



**Mutual Boiler Re®**

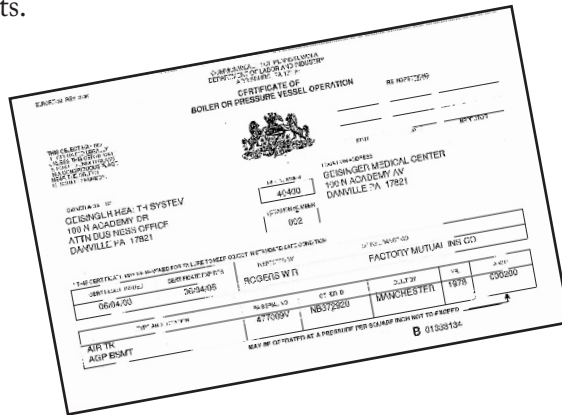
Member of the FM Global Group

# Payment of Certificate Fees

Certificate fees per boiler or pressure vessel, typically range from \$10 to \$100 and are billed by the jurisdiction for issuing certificates. Certificates are issued based on a satisfactory inspection report submitted by an inspector. These certificates indicate a boiler or pressure vessel complies with the rules and regulations of the jurisdiction and is permitted to operate until the certificate expires.

Mutual Boiler Re, a leading equipment breakdown reinsurance company, pays for Broome Co-operative Insurance Company's boiler and pressure vessel certificate issuance fees and inspection costs in the nine U.S. jurisdictions that require the insurance company to pay the certificate fees. These jurisdictions are California, Hawaii, Kentucky, New Jersey, New York, South Dakota, West Virginia and New York City and Omaha, Nebraska.

Most other insurance companies collect these certificate fees from their insured clients.



In all other jurisdictions (except the nine above) certificate fees are billed directly to the boiler owner by the jurisdiction and Mutual Boiler Re does not pay these fees as it will only lead to complication of the process, confusion and inefficiency, which is in direct conflict with the company's fundamental philosophy.

This fundamental philosophy, making it easy to do business with Mutual Boiler Re, provides tangible benefits to Broome Co-operative Insurance Company by providing monetary benefits to their insured clients. In addition, this puts Broome Co-operative Insurance Company in a unique position to market this advantage in the nine jurisdictions where the certificate fees are being paid.