

**SPECIAL MEETING OF THE EXECUTIVE COMMITTEE
TUESDAY, MAY 19, 2020, 2:00 PM
SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS AUTHORITY**

CONDUCTED VIA TELECONFERENCE

PLEASE NOTE: PURSUANT TO GOVERNOR NEWSOM’S EXECUTIVE ORDER NO. N-29-20, MEMBERS OF THE EXECUTIVE COMMITTEE AND STAFF WILL PARTICIPATE IN THIS MEETING VIA A TELECONFERENCE. IN THE INTEREST OF MAINTAINING APPROPRIATE SOCIAL DISTANCING, THE AUTHORITY ENCOURAGES THE PUBLIC TO PARTICIPATE AND TO PROVIDE COMMENTS ON AGENDA ITEMS OR OTHER SUBJECT MATTER WITHIN THE JURISDICTION OF THE BOARD OF DIRECTORS, EXECUTIVE COMMITTEE, AND/OR USER COMMITTEE BY JOINING:

Link: <https://global.gotomeeting.com/join/838807333>

United States: [+1 \(571\) 317-3122](tel:+15713173122)

Access Code: 838-807-333

A. CALL TO ORDER

B. ROLL CALL BY EXECUTIVE DIRECTOR

C. PUBLIC DISCUSSION

In the interest of maintaining appropriate social distancing, members of the Executive Committee and staff will participate in this meeting via teleconference. The Authority encourages the public to participate by using one of the following options for public comments:

- Email your public comment to cchoi@rcc911.org by 7:30 AM, the day of the meeting and have your comment available to Executive Committee and the public.
- Call (310) 973-1802 ext.100 and leave a message by 7:30 AM, the day of the meeting.

D. EXECUTIVE COMMITTEE GENERAL BUSINESS

1. Authorize the Executive Director to Bind and Approve Fiscal Year 2020-2021 Insurance Policies Proposed by Alliant Insurance Services, Inc. for Insurance Necessary to Protect the Authority and its Member Agencies; and

Approve Corresponding Purchase Orders in an Amount not to Exceed \$308,000

E. EXECUTIVE COMMITTEE COMMENTS

F. ADJOURNMENT

Posting Place: 4440 W. Broadway, Hawthorne, CA 90250 and www.rcc911.org

Posting Date/Time: May 18, 2020/1:30PM

Signature:



Erick B. Lee, Executive Director

If you are an individual with a disability and need a reasonable modification or accommodation pursuant to the Americans with Disabilities Act (“ADA”) please contact the Executive Assistant at schedule@rcc911.org prior to the meeting for assistance.

D-1



Staff Report

South Bay Regional Public Communications Authority

MEETING DATE: May 19, 2020

ITEM NUMBER: D-1

TO: Executive Committee

FROM: Erick B. Lee, Executive Director

SUBJECT: AUTHORIZE THE EXECUTIVE DIRECTOR TO BIND AND APPROVE FISCAL YEAR 2020-2021 INSURANCE POLICIES PROPOSED BY ALLIANT INSURANCE SERVICES, INC. FOR INSURANCE NECESSARY TO PROTECT THE AUTHORITY AND ITS MEMBER AGENCIES; AND

APPPROVE CORRESPONDING PURCHASE ORDERS IN AN AMOUNT NOT TO EXCEED \$308,000

ATTACHMENTS:

1. Executive Summary of Insurance Proposal
2. Detailed Insurance Proposal

RECOMMENDATION

Staff recommends the Executive Committee authorize the Executive Director to bind and to approve Fiscal Year 2020-2021 insurance policies as proposed by Alliant Insurance Services, Inc. ("Alliant") for insurance necessary to protect the Authority and its member agencies and approve corresponding purchase orders in an amount not to exceed \$308,000.

BACKGROUND

The Authority's By-Laws provide the Executive Committee with the powers and duties to purchase, and maintain in force, public liability insurance for the Authority and its officers, agents and employees. The By-Laws also require the Authority to obtain and to maintain workers' compensation insurance, liability insurance, and other such insurance as deemed necessary by the Executive Committee to fully protect the Authority and each of the member agencies.

DISCUSSION

Earlier this month, the Authority received proposals for insurance renewals from Alliant Insurance Services, Inc. ("Alliant"). A summary of these proposals is as follows:

Line of Coverage	FY 2019-2020 Actual		FY 2020-2021 Proposed	
	Premium	Limit	Premium	Limit
Property	\$9,802	25,000,000	\$11,762	25,000,000
Crime	1,500	1,000,000	1,725	1,000,000
General Liab / Pro. Liab	38,751	3,000,000	40,654	3,000,000
Automobile	7,443	1,000,000	13,047	1,000,000
Workers' Comp	120,454	1,000,000	91,488	1,000,000
D&O / Employment Practices	22,364	3,000,000	23,886	3,000,000
Excess Liability	59,077	7,000,000	67,938	7,000,000
Cyber Liability	4,180	7,000,000	5,200	12,000,000
Deadly Weapons Protection	5,160	500,000	4,646	500,000
Earthquake	25,800	5,000,000	25,812	5,000,000
Other Fees	-		-	
Totals	\$294,531		\$286,158	

The total cost of the Fiscal Year 2020-2021 insurance program is proposed at \$286,158. The Authority has an opportunity to bind \$207,196 of that coverage now. The remainder of the policies would be bound once the marketing of the insurance is completed. Highlights of the proposed changes include:

- Workers' Compensation premium decrease of \$28,966 (24% less than current year's premium).
- Cyber Liability limit increase from \$7,000,000 to \$12,000,000 per year.
- Enhancements to Earthquake coverage.
- Overall cost savings of approximately \$8,000 (2.8%).

Alliant has advised staff that there has been unprecedented volatility in the insurance market since the beginning of the COVID-19 pandemic. When considering the unknown long-term impacts that COVID-19 may have on the insurance market, Alliant recommends that the Authority bind all eligible policies as soon as possible to avoid the potential of quotes being rescinded by the insurance carriers.

At the time that this report was written, Alliant is still marketing the Authority's Excess Liability, Property, and Crime coverage, but has provided not to exceed estimates of \$67,938, and \$11,762, and \$1,725 respectively. As such, staff recommends that the Executive Committee authorize the Executive Director to bind and to approve Fiscal Year 2020-2021 insurance policies with Alliant up to a maximum of \$308,000. The actual premiums are estimated to not exceed \$286,158.

FISCAL IMPACT

Funds for the premiums for the proposed insurance policies are available in the adopted Fiscal Year 2020-2021 budget (Accounts #5207/Workers' Compensation Insurance and #5513/General Liability Insurance)

D-1

Attachment 1



South Bay Regional Public Communications Authority Program Comparison

Coverage	2019-2020				2020-2021	Variance	NOTES
	Carrier	Policy Limit	Deductible/SI R	Premium	Premium		
GL/PL	Indian Harbor Insurance Company (AXA XL Group)	\$3,000,000 Limit Claims Made Retro - Full Prior Acts Def. of PL includes Premises Liability/General Liability	\$15,000	\$ 38,751.60	\$ 40,654.00	\$ 1,902.40	5% increase, bindable quote
Auto	Scottsdale	\$1,000,000 CSL Symbol 7,8,9 \$5,000 Medpay \$60,000	N/A	\$ 7,443.00	\$13,047		New Carrier, bindable quote with Scottsdale - including hired and non owned auto
Excess Liability	Pending	\$7,000,000 Limit/Aggregate	N/A	\$ 59,077.00	\$ 67,938.00	\$ 8,861.00	Not to exceed premium, 15% increase
D&O/EPLI	Indian Harbor Insurance Company (AXA XL Group)	\$3,000,000 Limit/Agg - Shared D&O/EPLI Claims Made Retro 7/1/14	\$35,000	\$ 22,364.47	\$ 23,886.00	\$ 1,521.53	6% increase, bindable quote
Workers' Compensation	Berkshire Hathaway Insurance Company	WC: Statutory EL: \$1,000,000	N/A	\$ 120,454.00	\$ 91,488.00	\$ (28,966.00)	24% decrease, bindable quote
Property	SPIP	\$25,000,000	\$5,000	\$ 9,802.00	\$ 11,762.40	\$ 1,960.40	Not to exceed premium, 20% rate increase represents not to exceed premium
Miscellaneous Articles	SPIP	Included Above	\$5,000	\$ -	\$ -	\$ -	Included above
Crime	ACIP	\$1,000,000	\$2,500	\$ 1,500.00	\$ 1,725.00	\$ 225.00	Not to exceed premium, 15% increase, most likely closer to flat.
Deadly Weapons Protection	ADWRP	\$500,000 Limit/Aggregate	\$10,000	\$ 5,160.00	\$ 4,646.00	\$ (514.00)	bindable quote
Cyber Liability	CSAC EIA	\$7,000,000	\$50,000	\$ 4,180.00	\$ 5,200.00	\$ 1,020.00	Not to exceed premium, includes increase of per member limit from \$7M to \$12M
Earthquake	Landmark American Insurance Company	\$5,000,000 Limit/Aggregate	5%/\$25,000 Minimum	\$ 25,800.00	\$ 25,812.00	\$ 12.00	Nearly flat renewal/bindable quote with Arch - providing enhancements to coverage.
TOTAL PROGRAM COST				\$ 287,089.07	\$ 286,158.40	N/A	

Total with omitted FY 2019-2020 Auto premium of \$7,443: **\$294,532.07**

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Attachment 2



South Bay Regional Public Communications Authority

Property and Liability Insurance Proposal 2020 – 2021

Presented on May 18, 2020 by:

Courtney Ramirez
Vice President

Alliant Insurance Services, Inc.
2180 Harvard Street, Suite 460
Sacramento, CA 95815
O 916 643 2700
F 916 643 2750

CA License No. 0C36861

www.alliant.com

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Company Profile

With a history dating back to 1925, Alliant Insurance Services is one of the nation's leading distributors of diversified insurance products and services. Operating through a national network of offices, Alliant offers a comprehensive portfolio of services to clients, including:

- Risk Solutions
- Employee Benefits
 - Strategy
 - Employee Engagement
 - Procurement
 - Analytics
 - Wellness
 - Compliance
 - Benefits Administration
 - Global Workforce
- Industry Solutions
 - Construction
 - Energy and Marine
 - Healthcare
 - Law Firms
 - Public Entity
 - Real Estate
 - Tribal Nations
 - And many other industries
- Co-Brokered Solutions
 - Automotive Specialty
 - Energy Alliance Program
 - Hospital All Risk Property Program
 - Law Firms
 - Parking/Valet
 - Public Entity Property Insurance Program
 - Restaurants/Lodging
 - Tribal Nations
 - Waste Haulers/Recycling
- Business Services
 - Risk Control Consulting
 - Human Resources Consulting
 - Property Valuation

The knowledge that Alliant has gained in its more than eight decades of working with many of the top insurance companies in the world allows us to provide our clients with the guidance and high-quality performance they deserve. Our solution-focused commitment to meeting the unique needs of our clients assures the delivery of the most innovative insurance products, services, and thinking in the industry.

Alliant ranks among the 15 largest insurance brokerage firms in the United States

Alliant Advantage

	Alliant	Competition
1. Satisfying the insurance needs of business for nearly 90 years.	✓	
2. Privately owned and operated.	✓	
3. A full-service insurance agency for all your business, life and health, and personal insurance.	✓	
4. Representing over 40 insurance companies to provide the best and most affordable coverage.	✓	
5. State-licensed support staff.	✓	
6. Dedicated Certificate of Insurance personnel.	✓	
7. Risk management services to help identify hazards and present options.	✓	
8. Workers' compensation insurance claims management at no additional charge.	✓	

Your Service Team

Courtney Ramirez

Vice President

cramirez@alliant.com

Phone: 949 660 8133

Tessa Purcha

Account Manager

Tessa.Purcha@alliant.com

Phone: 916 643 2702

Named Insured / Additional Named Insureds

Named Insured(s)

South Bay Regional Public Communications Authority

Additional Named Insured(s)

None

NAMED INSURED DISCLOSURE

- The first named insured is granted certain rights and responsibilities that do not apply to other policy named insureds and is designated to act on behalf of all insureds for making policy changes, receiving correspondence, distributing claim proceeds, and making premium payments.
- **Are ALL entities listed as named insureds?** Coverage is **not** automatically afforded to all entities unless specifically named. Confirm with your producer and service team that all entities to be protected are on the correct policy. Not all entities may be listed on all policies based on coverage line.
- Additional named insured is (1) A person or organization, other than the first named insured, identified as an insured in the policy declarations or an addendum to the policy declarations. (2) A person or organization added to a policy after the policy is written with the status of named insured. This entity would have the same rights and responsibilities as an entity named as an insured in the policy declarations (other than those rights and responsibilities reserved to the first named insured).
- Applies to Professional Liability, Pollution Liability, Directors & Officers Liability, Employment Practices Liability, Fiduciary Liability policies (this list not all inclusive). Check your Policy language for applicability. These policies provide protection to the Named Insured for claims made against it alleging a covered wrongful act. Coverage is not afforded to any other entities (unless specifically added by endorsement or if qualified as a "Subsidiary" pursuant to the policy wording) affiliated by common individual insured ownership or to which indemnification is otherwise contractually owed. If coverage is desired for affiliated entities or for contractual indemnities owed, please contact your Alliant Service Team with a full list of entities for which coverage is requested. With each request, include complete financials and ownership information for submission to the carrier. It should be noted, that the underwriter's acceptance of any proposed amendments to the policy, including expansion of the scope of "Insureds" under the policy could result in a potential diminution of the applicable limits of liability and/or an additional premium charge.

Schedule of Locations

Loc #	Bldg #	Address	City	State	Zip
		As Per Schedule on File with the Company			

Line of Coverage

Law Enforcement Liability Coverage

	Present Coverage	Proposed Coverage
INSURANCE COMPANY:	Indian Harbor Insurance Company	Indian Harbor Insurance Company
A.M. BEST RATING:	A+ (Superior), Financial Size Category: XV (\$2 Billion or greater) as of December 12, 2019	A+ (Superior), Financial Size Category: XV (\$2 Billion or greater) as of December 12, 2019
STANDARD & POOR'S RATING:	AA- (Very Strong) as of March 16, 2020	AA- (Very Strong) as of March 16, 2020
CALIFORNIA STATUS:	Non-Admitted	Non-Admitted
POLICY/COVERAGE TERM:	July 1, 2019 to July 1, 2020	July 1, 2020 to July 1, 2021
Coverage Form:	Police Professional Liability Policy – PGU PPL CM 2001 04 17 - Claims Made	Police Professional Liability Policy – PGU PPL CM 2001 04 17 - Claims Made
Retro Active Date:	July 1, 2014	July 1, 2014
Prior/Pending Litigation Date:	July 1, 2019	July 1, 2019
Limits:		
Maximum Limit of Liability	\$ 3,000,000 Each Claim	\$ 3,000,000 Each Claim
Maximum Aggregate Limit of Liability	\$ 3,000,000	\$ 3,000,000
Deductible:	\$ 15,000 Each Claim	\$ 15,000 Each Claim Including LAE
Defense Inside/Outside the Limit:	Outside the Limit	Outside the Limit
Who has the Duty to Defend:	Insurer	Insurer

Law Enforcement Liability Coverage - Continued

	Present Coverage	Proposed Coverage
Endorsement & Exclusions: (including but not limited to)	<ul style="list-style-type: none"> • Import Information to Policyholders – California • Notice to Policyholder - California Surplus Lines Notice • In Witness • Moonlighting Exclusion • Prior and Pending Litigation Exclusion • Minimum Earned Premium • Service of Process • Notice to Policyholders - Fraud Notice • Notice to Policyholders - Privacy Policy • Notice to Policyholders - U.S. Treasury Department's Office of Foreign Assets Control ("OFAC") 	<ul style="list-style-type: none"> • Import Information to Policyholders – California • Notice to Policyholder - California Surplus Lines Notice • In Witness • Moonlighting Exclusion • Prior and Pending Litigation Exclusion • Minimum Earned Premium • Service of Process • Notice to Policyholders - Fraud Notice • Notice to Policyholders - Privacy Policy • Notice to Policyholders - U.S. Treasury Department's Office of Foreign Assets Control ("OFAC")
Total Cost Excluding TRIA:	\$ 37,305.00 Policy Premium \$ 245.00 Carrier Fee \$ 1,126.50 Surplus Line Tax \$ 75.10 <u>Stamping Fee</u> \$ 38,751.60 Total Cost	\$ 39,130.00 Policy Premium \$ 245.00 Carrier Fee \$ 1,181.25 Surplus Lines Tax \$ 98.44 <u>Stamping Fee</u> \$ 40,654.69 Total Cost
Total Cost Including TRIA:	Not Applicable	Not Applicable
Minimum Earned Premium:	25%	25%
Policy Auditable:	Not Auditable	Per Policy
Quote Valid Until:	No Longer Applicable	July 1, 2020

Law Enforcement Liability Coverage - Continued

Present Coverage	Proposed Coverage
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Binding Conditions:

| No Longer Applicable

| See Binding Requirements Recap Page

See Disclaimer Page for Important Notices and Acknowledgment

Line of Coverage

Public Officials & Employment Practices Liability Coverage

	Present Coverage	Proposed Coverage
INSURANCE COMPANY:	Indian Harbor Insurance Company	Indian Harbor Insurance Company
A.M. BEST RATING:	A+ (Superior), Financial Size Category: XV (\$2 Billion or greater) as of December 12, 2019	A+ (Superior), Financial Size Category: XV (\$2 Billion or greater) as of December 12, 2019
STANDARD & POOR'S RATING:	AA- (Very Strong) as of March 16, 2020	AA- (Very Strong) as of March 16, 2020
CALIFORNIA STATUS:	Non-Admitted	Non-Admitted
POLICY/COVERAGE TERM:	July 1, 2019 to July 1, 2020	July 1, 2020 to July 1, 2021
Coverage Form:	Public Officials and Employment Practices Liability Insurance Policy - PGU POL 2001 04 17 Claims Made	Public Officials and Employment Practices Liability Insurance Policy - PGU POL 2001 04 17 Claims Made
Retro Active Date:	July 1, 2014	July 1, 2014
Limits:		
Policy Aggregate	\$ 3,000,000	\$ 3,000,000
Public Officials Management	\$ 3,000,000	\$ 3,000,000
Employment Practices Liability	\$ 3,000,000	\$ 3,000,000
Non-Monetary Coverage - Defense Only	\$ 50,000	\$ 50,000
Non-Monetary Coverage - Defense Only Aggregate	\$ 100,000	\$ 100,000
Crisis Management	\$ 25,000	\$ 25,000

Public Officials & Employment Practices Liability Coverage - Continued

	Present Coverage	Proposed Coverage
Deductible:		
Public Officials Management	\$ 35,000	\$ 35,000
Employment Practices Liability	\$ 35,000	\$ 35,000
Non-Monetary Coverage - Defense Only	\$ 35,000	\$ 35,000
Crisis Management	\$ 5,000	\$ 5,000
Defense Inside/Outside the Limit:	Outside the Limit – Subject to Non-Monetary Coverage Limit	Outside the Limit – Subject to Non-Monetary Coverage Limit
Who has the Duty to Defend:	Insurer	Insurer
Features/Enhancements:	<ul style="list-style-type: none"> • Punitive Damages • Personal Injury • Third Party Wrongful Acts • Back Pay / Front Pay • Loss of Earnings 	<ul style="list-style-type: none"> • Punitive Damages • Personal Injury • Third Party Wrongful Acts • Back Pay / Front Pay • Loss of Earnings
Endorsement & Exclusions: (including but not limited to)	<ul style="list-style-type: none"> • Import Information to Policyholders – California • Notice to Policyholder - California Surplus Lines Notice In Witness • Minimum Earned Premium Upon Cancellation • Service of Process • Notice to Policyholders - Fraud Notice • Notice to Policyholders - Privacy Policy 	<ul style="list-style-type: none"> • Import Information to Policyholders – California • Notice to Policyholder - California Surplus Lines Notice In Witness • Minimum Earned Premium Upon Cancellation • Service of Process • Notice to Policyholders - Fraud Notice • Notice to Policyholders - Privacy Policy

Public Officials & Employment Practices Liability Coverage - Continued

	Present Coverage	Proposed Coverage
Endorsement & Exclusions: (including but not limited to)	<ul style="list-style-type: none"> • Notice to Policyholders - U.S. Treasury Department's Office of Foreign Assets Control ("OFAC") 	<ul style="list-style-type: none"> • Notice to Policyholders - U.S. Treasury Department's Office of Foreign Assets Control ("OFAC")
Total Cost Excluding TRIA:	\$ 21,426.00 Policy Premium \$ 245.00 Carrier Policy Fee \$ 650.13 CA Surplus Lines Tax (3%) \$ 43.34 CA Stamping Fee (0.2%) \$ 22,364.47 Total Cost	\$ 22,890.00 Policy Premium \$ 245.00 Carrier Policy Fee \$ 694.05 CA Surplus Lines Tax (3%) \$ 57.84 CA Stamping Fee (0.25%) \$ 23,886.89 Total Cost
Total Cost Including TRIA:	Not Applicable	Not Applicable
Minimum Earned Premium:	25%	25%
Policy Auditable:	Not Auditable	Not Auditable
Quote Valid Until:	No Longer Applicable	July 1, 2020
Binding Conditions:	No Longer Applicable	See Binding Requirements Recap Page

See Disclaimer Page for Important Notices and Acknowledgment

Line of Coverage

Commercial Auto Coverage

	Present Coverage - Federal	Proposed Coverage - Redwood	Proposed Coverage – Scottsdale
INSURANCE COMPANY:	Federal Insurance Company	Redwood Fire and Casualty Insurance Company	Scottsdale Insurance Company
A.M. BEST RATING:	A++ (Superior), Financial Size Category: XV (\$2 Billion or greater) as of December 11, 2019	A++ (Superior), Financial Size Category: XV (\$2 Billion or greater) as of December 11, 2019	A+ (Superior), Financial Size Category: XV (\$2 Billion or greater) as of October 17, 2019
STANDARD & POOR’S RATING:	AA (Very Strong) as of January 24, 2020	AA+(Very Strong) as of September 25, 2019	A+ (Strong) as of March 26, 2020
CALIFORNIA STATUS:	Admitted	Admitted	Non-Admitted
POLICY/COVERAGE TERM:	July 1, 2019 to July 1, 2020	July 1, 2020 to July 1, 2021	July 1, 2020 to July 2021
Coverage Form:	Business Auto Coverage Form CA 0001 (10/2013)	Business Auto Coverage Form CA 0001 (10/2013)	Business Auto Coverage Form CA 0001 (10/2013)
Limits:			
Liability – Combined Single Limit	\$ 1,000,000 Symbol 1	\$ 1,000,000 Symbol 7	\$ 1,000,000 Symbol 7,8,9
Uninsured Motorist – Bodily Injury Only - Combined Single Limit	\$ 1,000,000 Symbol 2	\$ 1,000,000 Symbol 10	\$ 60,000 Symbol 7
Medical Payments	\$5,000 Symbol 2 – Each Insured	\$5,000 Symbol 7 – Specified	\$5,000 Symbol 7
Hired Auto Liability		Not Applicable	\$1,000,000 Symbol 7,8,9
Non Owned Liability		Not Applicable	\$1,000,000 Symbol 7,8,9
Deductible:	Not Applicable	Not Applicable	
Comprehensive	Not Applicable	Not Applicable	\$1,000 (Optional Coverage)
Collision	Not Applicable	Not Applicable	\$1,000 (Optional Coverage)

Endorsements & Exclusions:

Present Coverage - Federal	Proposed Coverage - Redwood	Proposed Coverage – Scottsdale
Nuclear Energy Liability Exclusion Endorsement Direct Bill Notice To Policyholders Advisory Notice To Policyholders – OFAC Important Notice CA Auto Body Repair Consumer Bill/Rights CA UM Coverage Selection/Rejection Premium Statement - Various States CA Waiver Of Collision Deductible Notice Signature Page - Federal Insurance Company Schedule Of Taxes, Surcharges Or Fees Exclusion Of Terrorism Involving Nuclear/Biological/Chemical Common Policy Conditions Compliance W/Applicable Trade Sanction Laws Calculation Of Premium Chubb Broad Form Endorsement CA Changes - Cancellation & Nonrenewal Reducing Auto Losses California Changes CA UM Coverage - Bodily Injury Schedule Of Loss Payee(s)	Nuclear Energy Liability Exclusion Endorsement (Broad Form) California Changes - Cancellation And Nonrenewal Motor Vehicle Liability Insurance Identification Card Schedule of Covered Autos Application of Policy - Financial Responsibility Uninsured Motorists Coverage Amendatory Endorsement Changes to Common Policy Conditions - Cancellation Punitive Damage Exclusion California Consumer Privacy Act Notice	Nuclear Energy Liability Exclusion Endorsement Punitive or Exemplary Damage Exclusion Service of Suit Clause Amendatory Endorsement – CA Business Auto Coverage Form Supp Dec Schedule of Covered Autos You own Trans Network & on Demand Deliv Services Exclusion California Changes Form CA – Auto Medical Payments Form CA UM Coverage – Bodily Injury Stated Amount Insurance Hydraulic Fracturing Exclusion

Total Cost Excluding TRIA:	\$ 7,443 Policy Premium	\$ 12,510.00 Policy Premium	\$ 15,713.00 Policy Premium \$ 300.00 Policy Fee (taxable) \$ 480.39 CA SL Tax (3%) \$ 40.03 CA SL Fee (0.25%) \$ 16,533.42 Total Cost																								
Total Cost Excluding Physical Damage:	Not Applicable	Not Applicable	\$ 12,227.00 Policy Premium \$ 300.00 Policy Fee (taxable) \$ 480.39 CA SL Tax (3%) \$ 40.03 CA SL Fee (0.25%) \$ 13,047.42 Total Cost																								
Driver Information	Not Applicable	<table border="1"> <thead> <tr> <th>Driver</th> <th>Date of Birth</th> </tr> </thead> <tbody> <tr> <td>1. Willie Lira</td> <td>2/10/1956</td> </tr> <tr> <td>2. David Lopez</td> <td>11/30/1973</td> </tr> <tr> <td>3. Adam Thomas</td> <td>4/4/1978</td> </tr> <tr> <td>4. Kevin Moore</td> <td>4/22/1990</td> </tr> <tr> <td>5. Elias Abyad</td> <td>10/12/1969</td> </tr> </tbody> </table>	Driver	Date of Birth	1. Willie Lira	2/10/1956	2. David Lopez	11/30/1973	3. Adam Thomas	4/4/1978	4. Kevin Moore	4/22/1990	5. Elias Abyad	10/12/1969	<table border="1"> <thead> <tr> <th>Driver</th> <th>Date of Birth</th> </tr> </thead> <tbody> <tr> <td>1. Willie Lira</td> <td>2/10/1956</td> </tr> <tr> <td>2. David Lopez</td> <td>11/30/1973</td> </tr> <tr> <td>3. Adam Thomas</td> <td>4/4/1978</td> </tr> <tr> <td>4. Kevin Moore</td> <td>4/22/1990</td> </tr> <tr> <td>5. Elias Abyad</td> <td>10/12/1969</td> </tr> </tbody> </table>	Driver	Date of Birth	1. Willie Lira	2/10/1956	2. David Lopez	11/30/1973	3. Adam Thomas	4/4/1978	4. Kevin Moore	4/22/1990	5. Elias Abyad	10/12/1969
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Conditions:	Not Applicable	<p>All New Drivers must meet driver guidelines.</p> <p>Compliance with UM/UIM Limit Requirements.</p> <p>Maximum seating capacity of all units is below 10</p> <p>No filings</p> <p>No Transportation of Hazardous Materials, Garbage, Contaminated Soil, Asbestos, or similar exposures.</p> <p>Not for-hire exposure only</p>	<p>NO BACK-DATING COVERAGE OR SAME DAY BINDING.-</p> <p>25% Minimum Earned.-Bills of sale will be required to delete vehicles on any policy with filings (PUC, DMV, or ICC).-</p> <p>Acceptable MVR on ALL employees.-</p> <p>MVRs could change quote.-</p> <p>If the insured needs any AIs or Loss Payees, an updated list must be provided at binding.-</p>																								

Conditions – Continued

Prompt reporting of all new drivers.
 Subject to 100% of operations being within 75 mile radius
 Subject to no filings or MCS-90.
 Subject to no prior losses

If Physical Damage Coverage is included, it is written on a Stated Amount Basis. At the time of loss, the most the carrier will pay is the least of the following amounts, minus any deductible: Actual Cash Value at the time of loss; the cost of repairing or replacing the vehicle with property of like kind and quality; or the amount shown in the policy schedule. Please refer to form CA 99 28 for specific and complete terms.

Quote Valid Until:

June 10th, 2020

June 18th, 2020

Binding Conditions:

See Binding Recap Page

See Binding Recap Page

Driver Qualifications:

Symbol 1 Any auto, including non-owned and hired
 Symbol 2 All owned autos

Symbol 7 Autos specified on schedule
 Symbol 10

See Disclaimer Page for Important Notices and Acknowledgment

Line of Coverage

Difference in Conditions Coverage

	Present Coverage - RSUI	Proposed Coverage - RSUI	Proposed Coverage – Arch
INSURANCE COMPANY:	Landmark American Insurance Company	Landmark American Insurance Company	Arch Specialty Insurance Company
A.M. BEST RATING:	A+ (Superior), Financial Size Category: XIV (\$1.5 Billion to \$2 Billion) as of October 30, 2019	A+ (Superior), Financial Size Category: XIV (\$1.5 Billion to \$2 Billion) as of October 30, 2019	A+ (Superior), Financial Size Category: XV (\$2 Billion or greater) as of October 17, 2019
STANDARD & POOR’S RATING:	A+ (Strong) as of April 29, 2020	A+ (Strong) as of April 29, 2020	A+ (Strong) as of March 26, 2020
CALIFORNIA STATUS:	Non-Admitted	Non-Admitted	Non-Admitted
POLICY/COVERAGE TERM:	July 1, 2019 to July 2020	July 1, 2020 to July 2021	July 1, 2020 to July 2021
Total Insured Value:	\$9,350,967 per Statement of Values	\$9,350,967 per Statement of Values on file with Company submitted 04/29/2020	\$9,350,967
Coverage:	<ul style="list-style-type: none"> • Building • Personal Property • Business Income with Extra Expense other than "Rental Value" • Vehicles 	<ul style="list-style-type: none"> • Building • Personal Property • Business Income with Extra Expense other than "Rental Value" • Vehicles 	<ul style="list-style-type: none"> • Real Property • Business Personal Property • Business Income • Include Extra Expense • 365 Days Extended Period of Indemnity • Building Ordinance • Increased Period of Restoration
Perils:	Earthquake <ul style="list-style-type: none"> • Excluding Earth Movement Sprinkler Leakage 	Earthquake <ul style="list-style-type: none"> • Excluding Earth Movement Sprinkler Leakage 	Direct Physical Loss or Damage Caused by Earthquake Only Excluding Earthquake Sprinkler Leakage subject to policy terms, conditions, and exclusions

Difference in Conditions Coverage - Continued

	Present Coverage - RSUI	Proposed Coverage - RSUI	Proposed Coverage – Arch
Limits:	\$ 5,000,000 per occurrence and annual aggregate Earthquake, subject to conditions of the Scheduled Limit of Liability form	\$ 5,000,000 per occurrence and annual aggregate Earthquake, subject to conditions of the Scheduled Limit of Liability form	\$ 5,000,000 Per Occurrence and Annual Aggregate part of \$5,000,000 Per Occurrence and Annual Aggregate excess of deductibles \$ 9,350,967 100% Program Limit (all layers) (Ground Up – Per Occurrence)
Sub-Limits:	Not Applicable	Not Applicable	Included Building Ordinance Coverage A \$ 500,000 Building Ordinance Coverages B & C 30 Days Ingress / Egress 30 Days Civil Authority 25% of Loss Debris Removal
Deductible:	5% subject to a minimum of \$25,000 per occurrence (Property Damage & Time Element) – Earthquake	5% * subject to a minimum of \$25,000 per occurrence (Property Damage & Time Element) – Earthquake	5% Per Occurrence and subject to a \$25,000 minimum per occurrence
		* If the Deductible is expressed as a percentage (unless otherwise stated), the Deductible is calculated separately for and applies separately to each building that sustains loss or damage,	

Difference in Conditions Coverage - Continued

	Present Coverage - RSUI	Proposed Coverage - RSUI	Proposed Coverage – Arch
Deductible - Continued:		the personal property at each building at which there is loss or damage to personal property, Personal property in the open, Business Income and Extra Expense. If there is damage to both a building and personal property in that building, separate deductibles apply to the building and to the personal property.	
Valuation:	<ul style="list-style-type: none"> • Replacement Cost • BI Actual Loss 	<ul style="list-style-type: none"> • Replacement Cost • BI Actual Loss 	<ul style="list-style-type: none"> • Replacement Cost as respect to Real and Business Personal Property • Actual Loss Sustained as respects Time Element
Endorsement & Exclusions: (including but not limited to)	<ul style="list-style-type: none"> • Common Policy Conditions • Building and Personal Property Coverage Form • Business Income (And Extra Expense) Coverage Form • Causes of Loss – Earthquake • California Service Of Suit • Minimum Earned Premium Clause - Percentage • Exclusion Of Terrorism • Asbestos Exclusion 	<ul style="list-style-type: none"> • Asbestos Exclusion 	<ul style="list-style-type: none"> • Common Policy Conditions • Building And Personal Property Coverage Form • Business Income (And Extra Expense) Coverage Form • Causes Of Loss – Earthquake And Volcanic Eruption Form • Service Of Suit • Minimum Earned Premium Clause – Percentage • Total Terrorism Exclusion • Asbestos Material Removal Limitation

Difference in Conditions Coverage - Continued

Present Coverage - RSUI	Proposed Coverage - RSUI	Proposed Coverage – Arch
<p>Endorsement & Exclusions - Continued: (including but not limited to)</p>	<ul style="list-style-type: none"> • Cyber, Electronic Data and Systems Exclusion • Exclusion - Marijuana • Exclusion of Pathogenic or Poisonous Biological or Chemical Material • Scheduled Limit Of Liability • Deductible and Period of Restoration Endorsement • California Changes - Cancellation and Nonrenewal • Commercial Property Conditions • Additional Covered Property 	<ul style="list-style-type: none"> • Cyber, Electronic Data and Systems Exclusion • Exclusion - Marijuana • Exclusion of Pathogenic or Poisonous Biological or Chemical Materials • Scheduled Limit Of Liability • Appraisal Clause Amendment
		<ul style="list-style-type: none"> • Commercial Property Declarations (ASIC) • California Notice • Signature Page (Arch Specialty) • Claims Handling Procedures (Arch Specialty Ins. Co.) • Exclusion Of Terrorism Involving Nuclear, Biological, Or Chemical Terrorism • Terrorism Coverage Disclosure Notice • Notice To Policyholders Potential Restrictions Of Terrorism Coverage Conditional Total Terrorism Exclusion Endorsement (Relating To Disposition Of Federal Terrorism Risk Insurance Act) • Addendum To Terrorism Coverage Disclosure Notice • U.S. Treasury Department’s Office Of Foreign Assets Control (“OFAC”) • Occurrence Limit Of Liability Endorsement (With Margin) • Single Occurrence Definition Amendment (168 Hours) • Exclusion And Limited Additional Coverage For Fungus • Electronic Data Exclusion • Authorities Exclusion

Difference in Conditions Coverage - Continued

	Present Coverage - RSUI	Proposed Coverage - RSUI	Proposed Coverage – Arch
Endorsement & Exclusions - Continued: (including but not limited to)			<ul style="list-style-type: none"> • Pollution And Contamination Exclusion Endorsement • Commercial Inland Marine Coverage Part Declarations • Extended Period Of Indemnity • Ordinance Or Law Coverage • Ordinance Or Law – Increased Period Of Restoration • Ingress/Egress Endorsement • Civil Authority Endorsement • Permission For Excess Insurance • Pre-Existing Damage Exclusion • Amendatory Endorsement • Commercial Inland Marine Conditions
Total Cost Excluding TRIA:	\$ 25,000.00 Policy Premium \$ 750.00 CA SL Tax (3%) \$ 50.00 CA SL Fee (0.2%) \$ 25,800.00 Total Cost	\$ 30,000.00 Policy Premium \$ 900.00 CA SL Tax (3%) \$ 75.00 CA SL Fee (0.25%) \$ 30,975.00 Total Cost	\$ 25,000.00 Policy Premium \$ 750.00 CA SL Tax (3%) \$ 62.50 CA SL Fee (0.25%) \$ 25,812.50 Total Cost
Total Cost Including TRIA:	Not Applicable	\$ 30,000.00 Policy Premium \$ 30,000.00 TRIA Premium \$ 1,800.00 CA SL Tax (3%) \$ 150.00 CA SL Fee (0.25%) \$ 61,950.00 Total Cost	\$ 25,000.00 Policy Premium \$ 25,000.00 TRIA Premium \$ 1,500.00 CA SL Tax (3%) \$ 125.00 CA SL Fee (0.25%) \$ 51,625.00 Total Cost
Minimum Earned Premium:	25%	25%	25%

Difference in Conditions Coverage - Continued

	Present Coverage - RSUI	Proposed Coverage - RSUI	Proposed Coverage – Arch
Coverage Territory:	The United States of America (Including its territories and possessions) and Puerto Rico	Per Policy	The United States of America (Including its territories and possessions) and Puerto Rico
Quote Valid Until:	No Longer Applicable	July 1, 2020	June 13, 2020
Conditions:	No Longer Applicable	Not Applicable	<ul style="list-style-type: none"> • No other Arch Insurance Group Participation • Occurrence Limit of Liability Endorsement (110% Margin Clause) • Amendatory Endorsement - Building definition extended to include Foundations and Underground Utilities • 168-Hour Earthquake Occurrence Definition • Cancellation: 60 Days except 10 days as respects Non-Payment of Premium
Policy Auditable:	Yes	Yes	Yes
Binding Conditions:	No Longer Applicable	See Binding Requirements Recap Page Signed D-1 Notice	See Binding Requirements Recap Page

See Disclaimer Page for Important Notices and Acknowledgment

Line of Coverage

Workers Compensation and Employers Liability Coverage

	Present Coverage	Proposed Coverage
INSURANCE COMPANY:	Cypress Insurance Company	Cypress Insurance Company
A.M. BEST RATING:	A+ (Superior), Financial Size Category: XV (\$2 Billion or greater) as of December 11, 2019	A+ (Superior), Financial Size Category: XV (\$2 Billion or greater) as of December 11, 2019
STANDARD & POOR'S RATING:	AA+ (Very Strong) as of September 25, 2019	AA+ (Very Strong) as of September 25, 2019
CALIFORNIA STATUS:	Admitted	Admitted
POLICY/COVERAGE TERM:	July 11, 2019 to July 11, 2020	July 11, 2020 to July 11, 2021
Coverage Form:	Workers Compensation And Employers Liability Insurance Policy - WC 00 00 00 C (Ed. 1-15)	Workers Compensation And Employers Liability Insurance Policy - WC 00 00 00 C (Ed. 1-15)
Limits:		
Workers Compensation	Statutory	Statutory
Employers Liability Limit	\$ 1,000,000	\$ 1,000,000
Classification:	Payroll Base Rate Premium	Payroll Base Rate Premium
8390 - Auto Van Conversion	\$600,000 8.03 \$48,180.00	\$483,739 6.28 \$30,379.00
8810 - Clerical Office Employees	\$7,400,000 0.50 \$37,000.00	\$6,589,782 0.44 \$28,995.00
N.O.C.		
Manual Premium:	\$ 85,180.00	\$ 59,374.00
Experience Modification:	\$ 32,368.00	\$ -5,344.00
Risk Adjustment:	\$ 2,983.00	\$ 36,626.00

Workers Compensation and Employers Liability Coverage - Continued

	Present Coverage	Proposed Coverage
Total Estimated Standard Premium:	\$ 120,531.00	\$ 90,656.00
Premium Discount:	\$ -3,471.00	\$ -2,295.00
Tot Est Standard Premium for California:	\$ 117,060.00	\$ 88,361.00
Expense Constant	\$ 100.00	\$ 100.00
Total Estimated Annual Premium	\$ 117,160.00	\$ 88,461.00
CA Workers Compensation	\$ 1,696.00 (1.4479%)	\$ 1,507.00 (1.7040%)
Administration Revolving Fund		
CA Workers Compensation Fraud	\$ 337.00 (0.2878%)	\$ 296.00 (0.3349%)
Account Assessment		
CA CIGA Surcharge	\$ 0.00	\$ 0.00
CA Subsequent Injuries Benefits	\$ 321.00 (0.2737%)	\$ 427.00 (0.4829%)
Trust Fund Assessment		
CA Uninsured Employers Benefits	\$ 97.00 (0.0831%)	\$ 113.00 (0.1274%)
Trust Fund Assessment		
CA Occupational Safety and Health	\$ 441.00 (0.3765%)	\$ 347.00 (0.3918%)
Fund Assessment		
CA Labor Enforcement and	\$ 402.00 (0.3431%)	\$ 337.00 (0.3813%)
Compliance Fund		
Total Estimated Cost:	\$ 120,454.00	\$ 91,488.00
Endorsement & Exclusions: (including but not limited to)	<ul style="list-style-type: none"> • Privacy Policy • Policyholder Registration Instructions • Policy Info Page (Class Schedule) • Premium Pay Table • Loss Control Availability 	Same as Expiring

Workers Compensation and Employers Liability Coverage - Continued

Present Coverage	Proposed Coverage
<p>Endorsement & Exclusions - Continued: (including but not limited to)</p>	<ul style="list-style-type: none"> • L&R-Employee Insured by General Employer Excluded • Electronic Claims Kit Notification • Catastrophe Premium Endorsement • Terrorism Risk Insurance Program Reauthorization Act • CA Employer'. Liability. Coverage Amendatory Endorsement • Longshore & Harbor WC Act • CA Optional Premium Endorsement • Endorsement Limiting and Restricting • CA Policyholder Notice - WC Rating Laws • CA Ins. Guarantee Assoc.(CIGA) Surcharge • CA Ext Of Info Page-Schedule Of Named Insured • CA Ext Of Info Page-Schedule Of Locations • CA Ext Of Info Page-Schedule Of Forms • Policy Amendatory Endorsement-California • CA Duty To Defend • CA Endorsement Agreement Limit/Restrict Insurance • Premium Discount Endorsement • California Cancellation Endorsement • Premium Endorsement • CA Your Right To Rating And Dividend Information

Workers Compensation and Employers Liability Coverage - Continued

	Present Coverage	Proposed Coverage
Minimum Premium:	\$ 1,984.00	\$ 2,509.00
Policy Auditable:	Yes	Yes
Conditions:	No Longer Applicable	<ul style="list-style-type: none"> • USL&H coverage is not included. • Coverage for volunteers is not included.
Quote Valid Until:	No Longer Applicable	July 11, 2020
Binding Conditions:	No Longer Applicable	See Binding Requirements Recap Page

It is imperative that Alliant and/or the carrier be notified IMMEDIATELY when a policyholder hires employees and/or begins operations in any state not listed in PART 3. A on the INFORMATION PAGE of the policy. Failure to obtain a workers' compensation policy in some states may result in substantial fines levied on the policyholder dating back to the original date of hire. Coverage for other states under PART 3. C. (OTHER STATES INSURANCE) of the workers' compensation policy may not fulfill the coverage verification requirement imposed by some states.

See Disclaimer Page for Important Notices and Acknowledgment

Workers Compensation - California Short-Rate Cancellation Table (10-13)

If a different table is provided within your policy that table will prevail.

If you, the named insured, cancel the policy before its normal expiration date (including by non-payment of premium, failure to timely pay premium, failure to report payroll, etc.) the premium will be short-rated based on the table below. The Final premium will not be less than the minimum premium.

Extended Number of Days		Percent of Full Policy Premium	Extended Number of Days		Percent of Full Policy Premium	Extended Number of Days		Percent of Full Policy Premium
1		5%	95-98		37%	219-223		69%
2		6%	99-102		38%	224-228		70%
3-4		7%	103-105		39%	229-232		71%
5-6		8%	106-109		40%	233-237		72%
7-8		9%	110-113		41%	238-241		73%
9-10		10%	114-116		42%	242-246	(8 mos)	74%
11-12		11%	117-120		43%	247-250		75%
13-14		12%	121-124	(4 mos)	44%	251-255		76%
15-16		13%	125-127		45%	256-260		77%
17-18		14%	128-131		46%	261-264		78%
19-20		15%	132-135		47%	265-269		79%
21-22		16%	136-138		48%	270-273	(9 mos)	80%
23-25		17%	139-142		49%	274-278		81%
26-29		18%	143-146		50%	279-282		82%
30-32	(1 mo)	19%	147-149		51%	283-287		83%
33-36		20%	150-153	(5 mos)	52%	288-291		84%
37-40		21%	154-156		53%	292-296		85%
41-43		22%	157-160		54%	297-301		86%
44-47		23%	161-164		55%	302-305	(10 mos)	87%
48-51		24%	165-167		56%	306-310		88%
52-54		25%	168-171		57%	311-314		89%
55-58		26%	172-175		58%	315-319		90%
59-62	(2 mos)	27%	176-178		59%	320-323		91%
63-65		28%	179-182	(6 mos)	60%	324-328		92%
66-69		29%	183-187		61%	329-332		93%
70-73		30%	188-191		62%	333-337	(11 mos)	94%
74-76		31%	192-196		63%	338-342		95%
77-80		32%	197-200		64%	343-346		96%
81-83		33%	201-205		65%	347-351		97%
84-87		34%	206-209		66%	352-355		98%
88-91	(3 mos)	35%	210-214	(7 mos)	67%	356-360		99%
92-94		36%	215-218		68%	361-365	(12 mos)	100%

Alliant Deadly Weapon Response Program (ADWRP)

	Present Coverage	Proposed Coverage
INSURANCE COMPANY:	Underwriters of Lloyds of London	Indian Harbor Insurance Company
A.M. BEST RATING:	A (Excellent) (\$2 Billion or greater) as of December 12, 2019	A+ (Superior), Financial Size Category: XV (\$2 Billion or greater) as of December 12, 2019
STANDARD & POOR'S RATING:	A+ (Strong) as of March 16, 2020	AA- (Very Strong) as of March 16, 2020
CALIFORNIA STATUS:	Non-Admitted	Non-Admitted
POLICY/COVERAGE TERM:	July 1, 2019 to July 1, 2020	July 1, 2020 to July 1, 2021
Coverage Form:	Claims Made	Claims Made
Coverage Type:	Third Party Liability, Property Damage, Business Interruption & Crisis Management for events occurring at a location appearing on your Schedule of Values on file with Alliant Insurance Services, Inc.	Third Party Liability, Property Damage, Business Interruption & Crisis Management for events occurring at a location appearing on your Schedule of Values on file with Alliant Insurance Services, Inc.
Limits:		
Per Claim	\$ 500,000	\$ 500,000
Annual Aggregate	\$ 500,000	\$ 500,000
Deductible:	\$10,000 Each Event including Claims Expenses	\$10,000 Each Event including Claims Expenses

Alliant Deadly Weapon Response Program (ADWRP)

	Present Coverage	Proposed Coverage
Retro Active Date:	Police Inception	July 1, 2019
Sub-Limits: (Each Sublimit is part of the Overall Limit of Liability and not in addition to it)	\$ 250,000 Crisis Management Services \$ 250,000 Counseling Services \$ 250,000 Funeral Expenses \$ 250,000 1st Party Property Damage \$ 250,000 Business Interruption \$ 250,000 Demo/Clearance/ Memorialization	\$ 250,000 Crisis Management Services \$ 250,000 Counseling Services \$ 250,000 Funeral Expenses \$ 250,000 1st Party Property Damage \$ 250,000 Business Interruption \$ 250,000 Demo/Clearance/ Memorialization
Endorsements: (including but not limited to)	<ul style="list-style-type: none"> • Deadly Weapons & Security Vulnerability • Deadly Weapon Safety Action Plan Seminar • Crisis Management Services • Property Damage Extension • Counseling Services Sub Limit • Funeral Expenses Sub Limit • Reinsurers Liability Clause • Sanction Limitation & Exclusion Clause • Notice of Terrorism Insurance Coverage • Business Interruption 	<ul style="list-style-type: none"> • Deadly Weapons & Security Vulnerability • Deadly Weapon Safety Action Plan Seminar • Crisis Management Services • Property Damage Extension • Counseling Services Sub Limit • Funeral Expenses Sub Limit • Reinsurers Liability Clause • Sanction Limitation & Exclusion Clause • Notice of Terrorism Insurance Coverage • Business Interruption
Exclusions: (including but not limited to)	<ul style="list-style-type: none"> • Loss of market, loss of use or any other consequential loss at property physically lost or damaged • Confiscation, nationalization, requisition or destruction of or damage to property by government, public or local authority 	<ul style="list-style-type: none"> • Loss of market, loss of use or any other consequential loss at property physically lost or damaged • Confiscation, nationalization, requisition or destruction of or damage to property by government, public or local authority

Alliant Deadly Weapon Response Program (ADWRP)

Present Coverage	Proposed Coverage
<p>Exclusions - Continued: (including but not limited to)</p>	<ul style="list-style-type: none"> • Any actual or alleged negligent act, error, omission, misstatement, misleading statement, neglect or breach of duty by the Directors or Officers, in the discharge of their duties solely in their capacity as Directors or Officers of the Named Insured • Euthanasia • Any explosive devices that may have been set-up prior to or after an Active Shooter Event • Any vehicle not defined as a road vehicle • Any weapon mounted (or designed to be mounted) on a vehicle • Any weapon, device or substance delivered by an airborne weapon delivery system including, but not limited to, fixed wing aircraft, helicopter or drone • Injury or death to any employees of any third party whom the Named insured has contracted for services. • Workers Compensation • Employment Practices • Attacks by Electronics Means • Ionizing radiations or contamination by radioactivity from nuclear installation, reactor, assembly or component

Alliant Deadly Weapon Response Program (ADWRP)

	Present Coverage	Proposed Coverage
Policy Voidance Condition:	<p>The Named Insured and any Insured Person must, at all times, restrict knowledge of the existence of this policy to all persons whose Knowledge of the policy is necessary. This policy shall become void and all Claims hereunder shall be forfeited if at any time, whether before or after expiry, the existence of this policy is disclosed to a third party, other than to the Named Insured's own professional, financial and legal advisers (on a confidential basis), without the Underwriters' prior written agreement.</p>	<p>The Named Insured and any Insured Person must, at all times, restrict knowledge of the existence of this policy to all persons whose Knowledge of the policy is necessary. This policy shall become void and all Claims hereunder shall be forfeited if at any time, whether before or after expiry, the existence of this policy is disclosed to a third party, other than to the Named Insured's own professional, financial and legal advisers (on a confidential basis), without the Underwriters' prior written agreement.</p>
Annual Premium:	<p>\$5,000.00 Premium \$ 150.00 Surplus Lines Taxes \$ 10.00 Surplus Lines Fees \$5,150.00 Total Cost</p>	<p>\$4,500.00 Premium \$ 135.00 Surplus Lines Taxes \$ 11.25 Surplus Lines Fees \$ 4,646.25 Total Cost</p>

Disclosures

This proposal of insurance is provided as a matter of convenience and information only. All information included in this proposal, including but not limited to personal and real property values, locations, operations, products, data, automobile schedules, financial data and loss experience, is based on facts and representations supplied to Alliant Insurance Services, Inc. by you. This proposal does not reflect any independent study or investigation by Alliant Insurance Services, Inc. or its agents and employees.

Please be advised that this proposal is also expressly conditioned on there being no material change in the risk between the date of this proposal and the inception date of the proposed policy (including the occurrence of any claim or notice of circumstances that may give rise to a claim under any policy which the policy being proposed is a renewal or replacement). In the event of such change of risk, the insurer may, at its sole discretion, modify, or withdraw this proposal, whether or not this offer has already been accepted.

This proposal is not confirmation of insurance and does not add to, extend, amend, change, or alter any coverage in any actual policy of insurance you may have. All existing policy terms, conditions, exclusions, and limitations apply. For specific information regarding your insurance coverage, please refer to the policy itself. Alliant Insurance Services, Inc. will not be liable for any claims arising from or related to information included in or omitted from this proposal of insurance.

Alliant embraces a policy of transparency with respect to its compensation from insurance transactions. Details on our compensation policy, including the types of income that Alliant may earn on a placement, are available on our website at www.alliant.com. For a copy of our policy or for any inquiries regarding compensation issues pertaining to your account you may also contact us at: Alliant Insurance Services, Inc., Attention: General Counsel, 701 B Street, 6th Floor, San Diego, CA 92101.

Analyzing insurers' over-all performance and financial strength is a task that requires specialized skills and in-depth technical understanding of all aspects of insurance company finances and operations. Insurance brokerages such as Alliant Insurance typically rely upon rating agencies for this type of market analysis. Both A.M. Best and Standard and Poor's have been industry leaders in this area for many decades, utilizing a combination of quantitative and qualitative analysis of the information available in formulating their ratings.

A.M. Best has an extensive database of nearly 6,000 Life/Health, Property Casualty and International companies. You can visit them at www.ambest.com. For additional information regarding insurer financial strength ratings visit Standard and Poor's website at www.standardandpoors.com.

Our goal is to procure insurance for you with underwriters possessing the financial strength to perform. Alliant does not, however, guarantee the solvency of any underwriters with which insurance or reinsurance is placed and maintains no responsibility for any loss or damage arising from the financial failure or insolvency of any insurer. We encourage you to review the publicly available information collected to enable you to make an informed decision to accept or reject a particular underwriter. To learn more about companies doing business in your state, visit the Department of Insurance website for that state.

NY Regulation 194

Alliant Insurance Services, Inc. is an insurance producer licensed by the State of New York. Insurance producers are authorized by their license to confer with insurance purchasers about the benefits, terms and conditions of insurance contracts; to offer advice concerning the substantive benefits of particular insurance contracts; to sell insurance; and to obtain insurance for purchasers. The role of the producer in any particular transaction typically involves one or more of these activities.

Compensation will be paid to the producer, based on the insurance contract the producer sells. Depending on the insurer(s) and insurance contract(s) the purchaser selects, compensation will be paid by the insurer(s) selling the insurance contract or by another third party. Such compensation may vary depending on a number of factors, including the insurance contract(s) and the insurer(s) the purchaser selects. In some cases, other factors such as the volume of business a producer provides to an insurer or the profitability of insurance contracts a producer provides to an insurer also may affect compensation.

The insurance purchaser may obtain information about compensation expected to be received by the producer based in whole or in part on the sale of insurance to the purchaser, and (if applicable) compensation expected to be received based in whole or in part on any alternative quotes presented to the purchaser by the producer, by requesting such information from the producer.

Other Disclosures / Disclaimers

FATCA:

The Foreign Account Tax Compliance Act (FATCA) requires the notification of certain financial accounts to the United States Internal Revenue Service. Alliant does not provide tax advice so please contact your tax consultant for your obligation regarding FATCA.

Claims Reporting:

Your policy will come with specific claim reporting requirements. Please make sure you understand these obligations. Contact your Alliant Service Team with any questions.

Claims Made Policy:

This claims-made policy contains a requirement stating that this policy applies only to any claim first made against the Insured and reported to the insurer during the policy period or applicable extended reporting period. Claims must be submitted to the insurer during the policy period, or applicable extended reporting period, as required pursuant to the Claims/Loss Notification Clause within the policy in order for coverage to apply. Late reporting or failure to report pursuant to the policy's requirements could result in a disclaimer of coverage by the insurer.

Other Disclosures / Disclaimers - Continued

Claims Made Policy (D&O/EPL)

This claims-made policy contains a requirement stating that this policy applies only to any claim first made against the Insured and reported to the insurer during the policy period or applicable extended reporting period. Claims must be submitted to the insurer during the policy period, or applicable extended reporting period, as required pursuant to the Claims/Loss Notification Clause within the policy in order for coverage to apply. Late reporting or failure to report pursuant to the policy's requirements could result in a disclaimer of coverage by the insurer.

Any Employment Practices Liability (EPL) or Directors & Officers (D&O) with EPL coverage must give notice to the insurer of any charges / complaints brought by any state / federal agency (i.e. EEOC and similar proceedings) involving an employee. To preserve your rights under the policy, it is important that timely notice be given to the insurer, whether or not a right to sue letter has been issued.

NRRA:

The Non-Admitted and Reinsurance Reform Act (NRRA) went into effect on July 21, 2011. Accordingly, surplus lines tax rates and regulations are subject to change which could result in an increase or decrease of the total surplus lines taxes and/or fees owed on this placement. If a change is required, we will promptly notify you. Any additional taxes and/or fees must be promptly remitted to Alliant Insurance Services, Inc.

Changes and Developments

It is important that we be advised of any changes in your operations, which may have a bearing on the validity and/or adequacy of your insurance. The types of changes that concern us include, but are not limited to, those listed below:

- Changes in any operations such as expansion to another states, new products, or new applications of existing products.
- Travel to any state not previously disclosed.
- Mergers and/or acquisition of new companies and any change in business ownership, including percentages.
- Any newly assumed contractual liability, granting of indemnities or hold harmless agreements.
- Any changes in existing premises including vacancy, whether temporary or permanent, alterations, demolition, etc. Also, any new premises either purchased, constructed or occupied
- Circumstances which may require an increased liability insurance limit.
- Any changes in fire or theft protection such as the installation of or disconnection of sprinkler systems, burglar alarms, etc. This includes any alterations to the system.
- Immediate notification of any changes to a scheduled of equipment, property, vehicles, electronic data processing, etc.
- Property of yours that is in transit, unless previously discussed and/or currently insured.

Other Disclosures / Disclaimers - Continued

Certificates / Evidence of Insurance

A certificate is issued as a matter of information only and confers no rights upon the certificate holder. The certificate does not affirmatively or negatively amend, extend or alter the coverage afforded by a policy. Nor does it constitute a contract between the issuing insurer(s), authorized representative, producer or certificate holder.

You may have signed contracts, leases or other agreements requiring you to provide this evidence. In those agreements, you may assume obligations and/or liability for others (Indemnification, Hold Harmless) and some of the obligations that are not covered by insurance. We recommend that you and your legal counsel review these documents.

In addition to providing a certificate of insurance, you may be required to name your client or customer on your policy as an additional insured. This is only possible with permission of the insurance company, added by endorsement and, in some cases, an additional premium.

By naming the certificate holder as additional insured, there are consequences to your risks and insurance policy including:

- Your policy limits are now shared with other entities; their claims involvement may reduce or exhaust your aggregate limit.
- Your policy may provide higher limits than required by contract; your full limits can be exposed to the additional insured.
- There may be conflicts in defense when your insurer has to defend both you and the additional insured.

See Request to Bind Coverage page for acknowledgement of all disclaimers and disclosures.

Flood Offering

Flooding is a serious threat to both personal and commercial clients. Flooding can happen anywhere, not just zone referred to as high-risk areas (Special Flood Hazard Area). Your Alliant team is ready to explain how it works and the associated costs.

▪ Basic Facts

Congress created the NFIP in 1968 in response to the rising cost of taxpayer-funded disaster relief for flood victims and the increasing amount of damage caused by floods. The NFIP makes federally backed flood insurance available in communities that agree to adopt and enforce floodplain management ordinances to reduce future flood damage. The NFIP is self-supporting for the average historical loss year. This means that unless there is a widespread disaster, operating expenses and flood insurance claims are financed through premiums collected.

Commercial buildings or residential dwellings owned by commercial entities are considered commercial property. All others are residential dwellings

The [FEMA Summary for Commercial Property](#) and [FEMA Standard Summary of Coverage](#) provides information on the following:

- Types of Flood Insurance Coverage
- What is a Flood- “a General and temporary condition of partial or complete inundation of two or more acres of normally dry land area”...
- Deductibles – various options to meet your financial needs
- What is Covered and What is Not
- The valuation of the Property – Actual Cash Value or Replacement Cost

▪ Additional Information

- Flood Zones
 - <https://www.fema.gov/flood-zones>
- Excess Flood Insurance (contact your Producer for additional information)
 - Increased limits over the maximum flood limit provided by NFIP

▪ FEMA Glossary of Flood Terms

<https://www.fema.gov/national-flood-insurance-program/definitions>

If you do NOT wish to purchase flood insurance your signature is required below:

Signature: _____ Date: _____
Name Printed / Typed: _____
Company Name: _____

Optional Coverages

The following represents a list of insurance coverages that are not included in this proposal, but are optional and may be available with further underwriting information.

Note some of these coverages may be included with limitations or insured elsewhere. This is a partial listing as you may have additional risks not contemplated here or are unique to your organization.

- Crime / Fidelity Insurance
- Directors & Officers Liability
- Earthquake Insurance
- Employed Lawyers
- Employment Practices Liability
- Event Cancellation
- Fiduciary Liability
- Fireworks Liability
- Flood Insurance
- Foreign Insurance
- Garage Keepers Liability
- Kidnap & Ransom
- Law Enforcement Liability
- Media and Publishers Liability
- Medical Malpractice Liability
- Network Security / Privacy Liability and Internet Media Liability
- Pollution Liability
- Owned/Non-Owned Aircraft
- Owned Watercraft
- Special Events Liability
- Student Accident
- Volunteer Accidental Death & Dismemberment (AD&D)
- Workplace Violence

Glossary of Insurance Terms

Below are a couple of links to assist you in understanding the insurance terms you may find within your insurance coverages:

<http://insurancecommunityuniversity.com/UniversityResources/InsuranceGlossaryFREE.aspx>

<http://www.ambest.com/resource/glossary.html>

<http://www.irmi.com/online/insurance-glossary/default.aspx>

Binding Requirements Recap

Below is a recap by Line of Coverage. **ALL** coverage(s) require the following:

- A written request to bind coverage
- All Surplus Lines Taxes/Fees are Fully Earned (only applies to a non-admitted carrier)

Coverage Line and Description of Subjectivity(ies)	Effective Date
Law Enforcement Liability <ul style="list-style-type: none"> • Fully completed, signed PRU supplemental. • Receipt of fully completed, signed and dated PGU renewal business application. • Application is due to carrier's office within 10 business days of binding. • Proposal is subject to change pending carrier's review of responses to all questions on carrier's application. 	July 1, 2020
Public Officials & Employment Practices Liability <ul style="list-style-type: none"> • Fully completed, signed PRU supplemental. • Receipt of fully completed, signed and dated PGU renewal business application. • Application is due to carrier's office within 10 business days of binding. • Proposal is subject to change pending carrier's review of responses to all questions on carrier's application. 	July 1, 2020
Commercial Auto (Redwood) <ul style="list-style-type: none"> • Subject to receiving all loss runs in the past 3 years that show no losses upon binding, please advise if different before binding. <p>Below must be satisfied within 30 days of binding coverage:</p> <ul style="list-style-type: none"> • Completed and Signed Selection/Rejection forms as required by state law. • Indicate filings here, if any; inform if different prior to binding - premium subject to change. • Radius: 100% of operations within 75 miles; inform if different 	July 1, 2020
Commercial Auto (Scottsdale) <ul style="list-style-type: none"> • Current MVRs • List of ALS and/or Loss Payee • Fully Completed Scottsdale Application – signed & dated by insured and agent • Signed D-1 • Insured Signed UM Selection/Rejection Form 	July 1, 2020

- **Within 30 days of binding – Auto Mechanical Inspection for 2005 Ford #7378 and 2005 Ford 8494**

Difference in Conditions

- **Signed and Dated Terrorism Disclosure Notice - If Rejected**

July 1, 2020

Workers' Compensation

- **Receipt of a signed Acord application.**
- **Receipt and review of currently valued 2018 loss runs**
- **The insured must provide certificates of workers compensation insurance for all Subcontractors and Independent Contractors utilized during the policy term.**

July 1, 2020

In order to complete the underwriting process, we require that you send us any additional information requested above. We are not required to bind coverage prior to our receipt and underwriting acceptance of the above information. However, if we do bind coverage prior to such acceptance, the terms and conditions as indicated above may be amended until such receipt and acceptance. Any agreement to bind coverage in connection with this proposal must be in writing from an authorized employee of the Insurer.

Request to Bind Coverage

South Bay Regional Public Communications Authority

We have reviewed the proposal and agree to the terms and conditions of the coverages presented. We are requesting coverage to be bound as outlined by coverage line below:

Coverage Line	Bind Coverage for:
Law Enforcement Liability	<input type="checkbox"/>
Public Officials & Employment Practices Liability	<input type="checkbox"/>
Commercial Auto	
o Redwood	<input type="checkbox"/>
o Scottsdale	<input type="checkbox"/>
Difference in Conditions	
o RSUI Option	<input type="checkbox"/>
o Arch Option	<input type="checkbox"/>
Workers Compensation and Employers Liability	<input type="checkbox"/>
Alliant Deadly Weapon Response Program	
Special Property Insurance Program (SPIP) Proposal to Follow	<input type="checkbox"/>
CSAC EIA Cyber Program – Proposal to Follow	<input type="checkbox"/>
Alliant Crime Insurance Program (ACIP) Proposal to Follow	<input type="checkbox"/>

This Authorization to Bind Coverage also acknowledges receipt and review of all disclaimers and disclosures, including exposures used to develop insurance terms, contained within this proposal.

Signature of Authorized Insurance Representative

Date

Title

Printed / Typed Name

This proposal does not constitute a binder of insurance. Binding is subject to the final carrier approval. The actual terms and conditions of the policy will prevail.