

GARFUNKEL WILD, P.C.  
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Great Neck, New York 11021  
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Facsimile: (516) 466-5964  
Burton S. Weston  
Afsheen A. Shah

Hearing Date: September 13, 2013 at 10:00 a.m.  
Objection Deadline: September 6, 2013 at 4:00 p.m.

*Counsel for the Debtor  
and Debtor-in-Possession*

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

-----X  
In re:

Chapter 11 Case

SOUND SHORE MEDICAL CENTER OF  
WESTCHESTER, et al.,

Case No. 13- 22840 (RDD)

Debtors.

(Jointly Administered)  
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**MOTION PURSUANT TO 11 U.S.C. § 364(C) FOR AUTHORITY TO  
ENTER INTO INSURANCE PREMIUM FINANCE AGREEMENTS**

Sound Shore Medical Center of Westchester ("SSMC") and its debtor affiliates, as debtors and debtors-in-possession (each a "Debtor" and collectively, the "Debtors"), in the above captioned chapter 11 cases (the "Chapter 11 Cases"), by and through their attorneys, Garfunkel Wild, P.C., hereby move (the "Motion") for entry of an Order, substantially in the form of Exhibit A hereto, pursuant to section 364 of title 11 of the United States Code (the "Bankruptcy Code"), authorizing the Debtors to continue their premium financing agreements with GotoPremiumFinance.com and AON Premium Finance LLC. In support of the Motion, the Debtors respectfully represents as follows:

**SUMMARY OF RELIEF REQUESTED**

1. By this Motion, the Debtors seek entry of an order, pursuant to 11 U.S.C. §364(c)(2) and Fed. R. Bankr. P. 4001(c), authorizing the Debtors to (a) enter into certain insurance premium finance agreements (the "Agreements") with

GOTOPREMIUMFINANCE.COM (hereinafter referred to as "**GOTO**") and AON Premium Finance LLC ("**AON**", and collectively with GOTO, the "**Finance Companies**") and (b) grant to the Finance Companies (i) a lien and security interest in: (i) all unearned or returned premiums and dividends which may become payable under the policies identified in the Agreements and; (ii) loss payments which reduce the unearned premiums, subject only to any mortgage or loss payee interest. Copies of the Agreements are annexed hereto as Exhibits B, C and D.

2. As will be detailed herein, the insurance policies identified in the Agreements are critical to the continued operation of the Debtors' businesses and cannot be obtained without the relief requested herein. Thus, the relief sought herein is in the best interest of the Debtors' estates and their creditors.

### **JURISDICTION**

3. This Court has jurisdiction to consider this Motion pursuant to 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding pursuant to 28 U.S.C. § 157(b)(2). Venue is proper in this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

### **BACKGROUND**

4. On May 29, 2013 (the "**Petition Date**"), each Debtor filed a voluntary petition for relief under Chapter 11 of the Bankruptcy Code. The Debtors' cases are being jointly administered for procedural purposes only.

5. The Debtors remain in possession of their assets and continue to manage their businesses as debtors-in-possession pursuant to Bankruptcy Code sections 1107 and 1108.

6. On June 10, 2013, the United States Trustee for the Southern District of New York (the "U.S. Trustee") appointed an official committee of unsecured creditors (the "Committee") pursuant to section 1102 of the Bankruptcy Code. The Committee has engaged Alston & Bird, LLP as its counsel.

7. No trustee or examiner has yet been appointed in these cases.

### **DEBTORS' HISTORY AND BUSINESS**

8. A significant portion of the Debtors' core business is focused around Sound Shore Medical Center of Westchester ("SSMC"). SSMC is a not-for-profit 252-bed, community-based teaching hospital offering primary, acute, emergency and long-term health care to the working class residents of southern Westchester. SSMC's affiliate, Mount Vernon Hospital ("MVH"), is a voluntary, not-for-profit, 196-bed hospital located in Mount Vernon, New York. MVH also operates the Dorothea Hopfer School of Nursing, chartered by New York State since 1901. Howe Avenue Nursing Home d/b/a Helen and Michael Schaffer Extended Care Center ("SECC"), the third operating Debtor, is a 150-bed, comprehensive facility offering short-term rehabilitation/sub-acute care, as well as skilled long-term care. (SSMC, MVH and SECC are sometimes collectively referred to as the "Medical Centers")

9. SSMC, MVH and SECC (with their affiliated Debtors) together comprise the Sound Shore Health System, Inc. ("SSHS" or the "System") which was formed in 1997 when the three affiliated healthcare institutions joined together to create one of the largest regional healthcare systems between New York City and Albany. Today, the System provides a range of specialized services, including orthopedic surgery, behavioral health, pediatrics, OB/GYN, continuing care facilities, a nursing home and community care clinics providing primary care

services for the indigent and uninsured. Their affiliation with the New York College of Medicine also enables the Debtors to provide a teaching environment in multiple disciplines to their community and patients.

10. As the largest “safety net” providers for southern Westchester County, the Medical Centers serve a disproportionate share of patients in the Medicaid and uninsured populations. Annually, they are responsible for approximately 13,000 acute discharges, 55,000 emergency department visits and 60,000 indigent care clinic visits.

11. Given the historical deterioration of the Debtors’ financial condition and the pressing need to find a strategic partner, which has been recounted in detail to the Court, the Debtors entered into an asset purchase agreement with Montefiore Medical Center (“**MMC**”) (the “**Purchase Agreement**”) providing for the sale of all of their Owned Real Property, Furniture, Fixtures, Inventory, Assigned Contracts and related operating assets, which collectively comprise the Acquired Assets (all as therein defined). MMC which will thereafter continue operations at the Debtors’ former facilities under their own auspices.

### **RELIEF REQUESTED**

12. By this Motion, the Debtors seek this Court’s authorization under Section 364(c)(2) of the Bankruptcy Code and Bankruptcy Rule 4001(c) to enter into insurance premium financing agreements with the Finance Companies and grant a lien and security interest in the unsecured premiums and certain loss payments with respect thereto.

13. In the ordinary course of business, Debtors must maintain various insurance policies in order to continue their operations including workers’ compensation, general liability

and excess coverage, employee benefits liability, automobile and personal injury protection, commercial property coverage, directors and officers and fiduciary liability coverage and crime insurance (collectively, the “**Insurance Coverage**”). The Debtors are, however, unable to pay the full premiums for the insurance policies identified in the Agreements (collectively, the “**Policies**”), in the ordinary course, and have been unable, after reasonable efforts, to obtain unsecured credit for such payments pursuant to U.S.C. §364(b). The aggregate annual premiums being financed for the Insurance Coverage for the 2013 policy period total \$670,376.31.

14. The Debtors currently maintain the Agreements with the Finance Companies pursuant to which they finance their Insurance Coverage. Although the Debtors have engaged in discussions with various companies in the business of providing insurance premium financing, they have determined that their existing Agreements with the Finance Companies offer the most advantageous terms for such financing.

15. The Finance Companies have agreed to continue providing the premium financing upon the terms set forth in the Agreements. Copies of Debtors’ existing Agreements with the Finance Companies are attached hereto as Exhibits B, C and D hereto, and incorporated herein by this reference.

16. The Insurance Coverage identified in the Agreements is crucial to the operation of the Debtors’ businesses and cannot be obtained without the relief requested herein. Thus, the relief sought herein is in the best interest of the Debtors’ estates and their creditors.

17. The Agreements will require the Debtors to make certain necessary payments to the Finance Companies in connection with the financing, which are detailed on Exhibit E hereto.

The Debtors have included the payment of these amounts within their budget under the DIP Order entered in this case.

18. The Agreements grant the Finance Companies liens and security interests in any and all unearned or returned premiums and dividends which may become payable under the policies covered by the applicable agreement. This property is not otherwise subject to a lien. The Debtors request, and the proposed order submitted herewith and attached hereto as Exhibit A (the “**Order**”) provides, that the Finance Companies’ lien and security interest in such premiums and dividends shall be senior to the rights of the Debtors’ estates or any trustee in this and any subsequent proceeding under the Bankruptcy Code.

19. The Agreements also assign to the Finance Companies a lien and security interest to secure any loss payment under the policies which would reduce the unearned premiums, subject to the interest of any mortgages or other payees.

20. The Debtors request and the Order also provides that the Finance Companies’ liens and security interests shall be deemed duly perfected without further action by the Finance Companies. In addition, the liens and security interests shall be senior in rights to the Debtors’ estates in this or any subsequent bankruptcy proceeding under the Bankruptcy Code.

21. In the event of a default by the Debtors in making the monthly payments under the Agreements, but subject to ten days prior notice to the Debtors and the Debtors’ right to cure, the Agreements allow the Finance Companies to cancel the insurance policies identified in the Agreements and apply to the Debtors’ accounts the unearned or returned premiums and dividends; and, subject to the rights of loss payees, any loss payments which would reduce the unearned premiums. The Debtors request that the Finance Companies may exercise their rights

under the Agreements in the event of any such default without moving for relief from the automatic stay of 11 U.S.C. §362 and without further order of this Court.

22. The Debtors also requests that any sums that remain due after the Finance Companies have exercised their rights after the default shall be deemed an administrative expense of this estate.

23. The Finance Companies are extending financing under the Agreements in good faith within the meaning of 11 U.S.C. §364(e).

#### **BASIS FOR RELIEF REQUESTED**

24. Section 364(c) of the Bankruptcy Code authorizes a debtor, in the exercise of its business judgment, to incur secured debt if the debtor has been unable to obtain unsecured credit and the borrowing is in the best interests of the estates. See, e.g., In re General Growth Properties, Inc., 412 B.R. 122, 125-126 (Bankr. S.D.N.Y., May 14, 2009) (granting motion for post-petition financing upon finding that a) “no comparable credit [was] available on more favorable terms”; b) that the debtors needed post-petition financing “to preserve [their] assets and continue their operations and c) that the terms and conditions of the DIP Documents had been negotiated in good faith); In re Budget Group, Inc., Case No. 02-12152, 2002 Bankr. LEXIS 1050 (Bankr. D.Del. Aug. 1, 2002) (authorizing funding of acquisition of property on a secured basis where acquired property was necessary to maintain operations and debtor could not obtain such funding on an unsecured basis); In re Ames Dept. Stores, 115 B.R. 34, 38 (Bankr. S.D.N.Y. 1990) (with respect to postpetition credit, courts “permit debtors-in-possession to exercise their basic business judgment consistent with their fiduciary duties”).

25. The Court may also authorize the Debtors to enter into new premium finance agreements pursuant to section 364(c)(2) of the Bankruptcy Code. Section 364(c)(2) authorizes, after notice and a hearing, a debtor in possession to obtain debt secured by a lien on property of the estate. See 11 U.S.C. § 364(c)(2). Under any new premium financing agreement, the counterparty would, likely require that the Debtors grant a security interest in unearned premiums under the financed policies. See, e.g., In re Schwinn Bicycle Co., 200 B.R. 980, 982 (Bankr. N.D. Ill. 1996) (describing insurance premium financing agreements).

26. Because a borrowing to maintain essential Insurance Coverage is in the best interests of the Debtors' estates, the Court should authorize the Debtors to maintain and renew, as necessary, the Policies and/or the Agreements and execute any necessary documents related thereto, including any new premium finance agreements.

### **NOTICE**

27. Notice of this application has been given in accordance with the Administrative Order Establishing Case Management and Scheduling Procedures, dated June 3, 2013 [Docket No. 50]. The Debtors submit that no further notice need be given. There are no mortgages or loss payees under the policies identified in the Agreement.

### **NO PRIOR REQUEST**

28. No previous application for the relief sought herein has been made by the Debtors to this or any other Court.



**WHEREFORE**, the Debtors request that the Court enter an Order consistent with the relief requested herein and in the form of Exhibit A hereto; and grant such other and further relief as it may deem appropriate.

Dated: Great Neck, New York  
August 7, 2013

GARFUNKEL WILD, P.C.

By: 

Burton S. Weston

Afsheen A. Shah

111 Great Neck Road

Great Neck, New York 11021

Telephone: (516) 393-2200

Facsimile: (516) 466-5964

*Attorneys for Debtors  
and Debtors in Possession*

**EXHIBIT A**  
**PROPOSED ORDER**

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

-----X  
In re:

Chapter 11 Case

SOUND SHORE MEDICAL CENTER OF  
WESTCHESTER, et al.,

Case No. 13- 22840 (RDD)

Debtors.

(Jointly Administered)  
-----X

**ORDER APPROVING AUTHORITY TO ENTER  
INTO PREMIUM FINANCE AGREEMENT**

Upon the Motion<sup>1</sup> of Sound Shore Medical Center of Westchester ("SSMC") and its debtor affiliates, as Chapter 11 debtors and debtors in possession (each a "Debtor" and collectively, the "Debtors")<sup>2</sup>, for the entry of an Order authorizing the Debtors to continue their premium finance agreements (the "Agreements") between the Debtors and the Finance Companies, which Agreements financed the payment of premiums paid upon the Debtors' policies (the "Policies") for the Insurance Coverage described therein; and the Court having subject matter jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157(a) and § 1334(b); the Motion being a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and venue being proper before the Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided as set forth in the Motion; and no other or further notice needing to be provided except as set forth herein; and the relief requested in the Motion being in the best interests of the Debtors and their estates and creditors; and the

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<sup>1</sup> Capitalized terms, unless herein defined, shall have the meaning set forth in the Motion.

<sup>2</sup> The debtors in these chapter 11 cases, along with the last four digits of each debtor's federal tax identification number include: Sound Shore Health System, Inc. (1398), Sound Shore Medical Center of Westchester (0117), The Mount Vernon Hospital, Inc. (0115), Howe Avenue Nursing Home d/b/a Helen and Michael Schaffer Extended Care Center (0781), NRHMC Services Corporation (9137), The M.V.H. Corporation (1514) and New Rochelle Sound Shore Housing, LLC (0117). There are certain additional affiliates of the Debtors who are not debtors and have not sought relief under Chapter 11.

Court having reviewed the Motion; and upon the record of the hearing held before the Court on September 13, 2013 (the "Hearing"); and the Court having determined that the legal and factual bases set forth in the Motion, and at the Hearing, establish just cause for the relief granted herein; and upon all of the proceedings had before the Court; and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. The Debtors are hereby authorized to enter into and to perform under the Agreements and to execute and deliver such documents and amendments to the Agreements that the Debtors and the Finance Companies may deem reasonably necessary or desirable to carry out the Agreements.
2. Pursuant to Section 364(c)(2) of the Bankruptcy Code and the terms of the Agreements, the Finance Companies are hereby granted a first priority security interest (the "Liens") in: (i) all unsecured and returned premiums and dividends which may become payable under the Policies for any reason; and (ii) all loss payments under the Policies that reduces unearned premiums (subject to the interest of any applicable mortgagee or loss payee).
3. In the event that the Debtors default under the terms of the Agreement, and the Debtors fail to cure such default within ten (10) days after receipt of notice thereof from any of the Finance Companies, then the applicable Finance Company may, in accordance with the terms of the relevant Agreement, and without further order of the court, cancel the Policies listed in the Agreement or any amendment thereto and receive and apply the unearned or returned premiums to the account of the Debtors.

4. In the event that returned or unearned premiums or other amounts due under the Policies are insufficient to pay the total amount owing by the Debtors to the Finance Companies, any remaining amount owing to the Finance Companies, including reasonable attorneys' fees and costs, shall be an allowed claim in this case with priority as an administrative expense pursuant to Section 503(b)(1) of the Bankruptcy Code.

5. Notwithstanding anything to the contrary contained in any Order approving secured financing in this case, the Liens granted to the Finance Companies hereunder in connection with the Policies shall be senior to any security interests and/or liens granted to any other secured creditors in the Debtors' cases, provided that the lien in any loss payment shall be subject to the claims of any mortgagee or other loss payee.

6. The Finance Companies have extended credit to the Debtors in good faith, and the reversal or modification of this Order on appeal shall not affect the validity of any debt owed to the Finance Companies or the priority of their respective liens, as provided in Section 364(e) of the Bankruptcy Code.

Dated: September \_\_, 2013  
White Plains, New York

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HONORABLE ROBERT D. DRAIN  
UNITED STATES BANKRUPTCY JUDGE

**EXHIBIT B**  
**AGREEMENT WITH GOTOPREMIMUM**  
**FINANCE.COM**

931-809517

M

**gotopremiumfinance.com**  
Insuring Premium Finance Solutions

Street Address:  
21820 Burbank Blvd, Suite 300  
Woodland Hills, CA 91367-8478  
Phone: (888) 875-4000  
Facsimile: (818) 598-2288

**PREMIUM FINANCE AGREEMENT AND DISCLOSURE STATEMENT**  
(Important information is also included on the page entitled "Additional Provisions of Premium Finance Agreement")

Mailing Address: hereinafter "LENDER"  
P.O. Box 4312  
Woodland Hills, CA 91366-4312

www.gotopremiumfinance.com  
information@gotopremiumfinance.com

☐ New ☒ Renewal ☐ Additional Premium

<b>BORROWER/INSURED</b>	Account #:	<b>AGENT/BROKER</b>	Agent #:
The Mount Vernon Hospital Sound Shore Medical Center of Westchester 16 Gulon Place New Rochelle, NY 10802		Hagedorn & Company 11 Broadway Rm 1709 New York, NY 10004-1390 (212) 289-1100	A30834

SCHEDULE OF POLICIES						
Policy Number	Name of Insurance Carrier and, if applicable, General Agent(s) and Surplus Lines Broker(s)	Effective Date	Type of Coverage	Policy Term	Premium Amount	
NCS0000046	005010-SCOTTSDALE INS CO 005943-NIF SERVICES OF NEW YORK INC [ME:25.000 %, CX:10] [PR]	1/1/2013	GL	12	104,249.00	
				End. Taxes/Fees	0.00	
				Fin. Taxes/Fees	3,681.46	
NXS0000078	005067-COLONY INS CO 000490-ARGONAUT SPECIALTY 005343-NIF SERVICES OF NEW YORK INC [ME:25.000 %, CX:10] [PR]	1/1/2013	EXLB	12	80,354.00	
				End. Taxes/Fees	0.00	
				Fin. Taxes/Fees	2,282.88	
(Policies Continued On Next Page)					<b>TOTAL PREMIUM(S)</b>	<b>355,889.31</b>

TOTAL PREMIUM(S)	DOWN PAYMENT	AMOUNT FINANCED	FINANCE CHARGE	FLORIDA DOCUMENTARY STAMP TAX	TOTAL OF PAYMENTS	A. P. R.
355,889.31	63,393.90	302,665.41	7,680.89	0.00	310,525.10	8.700 %
In consideration of the premium payment(s) to be made by LENDER, the Borrower promises to pay to LENDER the TOTAL OF PAYMENTS in accordance with the PAYMENT SCHEDULE below and subject to the provisions set forth herein.						

PAYMENT SCHEDULE	No of Installments	First Installment Due Date	Subsequent Installment Due Dates	Amount of Each Installment
	10	2/1/2013	1st - Monthly	31,052.91

931 (for Lender use only) 931  
For value received, LENDER hereby assigns and transfers this Premium Finance Agreement, and all related documents, to a subsidiary of  
ALL STATE BANK AND TRUST CO

**ACKNOWLEDGEMENT AND AGREEMENT BY BORROWER**


**INSURED'S AGREEMENT.** The undersigned Insured/Borrower has read the page entitled, "Additional Provisions of Premium Finance Agreement". In consideration of LENDER advancing the premium payments (the "Amount Financed" above) to the AGENT/BROKER or any insurance carrier or intermediary listed in this Agreement, the named Insured (herein referred to as "Insured") promises to pay, to the order of LENDER, the Total of Payments subject to all of the provisions set forth on all pages of this agreement, PREPAYMENT. The Insured may prepay the full amount due and receive a refund of the Unearned Finance Charge as provided for in this agreement. **SECURITY.** As security for the payments to be made and all obligations of the Insured under this agreement, the Insured assigns LENDER a security interest in all of the insurance policies listed in the Schedule of Policies above (the "Policies"), including all unearned premiums, dividend payments, and loss payments relating to the Policies. Under certain conditions, LENDER HAS THE RIGHT TO CANCEL THE POLICIES, as provided for in this agreement. **CONTRACT REPRESENTATION.** Reference should be made to the terms of this agreement, including those on page 2, for information about nonpayment, default, cancellation, the right of the LENDER to demand immediate payment in full, and prepayment. **LATE PAYMENT:** A late charge will be imposed on any payment which is not received by LENDER within five (5) days of its due date (unless a longer grace period is required under applicable law, in which case a late charge will be imposed on any payment not received by LENDER within such grace period). This late charge will be 5% of the overdue amount or the maximum late charge permitted by applicable law, whichever is less. The maximum late charge is \$6.00 in DE, MT, ND, NM and WA, and \$6.00 plus 2% of the delinquent installment in KS. **DISHONORED CHECK FEE.** If an Insured's check is dishonored for any reason and if permitted by law, the Insured will pay LENDER a dishonored check fee equal to the maximum fee permitted by law. **NOTICE TO THE INSURED:** (1) Do not sign this agreement before you read both pages of it, or if it contains blank spaces. (2) You are entitled to a completely filled-in copy of this agreement. (3) Under the law, you have the right to pay off in advance the full amount due and under certain conditions to obtain a partial refund of the Finance Charge. (4) Keep your copy of this agreement to protect your legal rights.

**AGENT/BROKER REPRESENTATIONS AND WARRANTIES**

The undersigned agent or broker has read the page entitled "Additional Provisions of Premium Finance Agreement", and makes all such Representations and Warranties recited herein. Further, the undersigned agent or broker agrees to: (1) pay all reasonable attorney fees, court costs, and other collection costs incurred by LENDER in recovering amounts due from the agent or broker in connection with any breach of the Agent/Broker Representations and Warranties, and (2) indemnify LENDER for any and all losses LENDER incurs as a result of any error committed by the Agent/Broker in completing or failing to complete any portion of this agreement.

  
Signature of the Borrower  
\*Or broker or agent as a duly authorized agent of the Borrower, to the extent permitted by law.

John Ljolic  
Name of Borrower  
Dh of Finance  
Title  
1-15-13  
Date

  
Signature of Agent or Broker  
CEO  
Title  
1/15/2013  
Date

JAN 15 2013

<b>BORROWER / INSURED</b>	<b>Account #:</b>
The Mount Vernon Hospital Sound Shore Medical Center of Westchester 16 Guion Place New Rochelle, NY 10802	

<b>AGENT / BROKER</b>	<b>Agent #:</b>
Hagedorn & Company 11 Broadway Rm 1768 New York, NY 10004-1390 (212) 269-1100	

**SCHEDULE OF POLICIES (continued from first page)**

<b>Policy Number</b>	<b>Name of Insurance Carrier and, if applicable, General Agent(s) and Surplus Lines Broker(s)</b>	<b>Effective Date</b>	<b>Type of Coverage</b>	<b>Policy Term</b>	<b>Premium Amount</b>
73519442-2	C05637-CHUBB & SONS [CX:10] [PR]	1/1/2013	AUTO	12 Ernd. Taxes/Fees Fin. Taxes/Fees	47,651.00 0.00 0.00
35770333-2	C05637-CHUBB & SONS [CX:0] [PR]	1/1/2013	PROP	12 Ernd. Taxes/Fees Fin. Taxes/Fees	137,241.00 0.00 210.00

GOTO-L-NY-02 (09/2010)



**ADDITIONAL PROVISIONS OF PREMIUM FINANCE AGREEMENT**

**WARRANTY OF ACCURACY.** The Insured represents and warrants to Lender that the Policies are true and correct and that the Insured has not assigned any interest in the Policies except for the interest of mortgagees and loss payees, (ii) none of the Policies are for personal, family or household purposes, (iii) the Insured has no indebtedness to the insurers issuing the Policies, and none of those insurers have asserted any claims for payment against the Insured, and (iv) the Insured is not insolvent nor presently the subject of any bankruptcy or insolvency proceeding. **COLLATERAL.** To secure payment of all amounts due under this agreement (and, unless prohibited by applicable law, all amounts due under any separate agreement between the Insured and LENDER), Insured grants LENDER a security interest in the Policies, including all unearned premiums, dividend payments, and loss payments, subject to any mortgagee or loss payee interest. **RIGHT TO CANCEL.** If Insured does not make a payment when it is due, or if Insured is otherwise in default under this agreement, LENDER may cancel the Policies and act in Insured's place with regard to the Policies, including endorsing any check issued in the Insured's name for funds assigned to LENDER as security herein. This right given by Insured to LENDER constitutes a "Power of Attorney". Before LENDER cancels the Policies, LENDER will provide notice to the Insured, if required by law. LENDER's right to cancel Policies cannot be revoked, and will terminate only after all of Insured's indebtedness to LENDER under this agreement or otherwise is paid in full. **DEFAULT.** Insured is in default under this agreement if: (a) a payment is not received by LENDER when it is due, (b) Insured or any of the insurance companies issuing the Policies are insolvent or involved in a bankruptcy or similar proceeding as a debtor, (c) Insured fails to comply with any of the terms of this agreement, (d) any of the insurance companies issuing the Policies cancel coverages, (e) premiums increase under any of the Policies and Insured fails to pay such increased premium within thirty (30) days of notification, or (f) Insured is in default under any other agreement with LENDER. Wherever the word "default" is used herein, it means any one of the above. If the Insured is in default, LENDER has no further obligation under this agreement to pay premiums on the Insured's behalf, and LENDER may pursue any of the remedies provided in this agreement. **PAYMENTS RECEIVED AFTER NOTICE OF CANCELLATION.** Once a Notice of Cancellation has been sent to any insurance company issuing the Policies, LENDER has no duty under any circumstances to rescind it or to ask that the policy be reinstated, even if LENDER later receives Insured's payment or Insured otherwise cures a default. Payments which LENDER receives after sending a Notice of Cancellation may be applied to Insured's account without changing any of LENDER's rights under this agreement. **LENDER'S RIGHTS AFTER THE POLICIES ARE CANCELLED.** After any Policy is cancelled (whether by Insured or LENDER or anyone else) LENDER shall receive all unearned premiums and other funds assigned to LENDER as security herein and apply them to Insured's unpaid balance under this agreement or (unless prohibited by applicable law) any other agreement between the Insured and LENDER. If the amount received is less than the amount owed by Insured, Insured will immediately pay LENDER the balance due. LENDER may act in Insured's place to do whatever is necessary to collect such refunds. The insurance companies may rely on LENDER's instructions regarding the Policies and do not have to get any proof from the Insured or anyone else. **INTEREST DUE AFTER CANCELLATION.** To the extent permitted by applicable law, if cancellation occurs, the Insured agrees to pay LENDER interest on the balance due under this agreement at the contract rate or at the maximum rate allowed by applicable law, whichever is less, until the balance is paid in full. **RIGHT TO DEMAND IMMEDIATE PAYMENT IN FULL.** At any time after default, LENDER can demand and has the right to receive immediate payment of the total unpaid amount due under this agreement even if LENDER has not received any refund of unearned premiums or other funds assigned to LENDER as security hereunder. **CANCELLATION CHARGE.** If a default by the Insured results in cancellation of any Policies, and if permitted by applicable state law, the Insured will pay LENDER a charge equal to the maximum charge permitted by law. **ASSIGNMENTS.** Insured may not assign any Policy without LENDER's written consent. However, LENDER's consent is not needed to add mortgagees or other persons as loss payees. LENDER may transfer its rights under this agreement to anyone without the consent of Insured. **COLLECTIONS AND ATTORNEY FEES.** LENDER may enforce its rights to collect amounts due to it without using the security interest granted in this agreement. If LENDER uses an attorney who is not a salaried employee of LENDER or incurs other collection costs to collect any money owed under this agreement or to enforce any other rights under this agreement, Insured agrees to pay reasonable attorney fees, court costs, and other collection/enforcement costs incurred by LENDER. **PREPAYMENT.** At any time, Insured may pay the entire balance. If Insured prepays in full, Insured will receive a refund of unearned Finance Charges computed, at the discretion of the LENDER, either by the actuarial method or the Rule of 78's, as permitted by applicable law. This refund will be subject to the maximum non-refundable Finance Charge and service fee permitted by applicable law. There shall be no refund to the Insured made if the amount to be refunded is less than \$1.00. **AUDIT AND REPORTING FORM POLICIES.** With regard to any auditable or reporting form type of Policy, Insured agrees to promptly pay to the insurance company the difference between the actual earned premium generated for the Policy, and the premiums financed under this agreement. **FINANCE CHARGE.** The Finance Charge begins on the earliest effective date of the Policies. The Finance Charge includes interest and may include a non-refundable service fee equal to the maximum fee permitted by applicable law. The Finance Charge is computed using a 365 day year. **NO USURY.** All agreements between the Insured and LENDER are expressly limited so that the amount paid or agreed to be paid to LENDER for the use or forbearance of money shall not exceed the highest rate permitted under applicable law. If fulfillment of any provision hereof shall involve exceeding the limit prescribed by applicable law, then the obligation shall be reduced to the maximum allowed by such law, and any amount received by LENDER in excess thereof shall be applied to principal. **AGENT OR BROKER.** The agent or broker handling this agreement is not the agent or broker of LENDER and cannot legally bind LENDER in any way. **CORRECTIONS.** Insured grants LENDER permission to insert the names of the insurance companies and Policy numbers following the execution of this agreement, if these are not known at the time Insured signs this agreement. LENDER is authorized to correct patent errors or omissions in this agreement. **EFFECTIVE DATE.** This agreement will not become effective until it is accepted in writing by LENDER. **GOVERNING LAW.** This agreement is governed by and interpreted under the laws of the state where LENDER accepts this agreement. If any court finds any part of this agreement to be invalid, such finding shall not affect the remainder of this agreement. Singular words in this agreement shall mean plural and vice versa as may be required to give the agreement meaning. **SIGNATURE AND ACKNOWLEDGMENT.** Insured has signed this agreement and received a copy of it. If Insured is a corporation or other legal entity, the person signing is authorized to sign this agreement for such entity. If the Insured is an individual, all Insureds listed in any Policy have signed and are jointly and severally liable hereunder. **LIABILITY.** Insured understands and agrees that LENDER has no liability to Insured or any person or entity upon the exercise of LENDER's right of cancellation, except in the event of willful or intentional misconduct by LENDER. **NEW YORK SECTION 2119 CHARGE.** Any amount designated as "Section 2119 Charge" in the Schedule of Policies is a charge imposed for obtaining and servicing the financed policies pursuant to New York Insurance Law Section 2119. If no such amount is indicated, the amount of this charge is zero (\$0.00).

**AGENT OR BROKER REPRESENTATIONS AND WARRANTIES**

**SIGNATURES GENUINE.** To the best of our knowledge, the Insured's signature is genuine. **AUTHORIZATION/RECOGNITION.** The Insured has authorized this transaction. Both the Insured and the Agent/Broker recognize the security interest granted herein, pursuant to which the Insured assigns to LENDER all unearned premium, dividends and certain loss payments. Upon cancellation of any of the Policies listed in the Schedule of Policies, the Agent/Broker agrees to immediately pay LENDER all unearned commissions and all unearned premiums, dividends and loss payments received. If such funds are not remitted to LENDER within 10 days of receipt by the Agent/Broker, the Agent/Broker agrees to pay LENDER interest on such funds at the maximum rate allowed by applicable law. **POLICIES EFFECTIVE/PREMIUMS CORRECT.** The policies listed in the Schedule of Policies are in full force and effect, and the premiums are correct as listed. **INSURED HAS THIS DOCUMENT.** The Insured has been given a copy of this agreement. **NO INSOLVENCY.** To the best of our knowledge, neither the Insured nor the insurance companies are insolvent or involved in a bankruptcy or similar proceeding as debtor, except as clearly indicated on page 1 of this agreement. **DEPOSIT/PROVISIONAL PREMIUMS.** Any Audit or Reporting Form policies or policies subject to retrospective rating included in this agreement are noted below in section (a). The deposit or provisional premiums for these policies are not less than the anticipated premiums to be earned for the full term of the policies. **LOSS PAYEES NAMED.** Any policies which provide that the premium may be earned earlier in the event of loss are noted below in section (b) and/or (c). The Agent/Broker has notified the relevant insurance companies and the Insured that LENDER is to be named as a loss payee on any such policies. **AUTHORIZED ISSUING AGENT.** For the scheduled policies, the Agent/Broker is either the insurance company's authorized policy issuing agent or the broker placing the coverage directly with the insurance company, except where the name and address of Issuing Agent or General Agent is listed in the Schedule of Policies. **AMOUNTS DUE FROM INSURED.** The cash down payment and any installments due from the Insured have been collected from the Insured. **FOR THE SCHEDULED POLICIES, AGENT OR BROKER WARRANTS THAT:** Unless indicated on the Schedule of Policies (1) No policies are Auditable, Reporting Form policies or policies subject to Retrospective Rating; (2) No policies are subject to Minimum Earned Premium; (3) All policies provide that unearned premiums are computed by the standard short rate or pro rata table; (4) No policies contain provisions which prohibit cancellation either by the Insured or by the insurance company within ten (10) days.



**gotoPremiumFinance.com**  
Insurance Premium Finance Solutions

Agreement with Goto Premium Finance.com, Pg 5 of 7

21820 Burbank Blvd, Suite 300  
Woodland Hills, CA 91367-6476  
Phone: (888) 875-4000  
Facsimile: (818) 598-2296

# **PREMIUM FINANCE AGREEMENT AND DISCLOSURE STATEMENT**

(Important information is also included on the page entitled  
"Additional Provisions of Premium Finance Agreement")

**Mailing Address:** hereinafter "LENDER"

P.O. Box 4312  
Woodland Hills, CA 91365-4312

**www.gotopremiumfinance.com**  
**information@gotopremiumfinance.com**

☐ New

☒ Renewal

☐ Additional Premium

<b>BORROWER / INSURED</b>	Account #:	<b>AGENT / BROKER</b>	Agent #: <b>A30834</b>
The Mount Vernon Hospital Sound Shore Medical Center of Westchester 16 Guion Place New Rochelle, NY 10802		Hagedorn & Company 11 Broadway Rm 1768 New York, NY 10004-1390 (212) 269-1100	

Quote Number: 1671841

## SCHEDULE OF POLICIES

Policy Number	Name of Insurance Carrier and, if applicable, General Agent(s) and Surplus Lines Broker(s)	Effective Date	Type of Coverage	Policy Term	Premium Amount
NCS0000046	C05010-SCOTTSDALE INS CO G05343-NIF SERVICES OF NEW YORK INC [ME:25.000 %, CX:10] [PR]	1/1/2013	GL	12	104,249.00
				Ernd. Taxes/Fees	0.00
				Fin. Taxes/Fees	3,961.46
NXS0000078	C05067-COLONY INS CO G05490-ARGONAUT SPECIALTY G05343-NIF SERVICES OF NEW YORK INC [ME:25.000 %, CX:10] [PR]	1/1/2013	EXLB	12	60,354.00
				Ernd. Taxes/Fees	0.00
				Fin. Taxes/Fees	2,292.85

(Policies Continued On Next Page.)

**TOTAL PREMIUM(S)** **355,959.31**

TOTAL PREMIUM(S)	DOWN PAYMENT	AMOUNT FINANCED (amount of credit provided on your behalf)	FINANCE CHARGE (dollar amount the credit will cost you)	FLORIDA DOCUMENTARY STAMP TAX (only applicable in Florida)	TOTAL OF PAYMENTS (amount you will have paid after making all scheduled payments)	A. P. R. (cost of credit as a yearly rate)
355,959.31	53,393.90	302,565.41	7,960.69	0.00	310,526.10	5.700 %

In consideration of the premium payment(s) to be made by LENDER, the Borrower promises to pay to LENDER the TOTAL OF PAYMENTS in accordance with the PAYMENT SCHEDULE below and subject to the provisions set forth herein.

PAYMENT SCHEDULE	No of Installments	First Installment Due Date	Subsequent Installment Due Dates	Amount of Each Installment
	10	2/1/2013	1st - Monthly	31,052.61

**931** (for Lender use only) **931**

## ACKNOWLEDGEMENT AND AGREEMENT BY BORROWER

**INSURED'S AGREEMENT.** The undersigned Insured/Borrower has read the page entitled, "Additional Provisions of Premium Finance Agreement". In consideration of LENDER advancing the premium payments (the "Amount Financed" above) to the AGENT/BROKER or any insurance carrier or intermediary listed in this Agreement, the named insured (herein referred to as "Insured") promises to pay, to the order of LENDER, the Total of Payments subject to all of the provisions set forth on all pages of this agreement. **PREPAYMENT.** The Insured may prepay the full amount due and receive a refund of the unearned Finance Charge as provided for in this agreement. **SECURITY.** As security for the payments to be made and all obligations of the Insured under this agreement, the Insured assigns LENDER a security interest in all of the insurance policies listed in the Schedule of Policies above (the "Policies"), including all unearned premiums, dividend payments, and loss payments relating to the Policies. Under certain conditions, LENDER HAS THE RIGHT TO CANCEL THE POLICIES, as provided for in this agreement. **CONTRACT REFERENCE.** Reference should be made to the terms of this agreement, including those on page 2, for information about nonpayment, default, cancellation, the right of the LENDER to demand immediate payment in full, and prepayment. **LATE PAYMENT.** A late charge will be imposed on any payment which is not received by LENDER within five (5) days of its due date (unless a longer grace period is required under applicable law, in which case a late charge will be imposed on any payment not received by LENDER within such grace period). This late charge will be 5% of the overdue amount or the maximum late charge permitted by applicable law, whichever is less. The maximum late charge is \$5.00 in DE, MT, ND, NM and WA, and \$5.00 plus 2% of the delinquent installment in KS. **DISHONORED CHECK FEE.** If an Insured's check is dishonored for any reason and if permitted by law, the Insured will pay LENDER a dishonored check fee equal to the maximum fee permitted by law. **NOTICE TO THE INSURED:** (1) Do not sign this agreement before you read both pages of it, or if it contains blank spaces. (2) You are entitled to a completely filled-in copy of this agreement. (3) Under the law, you have the right to pay off in advance the full amount due and under certain conditions to obtain a partial refund of the Finance Charge. (4) Keep your copy of this agreement to protect your legal rights.

## AGENT / BROKER REPRESENTATIONS AND WARRANTIES

The undersigned agent or broker has read the page entitled "Additional Provisions of Premium Finance Agreement", and makes all such Representations and Warranties recited herein. Further, the undersigned agent or broker agrees to: (i) pay all reasonable attorney fees, courts costs, and other collection costs incurred by LENDER in recovering amounts due from the agent or broker in connection with any breach of the Agent/Broker Representations and Warranties, and (ii) indemnify LENDER for any and all losses LENDER incurs as a result of any error committed by the Agent/Broker in completing or failing to complete any portion of this agreement.

Signature of the Borrower\*

Name of Borrower

\*Or broker or agent as a duly authorized agent of the Borrower, to the extent permitted by law.

Title

Date

Signature of Agent or Broker

Title

Date

GOTO-L-NY-01 (09/2010)

Q# 1671841, PRN: 122812, CFG: House, RT: GOTO-NY4, DD: 10, BM: ACH, P/F: 0.00 Qtd For: A30834 Original, Memo 2

gotoPremiumFinance.com

**Extended Schedule of Policies**  
**(continued from first page)**

<b>BORROWER / INSURED</b>	<b>Account #:</b>	<b>AGENT / BROKER</b>	<b>Agent #:</b> <b>A30834</b>
The Mount Vernon Hospital Sound Shore Medical Center of Westchester 16 Guilon Place New Rochelle, NY 10802		Hagedorn & Company 11 Broadway Rm 1768 New York, NY 10004-1390 (212) 269-1100	

<b>SCHEDULE OF POLICIES (continued from first page)</b>					
<b>Policy Number</b>	<b>Name of Insurance Carrier and, if applicable, General Agent(s) and Surplus Lines Broker(s)</b>	<b>Effective Date</b>	<b>Type of Coverage</b>	<b>Policy Term</b>	<b>Premium Amount</b>
73519442-2	C05637-CHUBB & SONS [CX:10] [PR]	1/1/2013	AUTO	12 Ernd. Taxes/Fees Fin. Taxes/Fees	47,651.00 0.00 0.00
35770333-2	C05637-CHUBB & SONS [CX:0] [PR]	1/1/2013	PROP	12 Ernd. Taxes/Fees Fin. Taxes/Fees	137,241.00 0.00 210.00

GOTO-L-NY-02 (09/2010)

**ADDITIONAL PROVISIONS OF PREMIUM FINANCE AGREEMENT:7**

**WARRANTY OF ACCURACY.** The Insured represents and warrants that (i) the Policies are in full force and effect and that the Insured has not assigned any interest in the Policies except for the interest of mortgagees and loss payees, (ii) none of the Policies are for personal, family or household purposes, (iii) the Insured has no indebtedness to the insurers issuing the Policies, and none of those insurers have asserted any claims for payment against the Insured, and (iv) the Insured is not insolvent nor presently the subject of any bankruptcy or insolvency proceeding. **COLLATERAL.** To secure payment of all amounts due under this agreement (and, unless prohibited by applicable law, all amounts due under any separate agreement between the Insured and LENDER), Insured grants LENDER a security interest in the Policies, including all unearned premiums, dividend payments, and loss payments, subject to any mortgagee or loss payee interest. **RIGHT TO CANCEL.** If Insured does not make a payment when it is due, or if Insured is otherwise in default under this agreement, LENDER may cancel the Policies and act in Insured's place with regard to the Policies, including endorsing any check issued in the Insured's name for funds assigned to LENDER as security herein. This right given by Insured to LENDER constitutes a "Power of Attorney". Before LENDER cancels the Policies, LENDER will provide notice to the Insured, if required by law. LENDER's right to cancel Policies cannot be revoked, and will terminate only after all of Insured's indebtedness to LENDER under this agreement or otherwise is paid in full. **DEFAULT.** Insured is in default under this agreement if: (a) a payment is not received by LENDER when it is due, (b) Insured or any of the insurance companies issuing the Policies are insolvent or involved in a bankruptcy or similar proceeding as a debtor, (c) Insured fails to comply with any of the terms of this agreement, (d) any of the insurance companies issuing the Policies cancel coverages, (e) premiums increase under any of the Policies and Insured fails to pay such increased premium within thirty (30) days of notification, or (f) Insured is in default under any other agreement with LENDER. Wherever the word "default" is used herein, it means any one of the above. If the Insured is in default, LENDER has no further obligation under this agreement to pay premiums on the Insured's behalf, and LENDER may pursue any of the remedies provided in this agreement. **PAYMENTS RECEIVED AFTER NOTICE OF CANCELLATION.** Once a Notice of Cancellation has been sent to any insurance company issuing the Policies, LENDER has no duty under any circumstances to rescind it or to ask that the policy be reinstated, even if LENDER later receives Insured's payment or Insured otherwise cures a default. Payments which LENDER receives after sending a Notice of Cancellation may be applied to Insured's account without changing any of LENDER's rights under this agreement. **LENDER'S RIGHTS AFTER THE POLICIES ARE CANCELLED.** After any Policy is cancelled (whether by Insured or LENDER or anyone else) LENDER shall receive all unearned premiums and other funds assigned to LENDER as security herein and apply them to Insured's unpaid balance under this agreement or (unless prohibited by applicable law) any other agreement between the Insured and LENDER. If the amount received is less than the amount owed by Insured, Insured will immediately pay LENDER the balance due. LENDER may act in Insured's place to do whatever is necessary to collect such refunds. The insurance companies may rely on LENDER's instructions regarding the Policies and do not have to get any proof from the Insured or anyone else. **INTEREST DUE AFTER CANCELLATION.** To the extent permitted by applicable law, if cancellation occurs, the Insured agrees to pay LENDER interest on the balance due under this agreement at the contract rate or at the maximum rate allowed by applicable law, whichever is less, until the balance is paid in full. **RIGHT TO DEMAND IMMEDIATE PAYMENT IN FULL.** At any time after default, LENDER can demand and has the right to receive immediate payment of the total unpaid amount due under this agreement even if LENDER has not received any refund of unearned premiums or other funds assigned to LENDER as security hereunder. **CANCELLATION CHARGE.** If a default by the Insured results in cancellation of any Policies, and if permitted by applicable state law, the Insured will pay LENDER a charge equal to the maximum charge permitted by law. **ASSIGNMENTS.** Insured may not assign any Policy without LENDER's written consent. However, LENDER's consent is not needed to add mortgagees or other persons as loss payees. LENDER may transfer its rights under this agreement to anyone without the consent of Insured. **COLLECTIONS AND ATTORNEY FEES.** LENDER may enforce its rights to collect amounts due to it without using the security interest granted in this agreement. If LENDER uses an attorney who is not a salaried employee of LENDER or incurs other collection costs to collect any money owed under this agreement or to enforce any other rights under this agreement, Insured agrees to pay reasonable attorney fees, court costs, and other collection/enforcement costs incurred by LENDER. **PREPAYMENT.** At any time, Insured may pay the entire balance. If Insured prepays in full, Insured will receive a refund of unearned Finance Charges computed, at the discretion of the LENDER, either by the actuarial method or the Rule of 78's, as permitted by applicable law. This refund will be subject to the maximum non-refundable Finance Charge and service fee permitted by applicable law. There shall be no refund to the Insured made if the amount to be refunded is less than \$1.00. **AUDIT AND REPORTING FORM POLICIES.** With regard to any auditable or reporting form type of Policy, Insured agrees to promptly pay to the insurance company the difference between the actual earned premium generated for the Policy, and the premiums financed under this agreement. **FINANCE CHARGE.** The Finance Charge begins on the earliest effective date of the Policies. The Finance Charge includes interest and may include a non-refundable service fee equal to the maximum fee permitted by applicable law. The Finance Charge is computed using a 365 day year. **NO USURY.** All agreements between the Insured and LENDER are expressly limited so that the amount paid or agreed to be paid to LENDER for the use or forbearance of money shall not exceed the highest rate permitted under applicable law. If fulfillment of any provision hereof shall involve exceeding the limit prescribed by applicable law, then the obligation shall be reduced to the maximum allowed by such law, and any amount received by LENDER in excess thereof shall be applied to principal. **AGENT OR BROKER.** The agent or broker handling this agreement is not the agent or broker of LENDER and cannot legally bind LENDER in any way. **CORRECTIONS.** Insured grants LENDER permission to insert the names of the insurance companies and Policy numbers following the execution of this agreement, if these are not known at the time Insured signs this agreement. LENDER is authorized to correct patent errors or omissions in this agreement. **EFFECTIVE DATE.** This agreement will not become effective until it is accepted in writing by LENDER. **GOVERNING LAW.** This agreement is governed by and interpreted under the laws of the state where LENDER accepts this agreement. If any court finds any part of this agreement to be invalid, such finding shall not affect the remainder of this agreement. Singular words in this agreement shall mean plural and vice versa as may be required to give the agreement meaning. **SIGNATURE AND ACKNOWLEDGMENT.** Insured has signed this agreement and received a copy of it. If Insured is a corporation or other legal entity, the person signing is authorized to sign this agreement for such entity. If the Insured is an individual, all Insureds listed in any Policy have signed and are jointly and severally liable hereunder. **LIABILITY.** Insured understands and agrees that LENDER has no liability to Insured or any person or entity upon the exercise of LENDER's right of cancellation, except in the event of willful or intentional misconduct by LENDER. **NEW YORK SECTION 2119 CHARGE.** Any amount designated as "Section 2119 Charge" in the Schedule of Policies is a charge imposed for obtaining and servicing the financed policies pursuant to New York Insurance Law Section 2119. If no such amount is indicated, the amount of this charge is zero (\$0.00).

**AGENT OR BROKER REPRESENTATIONS AND WARRANTIES**

**SIGNATURES GENUINE.** To the best of our knowledge, the Insured's signature is genuine. **AUTHORIZATION/RECOGNITION.** The Insured has authorized this transaction. Both the Insured and the Agent/Broker recognize the security interest granted herein, pursuant to which the Insured assigns to LENDER all unearned premium, dividends and certain loss payments. Upon cancellation of any of the Policies listed in the Schedule of Policies, the Agent/Broker agrees to immediately pay LENDER all unearned commissions and all unearned premiums, dividends and loss payments received. If such funds are not remitted to LENDER within 10 days of receipt by the Agent/Broker, the Agent/Broker agrees to pay LENDER interest on such funds at the maximum rate allowed by applicable law. **POLICIES EFFECTIVE/PREMIUMS CORRECT.** The policies listed in the Schedule of Policies are in full force and effect, and the premiums are correct as listed. **INSURED HAS THIS DOCUMENT.** The Insured has been given a copy of this agreement. **NO INSOLVENCY.** To the best of our knowledge, neither the Insured nor the insurance companies are insolvent or involved in a bankruptcy or similar proceeding as debtor, except as clearly indicated on page 1 of this agreement. **DEPOSIT/PROVISIONAL PREMIUMS.** Any Audit or Reporting Form policies or policies subject to retrospective rating included in this agreement are noted below in section (a). The deposit or provisional premiums for these policies are not less than the anticipated premiums to be earned for the full term of the policies. **LOSS PAYEE NAMED.** Any policies which provide that the premium may be earned earlier in the event of loss are noted below in section (b) and/or (c). The Agent/Broker has notified the relevant insurance companies and the Insured that LENDER is to be named as a loss payee on any such policies. **AUTHORIZED ISSUING AGENT.** For the scheduled policies, the Agent/Broker is either the insurance company's authorized policy issuing agent or the broker placing the coverage directly with the insurance company, except where the name and address of Issuing Agent or General Agent is listed in the Schedule of Policies. **AMOUNTS DUE FROM INSURED.** The cash down payment and any installments due from the Insured have been collected from the Insured. **FOR THE SCHEDULED POLICIES, AGENT OR BROKER WARRANTS THAT:** Unless indicated on the Schedule of Policies (1) No policies are Auditable, Reporting Form policies or policies subject to Retrospective Rating; (2) No policies are subject to Minimum Earned Premium; (3) All policies provide that unearned premiums are computed by the standard short rate or pro rata table; (4) No policies contain provisions which prohibit cancellation either by the Insured or by the insurance company within ten (10) days.

**EXHIBIT C**  
**AGREEMENT WITH AON PREMIUM**  
**FINANCE, LLC**

931-790022

**AON PREMIUM FINANCE, LLC**  
200 E. RANDOLPH STREET, CHICAGO, IL 60601 (312) 381-4628  
**COMMERCIAL INSURANCE PREMIUM FINANCE AND SECURITY AGREEMENT**

Contract Number	
Agent Number A30107	Quote Number 1640788
Name and Address of Insured (Exactly as Shown on Policy) ("Insured") The Mount Vernon Hospital 12 North Seventh Avenue Mt Vernon, NY 10650	Name and Address of Insured's Agent ("Agent") Aon Risk Services Central, Inc One Liberty Place 1650 Market Street Philadelphia, PA 19103
Telephone Number: (914) 368-4319	Telephone Number: (215) 258-2000

Policyholder Designation (Check One): <input type="checkbox"/> Partnership <input type="checkbox"/> Proprietorship <input type="checkbox"/> Corporation	Type of Agreement (Check One): <input checked="" type="checkbox"/> New <input type="checkbox"/> Additional Premium	Indicate contract number of current policy being financed
--	---	---

**SCHEDULE OF POLICIES COVERED BY THIS AGREEMENT**

For Company Use Only	POLICY NUMBER Prefix Number	Full Name of Insurance Company and Address of Branch Reporting Office and Full Name and Address of General Agent	TYPE OF INSURANCE	TERM IN MONTHS	POLICY EFFECTIVE DATE MM/DD/YYYY	POLICY PREMIUM
	SISIFNL20037312	C06020 STARR INDEMNITY & LIABILITY COMPANY (CX:0) [SR]	D&O	12	11/15/2012 Ernd. Taxes/Fees Fin. Taxes/Fees	58,240.00 300.00 0.00
FUND	G6087	CRD 15 (11/10/12)	WIRE	ONE PAYMENT RETAINED!	OVER 25K HOOD	
FLORIDA DOCUMENTARY STAMP TAX						\$ 0.00

<b>APF</b>	DISCLOSURE STATEMENT - PAYMENT SCHEDULE Payment Plan: <input checked="" type="checkbox"/> Monthly <input type="checkbox"/> Quarterly <input type="checkbox"/> Annually APF # of Payments: 9 First Payment Due 12/15/2012 Subsequent payments are due on the same day of each succeeding period.			CASH PRICE (Total Premiums) 58,540.00		
	CASH PRICE 58,540.00	Cash Down Payment 14,860.00	Amount Financed (The amount of credit provided on your behalf) 43,680.00	Finance Charge (The dollar amount the credit will cost you) 1,210.02	Total of Payments (The amount you will have paid when you have made all of your payments) 44,890.02	Amount of Each Payment 4,987.78

Aon Premium Finance, LLC (HEREINAFTER CALLED APF)  
200 E. Randolph Street, Chicago, IL 60601 (312) 381-4628  
Prepayment: The insured may prepay in full at any time and receive a refund of the unearned finance charge, calculated according to the Rule of 78's (actuarial method in AR, AZ, CA, MA, MO, NJ, OR, PA, VT; short rate method in SC), and subject to a nonrefundable charge stated on the reverse side. Minimum refund is \$1.00 (except AK, where there is no minimum refund).

Security Interest: The insured assigns to APF as security for payment of this agreement all sums payable to the insured with reference to the policies listed above, including, among other things, any gross return premiums and any payment on account of loss which results in reduction of unearned premium in accordance with the term of said policies.

Delinquency charge: The insured agrees that upon default in payment of any installment five days or more (more than 5 days in IL, MS, OH) to pay a

Delinquency Charge of 5% of the delinquent installment. In AK, CA, DE, MI, MN, ND, NJ, OR, TN, TX, the Delinquency Charge is not due until installment is in default for ten days or more, more than 10 days in MA, NM 7 days in VA. Maximum delinquency charge is \$5 in DE, MT, ND; \$100 in MD; \$500 in NM; 1 1/2% of the installment in NJ with a minimum of \$25. In AK; OR; for delinquent payments of less than \$250, the delinquency charge is the lesser of 5% of the payment or \$5, the delinquency charge is 2% of the payment. KS: Delinquency charge is \$5 plus 2% of the installment in default.

Cancellation Charge: The insured agrees that if a default results in cancellation of the policy(ies) to pay a Cancellation Charge in the amount stated on the reverse side. (Not applicable in AK, KY, TX, NC.)

See the provisions on the reverse side for additional information about non-payment, default, and any repayment in full before the scheduled date and any prepayment, refunds or penalties.

**NOTICE TO INSURED**  
1. DO NOT SIGN THIS AGREEMENT BEFORE YOU READ IT, INCLUDING THE WRITING ON THE REVERSE SIDE, OR IF IT CONTAINS ANY BLANKS. 2. YOU ARE ENTITLED TO A COMPLETELY FILLED IN COPY OF THIS AGREEMENT AT THE TIME YOU SIGN IT. 3. YOU UNDERSTAND AND HAVE RECEIVED A COPY OF THIS AGREEMENT, KEEP IT TO PROTECT YOUR LEGAL RIGHTS. 4. UNDER THE LAW YOU HAVE THE RIGHT TO PAY OFF IN ADVANCE THE FULL AMOUNT DUE AND UNDER CERTAIN CONDITIONS TO OBTAIN A PARTIAL REFUND OF THE FINANCE CHARGE. 5. SEE OTHER SIDE FOR IMPORTANT INFORMATION.

When used in this Agreement, "insured" means the insured and any co-obligor named above and all insureds covered by the Policies listed in the Schedule of Policies. Each insured jointly and severally agrees to make all payments required by this Agreement and to be bound by all of its provisions including those on the reverse side. The person signing represents and warrants that he or she is authorized to enter into this Agreement on behalf of each insured and to bind each insured to this Agreement. Each insured agrees that APF may send all notices under this Agreement to the insured's address shown above. You are not required to enter into an insurance premium financing arrangement as a condition to the purchase of any insurance policy.

By John W. Lurie (Signature of Insured)  
(Typed Name and Title)  
Vice President

Date 12-20-12

**AGENT'S REPRESENTATIONS AND WARRANTIES**

The undersigned Agent has read the Insurance Agent's Representations and Warranties on the reverse side and makes all such representations and warranties recited therein and agrees to be bound by the terms of this Agreement.

By William A. DeLaney (Signature of Agent)  
(Typed Name and Title)  
CWI AIF (Ed, 01-03)

Date 12/13/12

Q# 1640788, PRN: 121212, CFG: House-Exec, RT: GOTO-NY11, DD: 15, BM: ACH, PIF: 218.40 Qtd For: G08074 Original, Memo 1

"For value received, APF hereby sells, assigns and transfers this Commercial Premium Finance Agreement and all rights and obligations thereunder and all agreements, exhibits, addenda and documents relating thereto to gotoPremiumFinance.com LLC."

DEC 21 2012

**The Insured (jointly and severally if more than one) agrees as follows:**

1. In consideration of the payment by APF of the Amount Financed, Insured agrees to pay the Cash Down Payment to the Insurance company(ies) listed in the Schedule of Policies, and to pay APF the Total of Payments in accordance with the terms of this Agreement. Interest is computed on an annual basis of 12 months of 30 days each.
  2. Insured assigns to APF as security for the total amount payable hereunder all sums payable to the Insured under the listed Policies, including, among other things, any gross unearned premiums and any payment on account of loss which results in a reduction of unearned premium in accordance with the terms of said policies.
  3. Insured hereby irrevocably appoints APF as its Attorney-in-Fact upon the occurrence of an Event of Default (defined below) and, after proper notice has been mailed as required by law, grants to APF authority to effect cancellation of policy(ies) listed in the Schedule of Policies ("Policies"), and to receive any unearned premium or other amounts with respect to the Policies assigned as security herein, and to sign any check or draft issued therefor in Insured's name and to direct the insurance companies to make said check or draft payable to APF. Insured agrees that proof of mailing any notice hereunder constitutes proof of receipt of such notice.
  4. Insured agrees that any payments made and accepted after Policy cancellation shall not constitute reinstatement or obligate APF to request reinstatement of such insurance Policy(ies), and Insured acknowledges that APF has no authority to reinstate coverage, and that such payments may be applied to Insured's indebtedness hereunder.
  5. Insured agrees not to assign the Policy(ies) except for the interest of mortgagees or loss payees, without the written consent of APF. APF may assign this Agreement without Insured's consent, and all rights conferred upon APF shall inure to APF's successors and assigns.
  6. Except in KY and VT, Insured agrees to pay a fee of \$15.00 in the event of a dishonored check. (\$5.00 in CA; \$10 in AZ, MA, MD, OH, VI; \$7.50 in NV, not to exceed APF's cost in NJ).
  7. An Event of Default occurs when the Insured does not pay any installment according to the terms of this Agreement or (except in MD) fails to comply with any of the terms of the Agreement or (except in MD) if any of the Policies are cancelled for any reason. If an Event of Default occurs and after giving notice as required by law, all amounts due under this Agreement become immediately due and payable and the Insured is liable for all amounts described herein, including any unpaid balance remaining after application of the unearned premiums. If an Event of Default occurs, APF may at its option pursue the following remedies:
    - After proper notice has been given as required by law, APF may immediately cancel the Policy(ies) and collect any unearned premiums or other amounts payable under said Policies. Unearned premiums shall be payable to APF only.
    - APF may take all necessary actions to enforce payment of this debt. To the extent not prohibited or limited by applicable law, APF is entitled to collection costs and expenses incurred while enforcing its rights under this Agreement and to reasonable attorney's fees if this Agreement is referred to an attorney who is not a salaried employee of APF for collection or enforcement (not permitted in KY, NC; total of collection costs and attorney's fees is limited to 20% of the unpaid balance in AZ, FL, MO, MS, NH, NV, NY, VI; 15% of unpaid balance in TN; 25% of unpaid balance in VT).
    - Except in AK, KY, MI, NC, VT and the other states listed herein, after cancellation, Insured agrees to pay interest on the unpaid balance (calculated according to the Rule of 78's (actuarial method in AR, AZ, CA, NJ, OR, PA; short rate method in SC) as of the scheduled due date of the first delinquent payment leading to cancellation of the Policies) at the rate of 1% per month (in AR, NM, TX, at the Annual Percentage Rate stated on the front), or at the highest rate permitted by law, whichever is less, until the entire balance of this loan is paid in full. In MA, Insured agrees to pay interest at the rate of 1% per month on the difference between the unpaid balance on the date of cancellation (computed according to the actuarial method) and the unearned premiums received by APF on the cancelled Policies, for the period from the date of cancellation until the balance is paid in full.
    - In AL, DC, DE, IL, KS, NY and WA, after cancellation, Insured agrees that APF may recompute the total finance charge due under this Agreement on the original amount financed, at the rate and in the manner described in this paragraph from the first effective date of the Policies through the last originally scheduled installment date, and Insured agrees to pay this amount, subject to the provisions on prepayment in full. That rate, stated as a dollar amount per year for each \$100 of amount financed is as follows: \$9 in AL, DE; \$10 in DC, IL, WA; \$12 in KS; \$14 in NY.
    - APF may offset and deduct from any amounts APF owes to Insured with respect to any Policies financed hereunder, any amounts which Insured owes to APF under this or (except in KY, MD, NC and TX) any other agreement.
  8. Insured agrees to pay a non-refundable service fee of \$10 in AK, AZ, CT, DE, KS, LA, MO, NY, PA, WA, WI; \$12 in NJ; \$12.50 in MT; \$15 in AL, KY, NC, RI, SC, TN, VA; \$16 in MA; \$18 in MI; \$20 in DC, FL, GA, MD, MN, OH; \$25 in CO, HI, IA, ID, IN, ME, NE, ND, NV, OK, SD, UT, VI, WV, WY; the lesser of \$50 or 10% of the amount financed in OR. In CA, the minimum finance charge is \$25. In IL, the non-refundable service charge is \$20 if the amount financed is less than \$500, \$30 if the amount financed is \$500 or more but less than \$1,000, or \$40 if the amount financed is over \$1,000. In NJ, if this loan is prepaid in full, Insured agrees to pay an additional charge of \$20 for any loan of \$2,000 or less, 1% of the loan for loans over \$2,000 up to and including \$5,000 and \$100 on loans over \$5,000.
  9. Insured agrees to pay a cancellation charge of \$5 in TN, VI; \$10 in MN, ND, OH; \$15 in AL, AZ, GA, MO, MS, RI, WI; \$25 in CO, HI, IA, ID, IN, LA, ME, NE, OK, SD, UT, WV, WY; the greater of 2% of the unpaid balance or \$5 in MA; the difference between the delinquency charge assessed and; \$5 in DE, MI, MT, NJ, NY, OR, WA; \$10 in DC; \$15 in NH; \$100 in MD.
  10. Insured agrees to pay promptly to the insurer any additional premiums due on the Policies.
  11. The Agent is not the agent of APF and the Agent cannot bind APF. APF is not the Agent of any insurer and is not liable for any acts or omissions of any insurer. Insured acknowledges that it has chosen to do business with the Agent and the insurance companies issuing the Policies, and that the insolvency, fraud, defalcation or other action or failure to act by any of them shall not relieve or diminish Insured's obligations to APF hereunder.
  12. Except in MD, and if not prohibited by applicable law, APF may insert the name of the insurer, policy numbers and first installment due date if omitted and if policy has not been issued at the time of signature.
  13. This Agreement shall have no force or effect until accepted by APF. All rights and remedies in this Agreement are cumulative and not exclusive. If any part of this Agreement is determined to be invalid or unenforceable, the remaining provisions of this Agreement shall continue to be in full force and effect. Neither APF nor its assignee shall be liable for any loss or damage to the Insured by reason of failure of any insurance company to issue or maintain in force any of the Policies or by reason of the exercise by APF or its assignee of the rights conferred herein. This Agreement constitutes the entire Agreement between APF and Insured and may not be modified except as agreed upon in writing. APF's acceptance of late or partial payments shall not be deemed a waiver by APF of any provisions of this Agreement, and APF is entitled to require Insured to strictly comply with the terms hereof. Except in AR, this Agreement is governed by the law of the state of the Insured's address shown on the front of this Agreement. In AR, this Agreement is governed by the law of the state where this Agreement is accepted by APF. If any amount contracted for or received by APF is determined to violate any law or regulation APF may return such prohibited amount to Insured without any further liability therefor (waiver of liability not applicable in KY).
  14. Insured represents and warrants that the proceeds of this loan are to be used to purchase insurance for other than personal, family or household purposes and that all information provided herein or in connection with this Agreement is true, correct, complete and not misleading.
  15. **CALIFORNIA RESIDENTS ONLY:**  
**FOR INFORMATION CONTACT THE DEPARTMENT OF FINANCIAL INSTITUTIONS, STATE OF CALIFORNIA.**  
Insured agrees that, in accordance with Section 18608 of the California Financial Code, APF's liability to Insured upon the exercise of APF's authority to cancel the Policies shall be limited to the amount of the principal balance of this loan, except in the event of APF's willful failure to mail the notice of cancellation required under California law.
- In connection with the Policies scheduled on the reverse side, the Agent represents and warrants to APF, its successors and assigns that:**
1. Deposit premiums are not less than the anticipated premiums to be earned for the full terms of the Policies.
  2. All of the scheduled Policies or bonds in this Agreement are cancellable by standard short rate or pro-rata tables.
  3. When cancellation is requested by Insured or by APF, none of the Policies require advance notice of cancellation to any party, other than any notice required to be given by APF, and there are no audit or reporting form policies, Policies subject to retrospective rating or to minimum earned premiums except as indicated in the Schedule of Policies.
  4. We are the authorized policy issuing Agent of the insurance companies or the broker placing the coverage directly with the insurance company on all Policies except as indicated in the Schedule of Policies.
  5. The Insured(s) signature(s) on the reverse side hereof are genuine, the Insured has not paid for the scheduled Policies other than as described herein, the Insured(s) have received a copy of this Agreement, this Agreement is valid and enforceable and there are no defenses to it. The scheduled Policies are in full force and effect and the premiums indicated are correct for the term of the Policies, and all other information relating to the Policies and the Insured is complete and correct. None of the Policies have been financed on an installment payment plan provided by the insurance company(ies), or are noncancellable policy(ies), or policies written for a term of less than one year. The Agent recognizes the Insured's assignment of the unearned premiums and upon cancellation of any of the scheduled Policies agrees to pay promptly any unearned commissions to APF and to pay to APF the unearned premiums immediately upon receipt. Agent shall not deduct any amounts which Insured owes to Agent from any amounts owing to APF hereunder. The Policies are not for personal, family or household purposes.
  6. A proceeding in bankruptcy, receivership or insolvency has not been instituted by or against the Insured or if the Insured is the subject of such a proceeding, it is noted on the Agreement in the space in which the Insured's name and address is placed.
  7. If the Agreement has been signed by the Agent on behalf of the Insured, the Agent has the authority to act in this capacity and the Agent has provided the Insured with a complete copy of this Agreement.
  8. There are no exceptions to the Policies financed other than those indicated, and the Policy(ies) comply with APF's eligibility requirements.
  9. The Cash Down Payment, and any installments due from the Insured which Agent has agreed to collect, have been collected from the Insured.
  10. Agent is not an agent of APF and is not authorized to bind APF and has not made any representation to the contrary. The Agent agrees to promptly remit all funds received from APF and the Insured for the financed Policies and due to the insurance company(ies) issuing such Policies. Agent shall be liable to APF for any losses, costs, damages or other expenses (including attorney's fees) incurred by APF or its assignee as a result of or in connection with any untrue or misleading representation or warranty made by Agent hereunder, or otherwise arising out of the breach by Agent of this Agreement. Agent shall promptly notify APF of any unpaid increased premiums for the Policies.
- (Ed. 01-03) AIF

**EXHIBIT D**  
**AGREEMENT WITH AON PREMIUM**  
**FINANCE, LLC**



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**The Insured (jointly and severally if more than one) agrees as follows:**

1. In consideration of the payment by APF of the Amount Financed, Insured agrees to pay the Cash Down Payment to the Insurance company(ies) listed in the Schedule of Policies, and to pay APF the Total of Payments in accordance with the terms of this Agreement. Interest is computed on an annual basis of 12 months of 30 days each.
2. Insured assigns to APF as security for the total amount payable hereunder all sums payable to the Insured under the listed Policies, including, among other things, any gross unearned premiums and any payment on account of loss which results in a reduction of unearned premium in accordance with the terms of said policies.
3. Insured hereby irrevocably appoints APF as its Attorney-in-Fact upon the occurrence of an Event of Default (defined below) and, after proper notice has been mailed as required by law, grants to APF authority to effect cancellation of policy(ies) listed in the Schedule of Policies ("Policies"), and to receive any unearned premium or other amounts with respect to the Policies assigned as security herein, and to sign any check or draft issued therefor in Insured's name and to direct the Insurance companies to make said check or draft payable to APF. Insured agrees that proof of mailing any notice hereunder constitutes proof of receipt of such notice.
4. Insured agrees that any payments made and accepted after Policy cancellation shall not constitute reinstatement or obligate APF to request reinstatement of such Insurance Policy(ies), and Insured acknowledges that APF has no authority to reinstate coverage, and that such payments may be applied to Insured's indebtedness hereunder.
5. Insured agrees not to assign the Policy(ies) except for the interest of mortgagees or loss payees, without the written consent of APF. APF may assign this Agreement without Insured's consent, and all rights conferred upon APF shall inure to APF's successors and assigns.
6. Except in KY and VT, Insured agrees to pay a fee of \$15.00 in the event of a dishonored check. (\$5.00 in CA; \$10 in AZ, MA, MD, OH, VI; \$7.50 in NV, not to exceed APF's cost in NJ).
7. An Event of Default occurs when the Insured does not pay any installment according to the terms of this Agreement or (except in MD) fails to comply with any of the terms of the Agreement or (except in MD) if any of the Policies are cancelled for any reason. If an Event of Default occurs and after giving notice as required by law, all amounts due under this Agreement become immediately due and payable and the Insured is liable for all amounts described herein, including any unpaid balance remaining after application of the unearned premiums. If an Event of Default occurs, APF may at its option pursue the following remedies:
  - After proper notice has been given as required by law, APF may immediately cancel the Policy(ies) and collect any unearned premiums or other amounts payable under said Policies. Unearned premiums shall be payable to APF only.
  - APF may take all necessary actions to enforce payment of this debt. To the extent not prohibited or limited by applicable law, APF is entitled to collection costs and expenses incurred while enforcing its rights under this Agreement and to reasonable attorney's fees if this Agreement is referred to an attorney who is not a salaried employee of APF for collection or enforcement (not permitted in KY, NC; total of collection costs and attorney's fees is limited to 20% of the unpaid balance in AZ, FL, MO, MS, NH, NV, NY, VI; 15% of unpaid balance in TN; 25% of unpaid balance in VT).
  - Except in AK, KY, MI, NC, VT and the other states listed herein, after cancellation, Insured agrees to pay interest on the unpaid balance (calculated according to the Rule of 78's (actuarial method in AR, AZ, CA, NJ, OR, PA; short rate method in SC) as of the scheduled due date of the first delinquent payment leading to cancellation of the Policies) at the rate of 1% per month (in AR, NM, TX, at the Annual Percentage Rate stated on the front), or at the highest rate permitted by law, whichever is less, until the entire balance of this loan is paid in full. In MA, Insured agrees to pay interest at the rate of 1% per month on the difference between the unpaid balance on the date of cancellation (computed according to the actuarial method) and the unearned premiums received by APF on the cancelled Policies, for the period from the date of cancellation until the balance is paid in full.
  - In AL, DC, DE, IL, KS, NY and WA, after cancellation, Insured agrees that APF may recompute the total finance charge due under this Agreement on the original amount financed, at the rate and in the manner described in this paragraph from the first effective date of the Policies through the last originally scheduled installment date, and Insured agrees to pay this amount, subject to the provisions on prepayment in full. That rate, stated as a dollar amount per year for each \$100 of amount financed is as follows: \$9 in AL, DE; \$10 in DC, IL, WA; \$12 in KS; \$14 in NY.
  - APF may offset and deduct from any amounts APF owes to Insured with respect to any Policies financed hereunder, any amounts which Insured owes to APF under this or (except in KY, MD, NC and TX) any other agreement.
8. Insured agrees to pay a non-refundable service fee of \$10 in AK, AZ, CT, DE, KS, LA, MO, NY, PA, WA, WI; \$12 in NJ; \$12.50 in MT; \$15 in AL, KY, NC, RI, SC, TN, VA; \$16 in MA; \$18 in MI; \$20 in DC, FL, GA, MD, MN, OH; \$25 in CO, HI, IA, ID, IN, ME, NE, ND, NV, OK, SD, UT, VI, WV, WY; the lesser of \$50 or 10% of the amount financed in OR. In CA, the minimum finance charge is \$25. In IL, the non-refundable service charge is \$20 if the amount financed is less than \$500, \$30 if the amount financed is \$500 or more but less than \$1,000, or \$40 if the amount financed is over \$1,000. In NJ, if this loan is prepaid in full, Insured agrees to pay an additional charge of \$20 for any loan of \$2,000 or less, 1% of the loan for loans over \$2,000 up to and including \$5,000 and \$100 on loans over \$5,000.
9. Insured agrees to pay a cancellation charge of \$5 in TN, VI; \$10 in MN, ND, OH; \$15 in AL, AZ, GA, MO, MS, RI, WI; \$25 in CO, HI, IA, ID, IN, LA, ME, NE, OK, SD, UT, WV, WY; the greater of 2% of the unpaid balance or \$5 in MA; the difference between the delinquency charge assessed and; \$5 in DE, MI, MT, NJ, NY, OR, WA; \$10 in DC; \$15 in NH; \$100 in MD.
10. Insured agrees to pay promptly to the insurer any additional premiums due on the Policies.
11. The Agent is not the agent of APF and the Agent cannot bind APF. APF is not the Agent of any insurer and is not liable for any acts or omissions of any insurer. Insured acknowledges that it has chosen to do business with the Agent and the Insurance companies issuing the Policies, and that the insolvency, fraud, defalcation or other action or failure to act by any of them shall not relieve or diminish Insured's obligations to APF hereunder.
12. Except in MD, and if not prohibited by applicable law, APF may insert the name of the insurer, policy numbers and first installment due date if omitted and if policy has not been issued at the time of signature.
13. This Agreement shall have no force or effect until accepted by APF. All rights and remedies in this Agreement are cumulative and not exclusive. If any part of this Agreement is determined to be invalid or unenforceable, the remaining provisions of this Agreement shall continue to be in full force and effect. Neither APF nor its assignee shall be liable for any loss or damage to the Insured by reason of failure of any insurance company to issue or maintain in force any of the Policies or by reason of the exercise by APF or its assignee of the rights conferred herein. This Agreement constitutes the entire Agreement between APF and Insured and may not be modified except as agreed upon in writing. APF's acceptance of late or partial payments shall not be deemed a waiver by APF of any provisions of this Agreement, and APF is entitled to require Insured to strictly comply with the terms hereof. Except in AR, this Agreement is governed by the law of the state of the Insured's address shown on the front of this Agreement. In AR, this Agreement is governed by the law of the state where this Agreement is accepted by APF. If any amount contracted for or received by APF is determined to violate any law or regulation APF may return such prohibited amount to Insured without any further liability therefor (waiver of liability not applicable in KY).
14. Insured represents and warrants that the proceeds of this loan are to be used to purchase insurance for other than personal, family or household purposes and that all information provided herein or in connection with this Agreement is true, correct, complete and not misleading.
15. **CALIFORNIA RESIDENTS ONLY:**  
**FOR INFORMATION CONTACT THE DEPARTMENT OF FINANCIAL INSTITUTIONS, STATE OF CALIFORNIA.**  
Insured agrees that, in accordance with Section 18608 of the California Financial Code, APF's liability to Insured upon the exercise of APF's authority to cancel the Policies shall be limited to the amount of the principal balance of this loan, except in the event of APF's willful failure to mail the notice of cancellation required under California law.  
**In connection with the Policies scheduled on the reverse side, the Agent represents and warrants to APF, its successors and assigns that:**
  1. Deposit premiums are not less than the anticipated premiums to be earned for the full terms of the Policies.
  2. All of the scheduled Policies or bonds in this Agreement are cancellable by standard short rate or pro-rata tables.
  3. When cancellation is requested by Insured or by APF, none of the Policies require advance notice of cancellation to any party, other than any notice required to be given by APF, and there are no audit or reporting form policies, Policies subject to retrospective rating or to minimum earned premiums except as indicated in the Schedule of Policies.
  4. We are the authorized policy issuing Agent of the Insurance companies or the broker placing the coverage directly with the Insurance company on all Policies except as indicated in the Schedule of Policies.
  5. The Insured(s) signature(s) on the reverse side hereof are genuine, the Insured has not paid for the scheduled Policies other than as described herein, the Insured(s) have received a copy of this Agreement, this Agreement is valid and enforceable and there are no defenses to it, The scheduled Policies are in full force and effect and the premiums indicated are correct for the term of the Policies, and all other information relating to the Policies and the Insured is complete and correct. None of the Policies have been financed on an installment payment plan provided by the Insurance company(ies), or are noncancellable policy(ies), or policies written for a term of less than one year. The Agent recognizes the Insured's assignment of the unearned premiums and upon cancellation of any of the scheduled Policies agrees to pay promptly any unearned commissions to APF and to pay to APF the unearned premiums immediately upon receipt. Agent shall not deduct any amounts which Insured owes to Agent from any amounts owing to APF hereunder. The Policies are not for personal, family or household purposes.
  6. A proceeding in bankruptcy, receivership or insolvency has not been instituted by or against the Insured or if the Insured is the subject of such a proceeding, it is noted on the Agreement in the space in which the Insured's name and address is placed.
  7. If the Agreement has been signed by the Agent on behalf of the Insured, the Agent has the authority to act in this capacity and the Agent has provided the Insured with a complete copy of this Agreement.
  8. There are no exceptions to the Policies financed other than those indicated, and the Policy(ies) comply with APF's eligibility requirements.
  9. The Cash Down Payment, and any installments due from the Insured which Agent has agreed to collect, have been collected from the Insured.
  10. Agent is not an agent of APF and is not authorized to bind APF and has not made any representation to the contrary. The Agent agrees to promptly remit all funds received from APF and the Insured for the financed Policies and due to the Insurance company(ies) issuing such Policies. Agent shall be liable to APF for any losses, costs, damages or other expenses (including attorney's fees) incurred by APF or its assignee as a result of or in connection with any untrue or misleading representation or warranty made by Agent hereunder, or otherwise arising out of the breach by Agent of this Agreement. Agent shall promptly notify APF of any unpaid increased premiums for the Policies.

**EXHIBIT E**

**REQUIRED PAYMENTS UNDER AGREEMENTS**

<u>Finance Company</u>	<u>Account Number</u>	<u>Account Balance as of August 1, 2013</u>	<u>Payment Due</u>
AON Risk Services	931-790006	\$39,459.40	\$19,729.70
AON Risk Services	931-790022	\$9,975.56	\$4,987.78
GOTO	931-809517	\$62,105.22	\$31,052.61