

Thursday, February 8, 2018

**Lisa Fitness Concept, LLC
dba Orangetheory Fitness
6813 Cantrell Road
Little Rock , AR, 72207**

Attn: **Lisa Duke**

Re: Health Club Insurance Proposal

Proposed Effective Date: 07/12/2016

Thank you for giving Fitness Insurance, LLC the opportunity to offer your renewal proposal. This proposal has been tailored to the overall needs of the Health Club Industry, as well as your specific needs.

This proposal provides a brief summary of the insurance coverages we are proposing for your renewal. Only the actual policy will contain all the terms, conditions, limitations and exclusions.

Proposed limits and terms presented are per expiring or per your renewal instructions. It is your responsibility to review the terms, limits, and optional coverages available and advise us of any changes necessary. It is important to notify us of any additions of equipment, tenant improvements, or added activities as it may be necessary for additional coverage.

When you choose Fitness Insurance, you are assured personal service, ease of doing business and quick responses to your needs.

We look forward to working with you and servicing your needs throughout the year!

Sincerely,

Scott

Scott Kerr on behalf of Randy Schumacher
Fitness Insurance

To renew your coverage, please review the binding checklist attached. Should you elect to bind coverage, payment and all other required paperwork must be received in our office prior to binding. Coverage cannot be bound without completed paperwork and payment. The undersigned is an authorized representative of the applicant and agrees that the information provided in the application, written or verbal, and any material submitted herewith are the representations of all the applicants and that they are material and are the basis for issuance of the insurance policy provided by us. The undersigned further agrees that the application and any material submitted with the application shall be maintained on file (either electronically or paper) with us and shall be deemed to be attached hereto as if physically attached. The undersigned further agrees to all proposed limits, terms, and conditions contained herein and understands that higher limits may be available for all lines of coverage.

Signature_____

Date_____

DISCLOSURE PURSUANT TO TERRORISM RISK INSURANCE ACT

Lisa Fitness Concept, LLC DBA Orangetheory Fitness

Terrorism Coverage and Premium

In accordance with the federal Terrorism Risk Insurance Act (as amended "TRIA"), we are required to make coverage available under your policy for "certified acts of terrorism." The actual coverage provided by your policy(ies) will be limited by the terms, conditions, exclusions, limits, and other provisions of your policy(ies), as well as any applicable rules of law.

The portion of your premium attributable to this terrorism coverage is shown in the premium section(s) of this quote proposal or binder.

Definition of Certified Act of Terrorism

A "certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of TRIA, to be an act of terrorism under TRIA. The criteria contained in TRIA for a "certified act of terrorism" include the following:

1. The act results in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to TRIA; and
2. The act results in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of an United States mission; and
3. 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 acting 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.

Disclosure of Federal Share of Terrorism Losses under TRIA

The United States Department of the Treasury will reimburse insurers for 85% of insured losses that exceed the applicable insurer deductible. Effective January 1, 2016, this percentage will be reduced to 84%, effective January 1, 2017 to 83%, effective January 1, 2018 to 82%, effective January 1, 2019 to 81%, and effective January 1, 2020 to 80%. However, if aggregate industry insured losses under TRIA exceed \$100 Billion in a calendar year, the Treasury shall not make any payment for any portion of the amount of such losses that exceeds \$100 billion. The United States government has not charged any premium for their participation in covering terrorism losses.

Cap on Insurer Liability for Terrorism Losses

If aggregate industry insured losses attributable to "certified acts of terrorism" under TRIA exceed \$100 Billion in a calendar year, and we have met, or will meet, our insurer deductible under TRIA, we shall not be liable for the payment of any portion of the amount of such losses that exceed \$100 billion. In such case, your coverage for terrorism losses may be reduced on a pro-rata basis in accordance with procedures established by the Treasury, based on its estimates of aggregate industry losses and our estimate that we will exceed our insurer deductible. In accordance with the Treasury's procedures, amounts paid for losses may be subject to further adjustments based on differences between actual losses and estimates.