of June 16, 2021
Action Item
Excess and reinsurance for the 2021-2022 policy year
(NJSIG No. 0621-5)

At the March 17, 2021, the Board of Trustees authorized the binding of reinsurance coverage at a cost not to exceed \$43,906,832 based on expiring exposure data. Further, the Board of Trustees authorized the Executive Director to renew with alternative responsible carriers if the terms and conditions offered by those carriers provide a clear advantage in member pricing or coverage terms.

Based on that authorization, and with the help of NJSIG's insurance broker, NJSIG has obtained quotations for reinsurance and excess insurance where necessary for all appropriate lines of coverage. NJSIG's insurance broker estimates that the approximate premium due based on these proposed contracts would be \$43,708,122.40. Number is only approximate because, as NJSIG members' exposures change, the amount of premium due under these policies will change as well.

As previously indicated, the market for reinsurance and excess insurance is "hardening." However, despite the unfavorable market conditions, we have been able to keep the total cost below the March 17, 2021 estimate by aggressively marketing NJSIG's program to multiple carriers.

Recommended Resolution (NJSIG No. 0621-5): to approve the award of contracts to the insurance entities identified in the attached resolution.

Jill Deitch, Esq.
Executive Director

New Jersey Schools Insurance Group
Certification pursuant to N.J.A.C. 5:34-2.3(b)

To: New Jersey Schools Insurance Group Board of Trustees

From: Jill Deitch, Esq.
Executive Director

Date: June 16, 2021

Subject: Insurance, including the purchase of insurance coverage and consultant services

This is to request an award of a contract without the receipt of formal bids as insurance, including the purchase of insurance coverage and consultant services, N.J.S.A. 18A:18A-5(a)(10). I do hereby certify to the following:

1. **Provide a clear description of the nature of the work to be done:**
Excess and reinsurance coverage for the lines of coverage offered to members of the New Jersey Schools Insurance Group.
2. **Describe in detail why the contract meets the provisions of the statute and rules: N.J.S.A. 18A:18A-5(a)(10)** (“Insurance, including the purchase of insurance coverage and consultant services, which exception shall be in accordance with the requirements for extraordinary unspecifiable services;”).
3. **The service(s) is of such a specialized and qualitative nature that the performance of the service(s) cannot be reasonably described by written specifications because: N.J.S.A. 18A:18A-5(a)(10)** (“Insurance,

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including the purchase of insurance coverage and consultant services, which exception shall be in accordance with the requirements for extraordinary unspecifiable services;”).

4. **Describe the informal solicitation of quotations:** NJSIG retained an insurance broker via RFP U-2019-0001, and this insurance broker is responsible for acting as an independent insurance and risk transfer advisor to NJSIG and for providing unbiased risk transfer advice that is in the best interests of NJSIG and its membership. This insurance broker must obtain and retain documentation of a minimum of two competitive quotations for insurance per line of coverage / coverage specialty per policy year. The full scope of work for this insurance broker is set forth in RFP U-2019-0001.
5. I have reviewed the rules of the Division of Local Government Services pursuant to N.J.A.C. 5:34-2.1, et seq. and certify that the proposed contracts may be considered an extraordinary unspecifiable service in accordance with the requirements thereof.

New Jersey Schools Insurance Group
Certification pursuant to N.J.A.C. 5:34-2.3(b)

Respectfully submitted,

Jill Deitch, Esq.
(Print Name)

(Signature)

Executive Director
(Title)

(Original to be retained by the NJSIG Board of Trustees Secretary with the affirmed copy of the resolution; signed duplicate to be kept by appropriate official).



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**Resolution Authorizing the Execution of
Contracts Pursuant to the Public School Contracts Law**

(NJSIG No. 0621-5)

WHEREAS, the New Jersey Schools Insurance Group (“NJSIG”) is authorized by N.J.S.A. 18A:18B-1, et seq. to provide risk transfer mechanisms for its members;

WHEREAS, NJSIG requires excess and reinsurance for the 2021-2022 policy year to aid in the transfer of risk for the organization; and,

WHEREAS, such service is in the nature of an exception to the bidding requirements under N.J.S.A. 18A:18A-5(a)(10), “[i]nsurance, including the purchase of insurance coverage and consultant services, which exception shall be in accordance with the requirements for extraordinary unspecifiable services;”

WHEREAS, the Executive Director has executed a Certification pursuant to N.J.A.C. 5:34-2.3(b), which said Certification is attached; and

NOW THEREFORE, BE IT RESOLVED, that:

- 1) NJSIG awards contracts for excess and reinsurance for the 2021-2022 policy year to the following insurance entities:
 - a. Starstone Specialty Insurance Co. (D87953210CSP);
 - b. Axis Surplus Insurance Co. (EAF796480-21);



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- c. Hiscox Insurance Agency of CA (LMPP21928045);
- d. Indian Harbor Insurance Company (US00090549PR21A) / AXA XL;
- e. Crum & Forster Specialty Insurance Co. (PPP-911097);
- f. Evanston Insurance Co. (MKLV2XPR000174) / Markel;
- g. RSUI Indemnity Company (NHD917617);
- h. Starr Surplus Lines Insurance Co. (SLSTPTY11433021) / CV Starr;
- i. Zurich American Insurance Co. (XXP 1056334-03);
- j. The Princeton Excess & Surplus Lines Co. (N3-A3-PP-0000005-03) /

Munich Re;

- k. Pennsylvania Manufacturer's Assoc Insurance Co. (822100 1161355) /

Old Republic;

- l. Tokio Marine American Insurance Co. (LCP 6481198-02);
- m. General Security Indemnity Co. of Arizona (FA0040704-2021-1);
- n. Beazley Lloyds Syndicate 2623 (B6012BUSALCP21);
- o. Continental Casualty Company (RMP-6023345954) / CNA;



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- p. Lloyds of London - CNP - Lead Syndicate 4444 (B65935CAA) /
Canopus;
- q. Everest Indemnity Insurance Co. (RP5CF00136-211);
- r. Endurance American Specialty Insurance Co. (ARP30001029902) /
Sompo;
- s. Liberty Mutual Insurance Co. (MQ2-L9L-460890-021);
- t. Sompo International (B080117555U21);
- u. American International Group UK, Ltd. (B080115225U21) / Lexington;
- v. Lloyds of London - AMA - Lead Syndicate 1200 (B080119200U21);
- w. Hannover Re (B080112879U21);
- x. Lloyds of London - NOA - Lead Syndicate 3902 (B080121405U21);
- y. Lancashire Group UK, Ltd. (B080120329U21);
- z. Lloyds of London - ARK - Lead Syndicate 4020 (B08012404U21);
- aa. Hamilton Insurance DAC (B0801TBC);
- bb. Chubb Bermuda, Ltd. (NJSIG01591P03);



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- cc. Hamilton Re, Ltd. (PX21-6125-01);
- dd. Lloyds Beat Syndicate 4242 (21ALC418850A) / Alcor;
- ee. Argo Re, Ltd. (P147338);
- ff. Markel Bermuda, Ltd. (MKLB8XPR000022);
- gg. Allied World Insurance Co., Ltd. (P044411/004) / AWAC;
- hh. Liberty Specialty Markets Bermuda Ltd. (LSMAPR159337A);
- ii. Oil Casualty Insurance, Ltd. (LSMAPR159337A);
- jj. Great American Insurance Co. (GVT 867-44-19-27-00);
- kk. Beazley Group (W2E5FA210101);
- ll. Safety National Casualty Corporation (SP 4064604);
- mm. National Union Fire Insurance Co. of Pittsburgh, PA (86-343-450) /

Special Contingency Risk;

- nn. Underwriters at Lloyds (B080112767L21);
- oo. Ironshore Specialty Insurance Co. (ISPILLSB8BZU001);
- pp. QBE Specialty Insurance Co. (NJS10000-06) / Apex Insurance;



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- qq. Federal Insurance Co. (76438742) / Chubb;
 - rr. Munich Reinsurance America, Inc. (162777-2209776-2021);
 - ss. General Reinsurance Corporation (C548) / Genesis;
 - tt. Markel American Insurance Company (MKLM3EUE100945);
 - uu. Great American Insurance Company (2480064);
 - vv. Underwriters at Lloyds (B080110826L21); and,
 - ww. Chubb (009907-15-88) / McCloskey Insurance Company.
- 2) The Executive Director is hereby authorized to execute contracts with the above-referenced service providers;
- 3) These contracts are awarded in accordance with the Public School Contracts Law, N.J.S.A. 18A:18A-1, et seq.;
- 4) A notice of this action shall be published once in the official newspaper designated by the New Jersey Schools Insurance Group.

I certify that the foregoing is a true copy of a Resolution passed by the New Jersey Schools Insurance Group at the meeting duly held on the 16th day of June, 2021.



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New Jersey Schools Insurance Group

By: _____

Irene Le Febvre, Chairperson

Board Secretary
Use Only

DATE:

MOVED BY:

SECONDED BY:

VOTE: