

Massaro, Luly (PUC)

From: mcelroymik@gmail.com on behalf of Michael McElroy
<Michael@mcelroylawoffice.com>
Sent: Wednesday, May 18, 2016 3:27 PM
To: WilsonFrias, Cynthia (PUC); Massaro, Luly (PUC)
Cc: bengston@comcast.net; bsworcester@cox.net; catlari@aol.com; cworcester@cox.net; cynsislandglass@yahoo.com; genetrupin@yahoo.com; mb@marybennett.com; mrose24@verizon.net; Woodland295@charter.net; Nault, Alan (PUC); Andy Teitz; Christy Hetherington; d macrae; Daniel Antaya; david bebyn; david effron; Edward O'Rourke; JMunoz@riag.ri.gov; Bell, John (DPUC); Spirito, John (DPUC); k gavin; michael (Gmail) mcelroy; Michael Sheehan; Nan Jurnak; Stephen Antaya; Scialabba, Steve (DPUC); Terence Tierney
Subject: A&R Marine Docket No. 4587
Attachments: A&R MARINE INSURANCE_20160518143347.pdf

Attached is A&R's response to hearing record request #2 requesting updated insurance information.

I am serving this electronically only.

Thanks.

Michael R. McElroy | Managing Partner | **Schacht & McElroy**
21 Dryden Lane, P.O. Box 6721, Providence, Rhode Island 02940-6721
o: [401.351.4100](tel:401.351.4100) | c: [401.749.2612](tel:401.749.2612) | f: [401.421.5696](tel:401.421.5696)
www.McElroyLawOffice.com

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Insurance Updated

Record Request Item 2

A&R Marine Corp

			<u>Estimate</u>	<u>Originally Filed</u>	<u>Additional</u>	
Prudence Ferry	1300000	0.0185	\$ 24,050.00	\$ 10,638.00	\$ 13,412.00	
Bonner	220000	0.0185	\$ 4,070.00	\$ 2,775.00	\$ 1,295.00	
Bumbershoot Policy			\$ 2,053.00	\$ -	\$ 2,053.00	
Additional Requested in Rebuttal Testimony					<u>\$ 16,760.00</u>	

			<u>Per Invoice Quote</u>	<u>Originally Filed</u>	<u>Additional</u>	
Prudence Ferry	1300000	0.0179	\$ 23,270.00	\$ 10,638.00	\$ 12,632.00	A
Bonner	220000	0.017	\$ 3,740.00	\$ 2,775.00	\$ 965.00	B
Bumbershoot Policy			\$ 2,849.00		\$ 2,849.00	C
Additional Requested per Record Request					<u>\$ 16,446.00</u>	

Prepared by David G Bebyn CPA



Mike McElroy <mcelroymik@gmail.com>

RE: PUC

1 message

Allen Chatterton <Allen@chattertonins.com>

Wed, May 18, 2016 at 2:12 PM

To: Michael McElroy <Michael@mcelroylawoffice.com>, Daniel Antaya <armarineinc@gmail.com>, david bebyn <dbebyn@beconsulting.biz>, Ethan Rossi <armarine2013@gmail.com>, John Doherty <jkdoherty61@gmail.com>, Pat Rossi <patricia.rossi@pi-ferry.com>, Stephen Antaya <stephena@antaya.com>

Per your request...

Please note this is an annual premium. When we have the survey we will prorate based on what is left on the current term.

Also note we need a clean survey or confirmation that recommendations have been addressed before we can bind.

FYI...The property damage liability deductible follows the hull deductible of 10K.

I think we have now answered all concerns?

Vessel: "Herbert Bonner"

\$1,300,000 insured value w. \$10,000 deductible @ 1.79% rate = \$23,270 annual.

Subject to: Receipt of an updated C&V vessel survey confirming the vessel's market value is \$1,300,000. Any survey recs. must be complied with prior to binding.

Regards,

Kham Syvilay, Master Underwriter



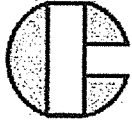
International Marine Underwriters | 28 State Street, Suite 1801, Boston, MA 02109

tel: 617.725.6286 | fax: 617.725.6709 | imu.com | ksyvilay@imu.com

Sincerely,

Allen H. Chatterton, III

President & Treasurer



Chatterton Insurance, Inc.

Direct: 401.722.6010 | Fax # 401-722-6072 |

150 Main St. Pawtucket, RI 02860 | Email: allen@chattertonins.com | www.chattertonins.com

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<http://www.chattertonins.com/refer-a-friend>

Insured: A & R MARINE CORP.

Policy: J5JH54845

ENDORSEMENT 5				Effective: 04/19/2016	Premium
This Endorsement Amends The Following Coverage Parts:					
SECTION II DECLARATIONS HULL PHYSICAL DAMAGE COVERAGE					
COVERAGE PART I - HULL PHYSICAL DAMAGE					
AMEND Description of Vessel(s):					
Vessel	Deductible	Amt Insured & Agreed Value	Rate		
"Herbert C. Bonner" / 1970 / 120' / Steel Ferry	\$25,000	\$640,000	1.83	\$11,712 Annual \$306 ProRata AP	
"Prudence Ferry" / 1986 / 61.5' / Steel Ferry	\$17,600	\$220,000	1.70	\$3,740 Annual \$275 ProRata AP	
TOTAL ADDITIONAL PREMIUM				\$581	

(B)



The Company issuing this policy is indicated below:
OBI National Insurance Company *
150 Royall Street
Canton, MA 02021

* A Stock Company
New

Policy Number J5JH55002

Insured Name and Address:

A & R MARINE CORP.
DBA PRUDENCE & BAY ISLAND TRANSPORT
PO BOX 1017
BRISTOL, RI 02809-0902

Producer Name and Address: (3859161)

CHATTERTON INSURANCE, INC.
PO BOX 1146
PAWTUCKET, RI 02862-1146

Policy Period 12:01 AM At Named Insured's Address FROM: April 20, 2016
TO: August 01, 2016

Loss, if any payable to:

93 days or order

Limits of Liability:	Each occurrence	\$1,000,000	
	Aggregate where applicable	\$1,000,000	
	Premium	\$705	
	Terrorism Premium	\$21	
	Total Premium	\$726.00	
	State Surcharge/Tax		Premium Payable Direct Bill

Handwritten calculations: 726 / 93 = 7.81 x 365 = 2849. A circled 'C' is also present.

Retained Limit: The Retained Limit each occurrence shall be \$10,000

Description of Named Insured's Operations:
Passenger Vessel Operator.

SUBJECT TO CONDITIONS OF FORMS LISTED:

- BBS 0011 01 09 BUMBERSHOOT LIABILITY POLICY
- BBS 0111 01 09 SCHEDULE OF UNDERLYING INSURANCE
- BBS 0112 01 09 SCHEDULE OF VESSELS
- BBS 0213 01 15 HOSTILE ACTS EXCL - COV FOR CERTIFIED ACTS OF TERRORISM
- BBS 0311 01 09 BUMBERSHOOT DECLARATIONS

THIS POLICY IS MADE AND ACCEPTED SUBJECT TO THE FOREGOING PROVISIONS AND STIPULATIONS AND THOSE HEREINAFTER STATED, WHICH ARE HEREBY MADE A PART OF THIS POLICY TOGETHER WITH SUCH PROVISIONS, STIPULATIONS AND AGREEMENTS AS MAY BE ADDED HERETO, AS PROVIDED IN THIS POLICY. IN WITNESS WHEREOF, this Company has caused this Policy to be executed below, but this Policy shall not be valid unless countersigned by a duly authorized representative of the Company.

Christopher Perry
Secretary

Michael...
President

Countersigned by
this date 04/25/2016
3 0 3859161 04/25/2016 JEC CPW PR 0.282

Authorized Representative

Endorsement No.:

This Endorsement, effective: 04/20/2016

issued to: A & R MARINE CORP.

Date of Issuance: April 20, 2016

forms a part of Policy No.: J5JH55002

SCHEDULE OF UNDERLYING INSURANCE

COMPANY	POLICY NO.	EXP. DATE	AMOUNTS/ LIMITS	COVERAGE
Atlantic Specialty Insurance Company	J5JH54845	08/01/2016	\$1,000,000 Ea., CSL	CML/ Prod./Com. Ops. Agg.
-	-	-	\$1,000,000	General Aggregate
-	-	-	\$2,000,000	P&I
Atlantic Specialty Insurance Company	J5JH54845	08/01/2016	\$1,000,000	Employers Liability
Beacon Ins.	TBD	TBD	-	Each Occurrence
-	-	-	\$500,000	Each Emp.
-	-	-	\$500,000	Each Policy Limit.
-	-	-	\$500,000	

All other terms and conditions remain unchanged.

Authorized Representative

Endorsement No.:

This Endorsement, effective: 04/20/2016

issued to: A & R MARINE CORP.

Date of Issuance: 04/25/2016

forms a part of Policy No.: J5JH55002

SCHEDULE OF VESSELS

VESSEL NAME	AGREED VALUE & AMOUNT INSURED	DESCRIPTION
See schedule Policy # J5JH5484		

All other terms and conditions remain unchanged.

Authorized Representative

HOSTILE ACTS EXCLUSION

COVERAGE FOR CERTIFIED ACTS OF TERRORISM

Endorsement No.: _____ Date of Issuance: April 20, 2016
 This Endorsement, effective: 04/20/2016 forms a part of Policy No.: J5JH55002
 Issued to: A & R MARINE CORP.

This clause shall be paramount and shall override anything contained in this policy or any of its endorsements inconsistent therewith:

It is understood and agreed that this insurance does not apply to any liability for, or any loss, damage, injury or expense caused by, resulting from or incurred by reason of any one or more of the following:

- a. capture, seizure, arrest, taking, restraint, detention, confiscation, preemption, requisition or naturalization, or the consequences thereof or any attempt thereat, whether in time of peace or war and whether lawful or otherwise;
- b. hostilities or warlike operations (whether there be a declaration of war or not), but the phrase "hostilities or warlike operation (whether there be a declaration of war or not)" shall not exclude collision or contact with aircraft, rockets or similar missiles or with any fixed or floating object, stranding, heavy weather, fire or explosion unless caused directly (independently of the nature of the voyage or service which the watercraft concerned or in the case of a collision, any other vessel involved herein, is performing) by a hostile act by or against a belligerent power; for the purpose of the foregoing, power includes any authority maintaining naval, military or air forces in association with a power. In addition to the foregoing exclusions, this insurance shall not cover any loss, damage or expense to which a warlike act or the use of military or naval weapons is a contributing cause, whether or not the "Insured's" liability therefore is based on negligence or otherwise, and whether in time of peace or war. The embarkation, carriage and disembarkation of troops, combatants, or material of war, or the placement of the watercraft in jeopardy as an act or measure of war taken in the actual process of a military engagement, with or without the consent of the "Insured," shall be considered a warlike act for the purpose of the Policy;
- c. the consequences of civil war, revolution, rebellion, insurrection, military or usurped power, the imposition of martial law, or civil strife arising therefrom, or piracy; or from any loss, damage or expense caused by or resulting directly or indirectly from the act or acts of one or more persons, whether or not agents of a sovereign power, carried out for political or ideological purposes, and whether any loss, damage or expense resulting therefrom is accidental or intentional;

- d. malicious acts or vandalism, strikes, lockouts, political or labor disturbances, civil commotions, riots, or the acts of any person or persons taking part in such occurrence or disorder;

terrorism; or any costs or expenses incurred by the "Insured" directly or indirectly with respect to the steps taken to prevent, suppress, control or reduce the consequences of any actual, attempted, anticipated, threatened, suspected or perceived terrorism; for the purpose of this endorsement, terrorism shall mean activities against persons, organizations or property of any nature:

- (1) That involve the following or preparation for the following:
 - a. Use or threat of force or violence; or
 - b. Commission or threat of a dangerous act; or
 - c. Commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and
- (2) When one or both of the following applies:
 - a. The effect is to intimidate or coerce a government, or the civilian population or any segment thereof, or to disrupt any segment of the economy; or
 - b. It appears that the intent is to intimidate or coerce a government, or to further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology.

With respect to any exclusion of terrorism in this policy or attached to this policy by endorsement, such exclusion does not apply to a "certified act of terrorism". It is understood and agreed that for a "certified act of terrorism" the "retained limit" in respect of each "occurrence" shall be equal to the "underlying limits" and shall not be reduced by the reduction or exhaustion of the aggregate limits of liability under "underlying insurances."

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, 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.

“Certified act of terrorism” means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a “certified act of terrorism” include the following:

1. The act resulted in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. 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, 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.

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for injury or damage that is otherwise excluded under this Policy.

All other terms and conditions remain unchanged.