Directors and Officers Liability Insurance

Contract Summary	This Consent Item requests approval to contract with three insurers for a total of $20 million in Directors and Officers Liability coverage. Coverage provides liability insurance payable to the directors and officers of a company, or to the organization itself, to cover damages or defense costs incurred from a lawsuit or alleged wrongful acts while acting in the capacity of a director or officer for the organization. Primary coverage is provided through Berkshire Hathaway Specialty Insurance Company (Berkshire) with a $10 million aggregate limit. The next $5 million of coverage is through Westfield Insurance Company (Westfield). The remaining $5 million of coverage is through Twin City Fire Insurance Company (Hartford). All three are renewal policies. These coverages were competitively sourced through Arthur J. Gallagher (Gallagher), Citizens' insurance agent. Citizens selected Gallagher as its agent through a competitive solicitation in 2026, with a multi-year contract approved by the Board in June 2026. Gallagher recommends these carriers based on competitive pricing and favorable coverage terms.			
Approval Type	☐	**New Initiative**	☐	**Amending Ongoing Contract**
	☒	**Replacing Expiring Contract**	☐	**Other (Explain in Summary)**
Awarded Vendor(s)	Berkshire Hathaway Specialty Insurance Company Westfield Insurance Company Twin City Fire Insurance Company (Hartford)			
Contract Term Length	One year			
Contract Estimated Spend	The estimated premium is $245,968, including $160,000 for Berkshire, $45,968 for Westfield, and $40,000 for Hartford. This is approximately 7.4 percent lower than last year primarily due to Citizens' reduction in policies-in-force and associated revenue.			
Procurement Method	☒	**Competitive Solicitation**	☐	**Single Source**
	☐	**DMS Approved Contract**	☐	**Emergency Procurement**
	☐	**Statutory Exemption**	☒	**Other (Explain in Summary)**

Committee Consent	The Committee recommends that the Board approve the proposed Board Consent for Directors and Officers Liability Insurance.
Board Consent	Directors and Officers Liability Insurance The Board authorizes Citizens staff to execute the contract(s) as listed above. The Board also authorizes staff to modify the contract(s) in Citizens' best interest, such as to address changes in coverage needs. These actions are required to be consistent with Citizens' Purchasing Policy.
Executive Sponsor(s)	Brian Newman, General Counsel and Chief Legal Officer