



McDonald's[®] Owner/Operator Umbrella Liability Program

Landmark American Insurance Company, a member of Alleghany Insurance Holdings

Introduction

Landmark American Insurance Company is offering a McDonald's Owner/Operator Umbrella Liability Program (the "Umbrella Program"). Policies will be issued by Landmark American Insurance Company. This Umbrella Program is a competitive and comprehensive Umbrella Liability program that will be available to McDonald's Owners/Operators on March 1, 2023, through your broker. The Umbrella Program offers broad Umbrella coverage at a competitive annual premium.

Umbrella Program Benefits/Features

- The Umbrella Program will be reinsured in part by McDonald's Owner/Operator Insurance Company Ltd.
- Broad Umbrella coverage of \$25,000,000 (per restaurant location if underlying CGL is per location, **subject to Program Aggregate Cap of \$200,000,000**).
- No additional applications required (eases administration).
- Strong and stable Umbrella carrier, Landmark American Insurance Company, with an A.M. Best rating of "A+ XIV."
- Competitive premium: The annual premium of \$2,781 per-store rate is below what other insurance carriers' rates could offer.

Important Notes/Changes

- An exclusion of certified acts of terrorism and other nuclear, biological, chemical or radiological acts of terrorism will again be attached to this year's policy. Terrorism coverage is offered as an option at an additional premium of 15% of the per-store rate. Terrorism coverage must be purchased in the underlying policy in order to be able to purchase it in the Umbrella. If terrorism coverage is purchased for the Umbrella, Landmark will cover by not excluding. No separate forms will be required.
- Uninsured motorist coverage remains **excluded** in the policy jacket, as in previous years. If the insured wishes to purchase UM/UIM coverage in the states of Florida, Louisiana, New Hampshire or West Virginia, Landmark will offer coverage with a \$1,000,000 sublimit and will need written confirmation that the insured's underlying auto policy includes UM/UIM with limits of \$1,000,000. The cost to purchase coverage is 50% of the per store rate per vehicle: \$1,390.50. Signed rejection forms must be returned for each state listed.
- Landmark will include UM/UIM coverage of \$100,000 for Vermont at no additional cost for those that meet the underlying requirements. Contact your broker for additional details.
- Landmark American Insurance Company is a nonadmitted carrier doing business in all states as a surplus lines carrier. As such, this carrier is not subject to the same regulations that apply to an admitted carrier, nor do they participate in any guarantee fund applicable in those states.
- This flyer is an outline of the coverages proposed by the insurer. It does not include all the terms, coverages, exclusions, limitations or conditions of the actual contract language. The policies themselves must be read for those details. Policy forms are available on request.

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3/1/2023–3/1/2024

Schedule of Underlying Insurance

Underlying Insurer	Type of Coverage	Minimum Limits of Liability ¹
Approved Carrier or Approved Pools and Programs (Ask Broker for Updated List)	Employers Liability	\$100,000 each accident \$500,000 disease each policy \$100,000 disease each employee
Approved Carrier	Commercial General Liability (Occurrence Form)	\$1,000,000 each occurrence ² \$1,000,000 personal and advertising injury \$2,000,000 general aggregate, per location \$2,000,000 products/completed operations aggregate ³
	Fire Legal Liability	\$1,000,000 any one fire
Approved Carrier	Employee Benefits Liability	\$1,000,000 each claim \$1,000,000 aggregate
Approved Carrier	Automobile Liability	\$1,000,000 combined single limit ⁴ (commercial auto owned, hired and nonowned auto, or business use of vehicles)

Underlying carriers must have a minimum A.M. Best rating of "A IX" per McDonald's license and lease agreement.

¹ This schedule denotes the minimum underlying limits. If actual limits are higher, the higher underlying limits apply first, then the Umbrella.

² McDonald's Corporation's minimum franchise required limit per occurrence for general liability coverage is \$5,000,000, Walmart \$10,000,000. This requirement can be satisfied by purchasing this Umbrella policy in excess of the \$1,000,000 underlying policy.

³ Minimum limit was increased effective 10/1/06 from \$1,000,000 to \$2,000,000.

⁴ Minimum limit was increased effective 10/1/05 from \$500,000 to \$1,000,000.

Offices and Warehouses included at no additional charge.

Umbrella Program

Effective Date	March 1, 2023–March 1, 2024
Carrier	Landmark American Insurance Company
Limits of Liability	\$25,000,000 per occurrence \$25,000,000 general aggregate/location (if underlying CGL is per location) \$25,000,000 products/completed operations policy aggregate Program Aggregate capped at maximum \$200,000,000
Significant Terms and Conditions	<ul style="list-style-type: none"> • Applicable surplus lines taxes and fees will apply in all states • No deductible or retention applies • Defense costs are in addition to the limit • Certificates will be issued to each owner/operator • Renewal premiums are determined using a flat rate per store • Premiums are fully earned • 90-day notice of cancellation (10-day notice of cancellation for nonpayment of premium)
Significant Terms and Conditions	<ul style="list-style-type: none"> • Automobile Limitation – RSG 26044 0803 • Contractual Limitation – RSG 26050 0803 • Employee Benefits Liability – Following Form – RSG 94041 0104 • Notice of Cancellation – RSG 22079 1204 (form number may vary by state) • Personal and Advertising Injury Limitation – RSG 26082 0803 • Unimpaired Aggregate Limits – RSG 24003 1211 • Property Damage Exclusion Amended – Personal Property – RSG 26164 0803 • Illinois Service of Suit Clause – RSG 92003 0803 • Illinois Surplus Lines Disclosure Notice – RSG 99051 0106
Key Exclusions	<ul style="list-style-type: none"> • Exclusion – Cyber liability, data compromise or breach, and statutes related to data security – with limited BI exception – RSG 26208 0821 • Exclusion–Violation of statutes that govern emails, fax, phone calls or other methods of sending material or information– RSG 26182 1004 • Fungi or bacteria exclusion RSG 26114 0803 or various state forms as required • War liability exclusion – RSG 26123 0803 or various state forms as required • Exclusion of certified acts of terrorism and other nuclear, biological, chemical or radiological acts of terrorism – RSG 26118 0315 or various state forms as required for insureds who reject TRIA • Communicable disease, epidemic and pandemic exclusion—manuscript
Per-Store Rate	\$2,781 (inclusive of Surplus Lines Taxes and Fees) per store 3/1/2023-3/1/2024
Optional Terrorism Coverage Rate	\$417.15 per store
Optional UM/UIM Coverage (FL, LA, NH, VT, and WV only)	\$1,390.50 per vehicle; \$5,000 per location/store (Vermont only) – for full policy limits; no additional cost for \$100,000 limit for those that qualify by meeting underlying requirement)
Surplus Lines Taxes and Stamping Fees	Are applicable in addition to the premium (see your broker for details)

This is a brief summary of some of the key terms, conditions and features of the McDonald's® Owner/Operator Umbrella Liability Program. The summary is not complete and is qualified in its entirety by the actual insurance policy issued under the Umbrella Program.

For additional information or specimen copies of forms and endorsements, please contact your broker.

Insurance brokerage and related services to be provided by Arthur J. Gallagher Risk Management Services, Inc. (License No. OD69293) and/or its affiliate Arthur J. Gallagher & Co. Insurance Brokers of California, Inc. (License No. 0726293).