

CSIMON@FAKLANE.BIZ

# LUSTGARTEN ASSOCIATES, INC.

375 FIFTH Avenue, 3<sup>rd</sup> Fl., New York, NY 10016

Tel: (212) 683-2440 • Fax: (212) 447-7265

Guy's Email: [guy@lustgarten-insurance.com](mailto:guy@lustgarten-insurance.com)

General Email: [admin@lustgarten-insurance.com](mailto:admin@lustgarten-insurance.com)

## FACSIMILE

TO: CLAUDE SIMON

FROM: TOBIN GUY LUSTGARTEN

CO: \_\_\_\_\_

DATE: 12/5/24

SUBJECT: D&O AND CRIME

# OF PAGES: \_\_\_\_\_

CLAUDE - ENCLOSED PLEASE FIND THE  
BEST QUOTE FOR A COMBO D&O AND CRIME  
PLEASE LOOK IT OVER - FINANCING IS AVAILABLE  
Questions? Issues?  
call me or email

Best Wishes  
Guy

Tobin Guy Lustgarten, CEO, Ext 804

## Tobin Guy

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**From:** Denise Moreo <dmoreo@arcxs.com>  
**Sent:** Thursday, December 5, 2024 3:27 PM  
**To:** Tobin Guy  
**Cc:** 'Christopher Ruecker'  
**Subject:** 534 West 42nd Street Condominium - D&O/CFB  
**Attachments:** 2025 Specs.pdf; 2025 Quote 534 West 42nd Street Condominium.pdf

Hi Guy,

Attached please find a proposal we have been able to obtain from Atlantic Specialty Insurance Company on the captioned for your review.

**THE ATTACHED INDICATION IS SUBJECT TO THE RECEIPT, REVIEW AND UNDERWRITING ACCEPTANCE OF THE REQUESTED INFORMATION. IF THE SUBJECT-TO-INFORMATION REPRESENTS A MATERIAL CHANGE IN THE RISK AS DEEMED BY THE UNDERWRITER, THE UNDERWRITER HAS THE RIGHT TO MODIFY OR WITHDRAW THE INDICATION.**

**Premium Payment (for accounts being bound)**


PLEASE BE ADVISED THAT MANY CARRIERS WILL NOT FLAT CANCEL ANY POLICIES. PLEASE BE AWARE THAT BY ACCEPTING AN OFFER TO BIND, YOUR OFFICE ASSUMES RESPONSIBILITY FOR ANY PRO-RATA, SHORT-RATE OR MINIMUM EARNED PREMIUM OR IF THE POLICY IS NONCANCELLABLE, THE FULL PREMIUM SHOULD THE INSURED ELECT TO CANCEL POST-BINDING, REGARDLESS OF WHETHER PREMIUM IS COLLECTED FROM THE INSURED. If you do not have confidence that the Insured will remit the premium to you, we advise you to require it prior to binding. Regardless, if your office orders the coverage and it is bound for this policy of insurance you are guaranteeing payment to ARC Excess & Surplus, LLC for the full amount.

**Additional Coverage Options**

Additional coverage options may be available upon request. Please advise if the Insured would like any of the following:

1. Higher limit options.
2. Additional executive risk lines of coverage that may not presently be included in the expiring policy referenced above, including:
  - a. **Professional Liability;**
  - b. **Directors and Officers Liability;**
  - c. **Employment Practices Liability;**
  - d. **Fiduciary Liability;**
  - e. **Crime and/or Kidnap & Ransom;**
  - f. **Side-A Difference-In-Conditions Program;**
  - g. **Social Engineering Coverage**, typically not covered by Crime policies, this coverage protects companies from fraudsters that trick employees into transferring the company's money or securities by pretending to be a trusted vendor, supplier, new client or employee; and
  - h. **Cyber/Privacy coverage**, covering liability for a data breach in which personal or sensitive information is exposed or stolen by someone who has gained access to a firm's electronic network.



 <b>management liability</b>		Quote
<a href="https://intactspecialty.com/management-liability">intactspecialty.com/management-liability</a>		
11.22.2024	Not-For-Profit Organization Management Liability - Primary	

**Broker**

Christopher Ruecker  
ARC Excess & Surplus, LLC  
PO Box 9012  
Jericho, NY 11753

**Applicant**

534 West 42nd Street Condominium  
225 W 35th St  
New York, NY 10001

Intact Insurance is pleased to provide the following Not-For-Profit Organization Management Liability quotation to you.

<b>Policy Period</b>	01.12.2025 to 01.12.2026
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<b>Policy Aggregate Limit</b>	\$1,000,000 (for all purchased Liability Coverage Sections combined)
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Liability Coverage Section	Separate Limit of Liability	Shared Limit of Liability	Retention	P&P Litigation Date
<b>D&amp;O and Organization Liability ("D&amp;O")</b>	N/A	\$1,000,000  <b>Shared with:</b> EPL	<b>Clause A:</b> \$0  <b>Clause B:</b> \$25,000  <b>Clause C:</b> \$25,000	TBD
<b>Employment Practices Liability (including Third Party) ("EPL")</b>	N/A	\$1,000,000  <b>Shared with:</b> D&O	<b>Clause A:</b> \$25,000  <b>Clause B:</b> \$25,000	TBD  TBD

Crime Coverage Section		
Insuring Agreement	Per Occurrence Limit of Liability	Deductible
(A)(1) Employee Theft	\$1,000,000	\$1,000
(A)(2) Employee Theft of Client Property	\$1,000,000	\$1,000
(A)(3) Employee Benefit Plan	\$1,000,000	\$0
(B) Forgery or Alteration	\$1,000,000	\$1,000
(C) Inside the Premises – Theft of Money or Securities	\$1,000,000	\$1,000
(D) Inside the Premises – Robbery or Safe Burglary of Other Property	\$1,000,000	\$1,000
(E) Outside the Premises	\$1,000,000	\$1,000

(F) Computer Fraud	\$1,000,000	\$1,000
(F)(2) Computer Data Restoration Expenses	\$100,000	\$1,000
(G) Funds Transfer Fraud	\$1,000,000	\$1,000
(H) Money Orders and Counterfeit Paper Currency	\$1,000,000	\$1,000
(I) Social Engineering Fraud Coverage	\$100,000	\$1,000
(J)(1) Personal Accounts Forgery or Alteration Coverage	Not Covered	Not Covered
(J)(2) Identity Fraud Expense Reimbursement Coverage	Not Covered	Not Covered
(K) Investigative Costs Coverage	\$100,000	As per the applicable Insuring Agreement
If "Not Covered" is inserted opposite any specified Insuring Agreement above as the Per Occurrence Limit of Liability, such Insuring Clause and any other reference thereto is deemed to be deleted from this Policy.		
<b>Total Premium Charged for all Coverages:</b> \$6,831		
Premium is due and payable no later than forty five (45) days after the date of binding Failure to pay the premium in full may result in cancellation of coverage		

D&O Other Specific Limits	Limits		
Additional Limit of Liability Dedicated for Executives	\$250,000		
Excess Benefit Transaction Excise Tax Sublimit	\$100,000		
Internal Revenue Code Violation Sublimit	\$100,000		
Stakeholder Derivative Demand Sublimit	\$250,000		
D&O Crisis Management Expenses Limit	\$25,000		
	Limits	Separate Retention	Coinsurance
Antitrust Claim	\$1,000,000	\$25,000	0%
EPL Other Specific Limits	Limits		
Illegal Hiring or Harboring Sublimit	\$50,000		
Employment Crisis Management Expenses Limit	\$25,000		
<b>Policy Aggregate Sublimit For All E-Discovery Consultant Services:</b> \$25,000 (for all purchased Liability Coverage Sections combined)			
<b>Additional Aggregate Limit For Defense Expenses:</b> Not Covered			
<b>Type of Claim Defense:</b> Duty to Defend			

**Policy Forms and Endorsements**

MPF-20001-08-22

Not-for-Profit Organization Management Liability Policy  
General Terms and Conditions Section

**Section(s)**

GTC

MPF-20001-DO-06-18

Not-for-Profit Organization Management Liability Policy  
Directors, Officers & Organization Liability Coverage  
Section

D&O

MPF-20001-EPL-06-18

Not-for-Profit Organization Management Liability Policy  
Employment Practices Liability Coverage Section

EPL



MPF-20001-CR-06-18	Not-for-Profit Organization Management Liability Policy Crime Coverage Section	CRIME
MPE-000NY-08-22	New York Amendatory	GTC
MPE-00024-09-10	State Amendatory Inconsistency	GTC
MPE-230NY-06-18	New York Amendatory	D&O
MPE-03030A-06-18	Cap on Losses from Certified Acts of Terrorism	D&O
MPE-03057-06-18	Privacy Breach Reimbursement Coverage Sublimit: \$50,000	D&O
MPE-23028-09-22	Amend Exclusion (G)	D&O
MPE-23053-01-20	Community Association Amendatory	D&O
MPE-23055-01-20	Property Manager Extension Sublimit: \$1,000,000 Retention: \$25,000	D&O
MPE-23065-09-23	Contract Claims - Defense Expenses Sublimit \$100,000	D&O
MPE-040NY-06-18	New York Amendatory	EPL
MPE-04019-09-10	Workplace Violence Reimbursement Coverage Sublimit: \$250,000	EPL
MPE-04020E-05-19	Wage and Hour Claims Sublimit \$150,000	EPL
MPE-04041-06-20	Biometric Information Privacy Sublimit \$50,000	EPL
MPE-24012-01-20	Property Manager Extension	EPL
MPE-060NY-06-18	New York Amendatory	CRIME
MPE-06032-06-18	Amend Social Engineering Fraud Insuring Agreement - Remove Callback Verification Requirement	CRIME
MPE-06037-11-21	Virtual Currency Exclusion	CRIME

**Insurance Company** | Atlantic Specialty Insurance Company  
This is an Admitted Policy.

**A.M. Best Rating:** | A+ (Superior)

**Quote Expiration Date** | 01.12.2025

**Conditions** | This quote is subject to Intact Insurance's receipt, review and acceptance of the outstanding conditions noted below prior to binding. The underwriter may elect at its discretion to accept an order to bind subject to receipt of such outstanding conditions within a specified timeframe.

- Prior to Binding: Currently signed and dated application

**Extended Reporting Period (ERP)** | ERP Option(s) are as follows:

- 12 months at 100% of Full Annual Premium
- 36 months at 150% of Full Annual Premium

**General**

The coverage descriptions contained in this quotation(s) are for summary purposes only. Please read the policy for complete coverage information.

Intact Insurance Specialty Solutions is the marketing brand for the insurance company subsidiaries of Intact Insurance Group USA LLC, a member of Intact Financial Corporation (TSX: IFC), the largest provider of property and casualty insurance in Canada and a leading specialty insurance carrier in North America. The insurance company subsidiaries of Intact Insurance Group USA LLC include Atlantic Specialty Insurance Company, a New York insurer, Homeland Insurance Company of New York, a New York insurer, Homeland Insurance Company of Delaware, a Delaware insurer, OBI America Insurance Company, a Pennsylvania insurer, and OBI National Insurance Company, a Pennsylvania insurer. Each of these insurers maintains its principal place of business at 605 Highway 169 N, Plymouth, MN 55441.

## Supplemental Information

### Employment Practices Risk Management Services:

In partnership with Jackson Lewis P.C., a national law firm providing workplace law representation to management, Intact Insurance is pleased to provide the Prevent & Protect Portal to provide risk management solutions for our policyholders. The Portal includes a comprehensive package of risk management products and services thoughtfully designed to help you manage your workforce and reduce potential exposure on employment-related liability. Because it is designed by Jackson Lewis attorneys, your Portal will contain the latest information pertaining to workplace law topics.

Training and resource materials include:

- Interactive maps to update employers on key state laws
- Sample Human Resource policies and Employee Handbook
- An easily searchable, regularly updated library of over 2,500 articles on a wide range of labor and employment topics
- Labor and employment library of podcasts and webinars, plus access to more than 20 labor and employment blogs
- General information on issues such as wage-hour, leaves of absences, background checks, drug testing and more
- Employment practices checklists to assist in evaluating the approach to important employment issues, such as issues to consider prior to terminating an employee

Policyholders also gain access to additional resources including:

- A "1-800" Helpline
- Interactive executive, manager and employee training via GoToMeeting on a mutually agreed topic
- Special webinars on current topics, and new developments in labor and employment law
- Discounted rates to assist with the development of preventive practices, preparing employee handbooks and training supervisors



**Insured Name and Address:**

534 West 42nd Street Condominium  
225 W 35th St  
New York, NY 10001

Quote Number: 3996251-1

## **POLICYHOLDER DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE**

You are hereby notified that under the Terrorism Risk Insurance Act (the Act), as amended, your policy will provide insurance coverage for losses resulting from acts of terrorism. *As defined in Section 102(1) of the Act:* The term "act of terrorism" means any act or acts that are certified by the Secretary of the Treasury - in consultation with the Secretary of Homeland Security, and the Attorney General of the United States - to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have 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 a United States mission; and to have been committed by an individual or individuals 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.

YOU SHOULD KNOW THAT WHERE COVERAGE IS PROVIDED BY THIS POLICY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM, SUCH LOSSES MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. HOWEVER, YOUR POLICY MAY CONTAIN OTHER EXCLUSIONS WHICH MIGHT AFFECT YOUR COVERAGE, SUCH AS AN EXCLUSION FOR NUCLEAR EVENTS. UNDER THE FORMULA, THE UNITED STATES GOVERNMENT GENERALLY REIMBURSES 80%, BEGINNING ON JANUARY 1, 2020, OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURANCE COMPANY PROVIDING THE COVERAGE. THE PREMIUM TO BE CHARGED FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS THAT MAY BE COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS A \$100 BILLION CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT AS WELL AS INSURERS' LIABILITY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM WHEN THE AMOUNT OF SUCH LOSSES IN ANY ONE CALENDAR YEAR EXCEEDS \$100 BILLION. IF THE AGGREGATE INSURED LOSSES FOR ALL INSURERS EXCEED \$100 BILLION, YOUR COVERAGE MAY BE REDUCED.

**There is no premium charge for coverage for losses caused by acts of terrorism, as defined in the Act.**

Since coverage for acts of terrorism, as defined in the Act, is being provided in your policy you do not need to take any action with respect to this notice.