



POLICYHOLDER NOTICE

CALIFORNIA

- 1. THE INSURANCE POLICY THAT YOU HAVE PURCHASED IS BEING ISSUED BY AN INSURER THAT IS NOT LICENSED BY THE STATE OF CALIFORNIA. THESE COMPANIES ARE CALLED “NONADMITTED” OR “SURPLUS LINE” INSURERS.**
- 2. THE INSURER IS NOT SUBJECT TO THE FINANCIAL SOLVENCY REGULATION AND ENFORCEMENT THAT APPLY TO CALIFORNIA LICENSED INSURERS.**
- 3. THE INSURER DOES NOT PARTICIPATE IN ANY OF THE INSURANCE GUARANTEE FUNDS CREATED BY CALIFORNIA LAW. THEREFORE, THESE FUNDS WILL NOT PAY YOUR CLAIMS OR PROTECT YOUR ASSETS IF THE INSURER BECOMES INSOLVENT AND IS UNABLE TO MAKE PAYMENTS AS PROMISED.**
- 4. THE INSURER SHOULD BE LICENSED EITHER AS A FOREIGN INSURER IN ANOTHER STATE IN THE UNITED STATES OR AS A NON-UNITED STATES (ALIEN) INSURER. YOU SHOULD ASK QUESTIONS OF YOUR INSURANCE AGENT, BROKER, OR “SURPLUS LINE” BROKER OR CONTACT THE CALIFORNIA DEPARTMENT OF INSURANCE AT THE FOLLOWING TOLL-FREE TELEPHONE NUMBER 1-800-927-4357 OR INTERNET WEB SITE <http://www.insurance.ca.gov>. ASK WHETHER OR NOT THE INSURER IS LICENSED AS A FOREIGN OR NON-UNITED STATES (ALIEN) INSURER AND FOR ADDITIONAL INFORMATION ABOUT THE INSURER. YOU MAY ALSO CONTACT THE NAIC’S INTERNET WEBSITE AT WWW.NAIC.ORG.**
- 5. FOREIGN INSURER SHOULD BE LICENSED BY A STATE IN THE UNITED STATES AND YOU MAY CONTACT THAT STATES DEPARTMENT OF INSURANCE TO OBTAIN MORE INFORMATION ABOUT THAT INSURER.**



- 6. FOR NON-UNITED STATES (ALIEN) INSURERS. THE INSURER SHOULD BE LICENSED BY A COUNTRY OUTSIDE OF THE UNITED STATES AND SHOULD BE ON THE NAIC'S INTERNATIONAL INSURERS DEPARTMENT (IID) LISTING OF APPROVED NONADMITTED NON-UNITED STATES INSURERS. ASK YOUR AGENT, BROKER OR "SURPLUS LINE" BROKER TO OBTAIN MORE INFORMATION ABOUT THAT INSURER.**
- 7. CALIFORNIA MAINTAINS A LIST OF APPROVED SURPLUS LINE INSURERS. ASK YOUR AGENT OR BROKER IF THE INSURER IS ON THAT LIST, OR VIEW THAT LIST AT THE INTERNET WEB SITE OF THE CALIFORNIA DEPARTMENT OF INSURANCE: WWW.INSURANCE.CA.GOV.**
- 8. IF YOU, AS THE APPLICANT, REQUIRED THAT THE INSURANCE POLICY YOU HAVE PURCHASED BY BOUND IMMEDIATELY, EITHER BECAUSE EXISTING COVERAGE WAS GOING TO LAPSE WITHIN TWO BUSINESS DAYS OR BECAUSE YOU WERE REQUIRED TO HAVE COVERAGE WITHIN TWO BUSINESS DAYS, AND YOU DID NOT RECEIVE THIS DISCLOSURE FORM AND A REQUEST FOR YOUR SIGNATURE UNTIL AFTER COVERAGE BECAME EFFECTIVE, YOU HAVE THE RIGHT TO CANCEL THIS POLICY WITHIN FIVE DAYS OF RECEIVING THIS DISCLOSURE. IF YOU CANCEL COVERAGE THE PREMIUM WILL BE PRORATED AND ANY BROKER'S FEE CHARGED FOR THIS INSURANCE WILL BE RETURNED TO YOU.**



SERVICE OF SUIT

CALIFORNIA

All lawful process may be served in any action, suit or proceeding instituted in California by or on behalf of any Insured or beneficiary under this Policy against the Company arising out of this Policy, upon the Company's registered agent at the following address:

Ms. Karen Harris

2730 Gateway Oaks Drive

Suite 100

Sacramento, CA 95833

In the event the Commissioner of Insurance of the state of California receives service of process on behalf of the Company, said service shall be forwarded to the Company at:

AXIS U.S. Insurance

Attn: Claims Administrator

11680 Great Oaks Way

Suite 500

Alpharetta, GA 30022



POLICYHOLDER NOTICE

ECONOMIC AND TRADE SANCTIONS

This Notice provides information concerning possible impact on your insurance coverage due to directives issued by the Office of Foreign Assets Control (OFAC).

THE OFFICE OF FOREIGN ASSETS CONTROL ("OFAC") OF THE US DEPARTMENT OF THE TREASURY ADMINISTERS AND ENFORCES ECONOMIC AND TRADE SANCTIONS BASED ON US FOREIGN POLICY AND NATIONAL SECURITY GOALS AGAINST TARGETED FOREIGN COUNTRIES AND REGIMES, TERRORISTS, INTERNATIONAL NARCOTICS TRAFFICKERS, THOSE ENGAGED IN ACTIVITIES RELATED TO THE PROLIFERATION OF WEAPONS OF MASS DESTRUCTION, AND OTHER THREATS TO THE NATIONAL SECURITY, FOREIGN POLICY OR ECONOMY OF THE UNITED STATES.

WHENEVER COVERAGE PROVIDED BY THIS POLICY WOULD BE IN VIOLATION OF ANY U.S. ECONOMIC OR TRADE SANCTIONS, SUCH COVERAGE SHALL BE NULL AND VOID.

FOR MORE INFORMATION, PLEASE REFER TO:

[HTTPS://WWW.TREASURY.GOV/RESOURCE-CENTER/SANCTIONS/PAGES/DEFAULT.ASPX](https://www.treasury.gov/resource-center/sanctions/pages/default.aspx)



POLICYHOLDER DISCLOSURE

NOTICE OF TERRORISM INSURANCE COVERAGE – TRIA DECLINED

This Notice is issued in accordance with the terms and conditions of the Terrorism Risk Insurance Act, as amended (the "Act").

You are hereby notified that coverage for "insured losses" directly resulting from an "act of terrorism" as defined in the Act, as explained in the Policyholder Disclosure notice, (1) was made available to you; and (2) you declined or failed to confirm the purchase of such coverage. Therefore, this insurance does not provide coverage for losses directly resulting from any "act of terrorism" as defined by the Act except to the extent, if any, otherwise provided by this Policy.

INSTRUCTION TO BROKER

You are instructed to deliver a copy of this notice to our insured.

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DECLARATIONS

This insurance is issued pursuant to the CA INS s 1760 through CA INS s 1780 and is placed in an insurer or insurers not holding a Certificate of Authority from or regulated by the California Insurance Commissioner.

NAMED INSURED AND ADDRESS	Authority for California Cities Excess Liability (ACCEL) c/o Alliant Insurance Services, 100 Pine Street, 11th Floor San Francisco, CA 94111
ENTITY TYPE	Government Entity / Public Property
BROKER OF RECORD	AmWINS Insurance Brokerage of California, LLC [Woodland Hills] 21550 Oxnard Street, Suite 1100 Woodland Hills, CA 91367

INSURER	AXIS Surplus Insurance Company (Non-Admitted) <i>A.M. Best rated A+ XV</i> 111 South Wacker Drive, Suite 3500 Chicago, IL 60606 (866) 259-5435 A Stock Insurer
POLICY FORM	AXIS EXCESS INSURANCE POLICY AXIS 1010302 0817
POLICY NUMBER	P-001-000118274-01 <i>Renewal of: ELU720681/01/2018</i>
POLICY PERIOD	Effective Date: 07/01/2019 Expiration Date: 07/01/2020 <i>Both dates at 12:01 a.m. standard time at the Named Insured's address stated herein.</i>

BUSINESS DESCRIPTION
California Municipal Joint Powers Authority

TOTAL POLICY PREMIUM	\$138,000.00
MINIMUM EARNED PREMIUM <i>(percentage of Total Policy Premium)</i>	25%

California Premium: \$138,000
 Non-Taxable Fees: \$0
 Taxable Fees: \$0
 Surplus Lines Tax: \$4,140.00
 Stamping Fee: \$276.00



SURCHARGE / TAX <i>(included in Total Policy Premium)</i>	N/A
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The broker is responsible for determination and collection of any applicable surplus lines taxes, related fees, and/or applicable state-imposed surcharges, invoicing the Insured, and filing in accordance with the applicable state's surplus lines laws and/or regulations.

PREMIUM TYPE	Flat (Except For Acquisitions)
MINIMUM PREMIUM	\$138,000.00
DEPOSIT PREMIUM	\$138,000.00

AXIS LIMITS OF INSURANCE	
Each Occurrence Limit	\$10,000,000 part of \$25,000,000
Aggregate Where Applicable Limit	\$10,000,000 part of \$25,000,000



SCHEDULE OF UNDERLYING INSURANCE

Fifth Excess (Followed Policy)	
Coverage Description	Excess Liability
Insurer	Berkley National Insurance Company
Policy Number	CEX09603227-01
Policy Period	07/01/2019 to 07/01/2020
Coverage Trigger	Occurrence
Claims Expense / Defense Costs	In addition to Limits
Retention	
Comments	
Limits of Insurance	
Each Occurrence	\$10,000,000
Aggregate Where Applicable	\$10,000,000



NOTICES TO INSURER	
<p><i>Send Notice of Claims To:</i></p> <p>AXIS Insurance Claims Department P.O. Box 4470 Alpharetta, GA 30023-4470</p> <p>Email: USFNOL@axiscapital.com Phone (Toll-Free): (866) 259-5435 Phone: (678) 746- 9000 Fax: (866) 770-5629</p>	<p><i>Send All Other Notices And Inquiries To:</i></p> <p>AXIS Insurance 11680 Great Oaks Way Suite 500 Alpharetta, GA 30022</p> <p>Email: notices@axiscapital.com Phone (Toll-Free): (866) 259-5435 Phone: (678) 746- 9000 Fax: (678) 746-9444</p>



SCHEDULE OF FORMS & ENDORSEMENTS	
Policyholder Notices and Policy Forms	Form Number and Edition Date
PolicyHolder Notice	AXIS 105 0316
Service of Suit	AXIS 106 0415
Policyholder Notice - Economic And Trade Sanctions	AXIS 906 0316
Policyholder Disclosure - Notice of Terrorism Insurance Coverage - TRIA Declined	TRIA DECLINED DISCLOSURE 0115
AXIS Excess Insurance Policy	AXIS 1010302 0817
Signature Page	AXIS 102ASIC 0415
Endorsements	Form Number and Edition Date
Cyber Liability Exclusion	AXIS 1010348 1017
Fungi or Bacteria Exclusion	AXIS 1010349 1017
Terrorism Exclusion	AXIS 1011339 1217
Limits of Insurance - Aggregate Where Applicable	AXIS 1010350 1017
Designated Entity Limitation Coverage Endorsement	AXIS 1011754 1018
Full Follow Form Endorsement	AXIS 1010312 0817
Quota Share Endorsement	AXIS 1010320 0817



In consideration of the premium paid, and subject to the provisions of this Policy and the Declarations and any Schedules and Endorsements attached hereto, all of which are made a part of this Policy, the Insurer and **Named Insured**, on behalf of all **Insureds**, agree as follows:

INSURING AGREEMENT

Except as specifically set forth herein, and subject to the Limits of Insurance shown on the Declarations, this Policy shall provide insurance excess of the **Underlying Insurance** in conformance with all provisions of the **Followed Policy**. Liability shall attach to the Insurer only after the full amount of the applicable **Underlying Limit**, and any applicable retention or deductible, has been paid, in legal currency, by the insurers of the **Underlying Insurance**, the **Insureds**, or others on behalf of the **Insureds**, in any combination, in accordance with the terms of the **Underlying Insurance**.

DEFINITIONS

Whether expressed in the singular or the plural, whenever appearing in bold in this Policy, the following terms have the meanings set forth below.

Followed Policy means the insurance policies identified as such in the Schedule of Underlying Insurance attached hereto.

Insureds means all persons and entities identified as such in the **Followed Policy**.

Named Insured means the persons or entities designated as such in the Declarations.

Policy Period means the period designated as such in the Declarations.

Underlying Insurance means the **Followed Policy** and all other policies, if any, identified as such in the Schedule of Underlying Insurance attached hereto.

Underlying Limit means an amount equal to the aggregate of all applicable limits of insurance set forth in the Schedule of Underlying Insurance attached hereto.

CONDITIONS

- A. Wherever the term claim appears in this Policy, it refers to claim, loss or occurrence, or the equivalent of such terms, as used in the **Followed Policy**.
- B. This Policy shall not apply to any coverage under the **Followed Policy** that is subject to a sublimit of insurance in any **Underlying Insurance**, unless specifically listed as a sublimited coverage on the Schedule of Underlying Insurance. However, payment for any sublimited coverage in any manner described in the INSURING AGREEMENT section of this Policy shall reduce the **Underlying Limit** by the amount of such payment, whether or not such coverage is listed on the Schedule of Underlying Insurance.
- C. The **Insureds** shall give written notice to the Insurer if any **Underlying Insurance** is changed or terminated or if any insurer of the **Underlying Insurance** becomes financially unable to pay its limit of insurance. No such event shall affect coverage under this Policy, unless the Insurer so agrees in writing. The failure of the **Insureds** to comply with this section shall not invalidate coverage. However, the Insurer shall not be liable to a greater extent than it would have been had no such event occurred.
- D. All notices to the Insurer must be in writing and delivered by prepaid express courier or certified mail, facsimile, or electronic mail to the applicable address, fax number, or email address designated in the Declarations. Notice to any other insurer shall not constitute notice to the Insurer unless also given to the Insurer as provided herein.
- E. The Insurer may, at its sole discretion, elect to participate in the investigation, defense and settlement of any claim or other matter to which the coverage under this Policy could apply even if the applicable **Underlying Limit** has not been exhausted. The **Insureds** shall provide the Insurer with information, assistance and cooperation as the Insurer reasonably requests and shall do nothing to prejudice the Insurer's position or potential rights of recovery; provided, however, the failure of an **Insured** to comply with such request shall not be imputed to any other natural person **Insured** under this Policy. No action by any other insurer shall bind the Insurer under this Policy.

SIGNATURE PAGE FOLLOWS.



SIGNATURE PAGE

IN WITNESS WHEREOF, the Insurer has caused this policy to be issued by affixing hereto the facsimile signatures of its President and Secretary.

A handwritten signature in black ink, appearing to read "Andrew Weissert".

Secretary

Andrew Weissert, Secretary

A handwritten signature in black ink, appearing to read "Carlton W. Maner".

President

Carlton W. Maner, President



Endorsement Number	Effective Date of Endorsement	Policy Number	Premium
1	12:01 a.m. on 07/01/2019	P-001-000118274-01	N/A

CYBER LIABILITY EXCLUSION

It is agreed that:

This insurance does not apply to:

1. Any liability or damage arising, directly or indirectly, out of the loss of or alteration of any electronic data, electronic information, computer applications software, computer operations software or any other similar data, information or software contained within any computer hardware, computer system, computer network, or the Internet; or
2. Any liability or damage arising, directly, or indirectly, out of damage to any computer hardware, computer system, computer network, or the Internet as a result of 1. above.

This exclusion applies regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to any such damage.

All other provisions of the Policy remain unchanged.



Endorsement Number	Effective Date of Endorsement	Policy Number	Premium
2	12:01 a.m. on 07/01/2019	P-001-000118274-01	N/A

FUNGI OR BACTERIA EXCLUSION

It is agreed that:

This insurance does not apply to:

1. Any liability or damage arising, directly or indirectly, out of the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, any "fungi" or bacteria on or within any building or structure, including its contents, regardless of whether any other cause, event, material, or product contributed concurrently or in any sequence to any injury or damage.
2. Any loss, cost or expenses arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.

This exclusion applies regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to any injury or damage. However, this exclusion does not apply to any "fungi" or bacteria that are, are on, or are contained in, a good or product intended for human consumption.

All other provisions of the Policy remain unchanged.



Endorsement Number	Effective Date of Endorsement	Policy Number	Premium
3	12:01 a.m. on 07/01/2019	P-001-000118274-01	N/A

TERRORISM EXCLUSION

It is agreed that:

1. The following exclusion is added to the policy:

This policy does not provide coverage for any **Claim** or coverage for any amounts arising, directly or indirectly, out of **terrorism**, including any action taken in hindering or defending against an actual or expected incident of **terrorism**; regardless of any other cause or event that contributes concurrently or in any sequence to any injury or damage.

2. As used in the above exclusion, the following new definition is added:

Terrorism means activities against persons, organizations or property of any nature:

a. that involve the following or preparation for the following:

(1) use or threat of force or violence;

(2) commission or threat of a dangerous act; or

(3) commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and

b. when one or both of the following applies:

(1) the effect of such activities is to intimidate or coerce a government or the civilian population or any segment thereof, or to disrupt any segment of the economy; or

(2) it appears that the intent of such activities is to intimidate or coerce a government, or to further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology.

All other provisions of the policy remain unchanged.



Endorsement Number	Effective Date of Endorsement	Policy Number	Premium
4	12:01 a.m. on 07/01/2019	P-001-000118274-01	N/A

LIMITS OF INSURANCE – AGGREGATE WHERE APPLICABLE

It is agreed that:

The “Aggregate where Applicable” Limit shown on the Declarations is the most we will pay for all loss that is subject to an Aggregate Limit provided by the Underlying Insurance. The “Aggregate where Applicable” Limit applies separately and in the same manner as the Aggregate Limits provided by Underlying Insurance, provided that all Underlying Insurance applies their Aggregate Limits in the same manner. If any Underlying Insurance does not apply in the same manner as all other Underlying Insurance, than our “Aggregate where Applicable” Limit will apply once for the entire policy period.

All other provisions of the Policy remain unchanged.



Endorsement Number	Effective Date of Endorsement	Policy Number	Premium
5	12:01 a.m. on 07/01/2019	P-001-000118274-01	N/A

DESIGNATED ENTITY LIMITATION COVERAGE ENDORSEMENT

It is agreed that the following is added to the INSURING AGREEMENTS:

This policy applies only with respect to **loss** arising from operations conducted by or on behalf of the entities designated below:

- City of Anaheim
- City of Ontario
- City of Mountain View
- City of Palo Alto
- City of Santa Monica
- City of Burbank
- City of Bakersfield
- City of Santa Cruz

All other provisions of the policy remain unchanged.



Endorsement Number	Effective Date of Endorsement	Policy Number	Premium
6	12:01 a.m. on 07/01/2019	P-001-000118274-01	N/A

FULL FOLLOW FORM ENDORSEMENT

It is agreed that the INSURING AGREEMENT section is deleted and replaced with the following:

Except as specifically set forth herein, and subject to the Limits of Insurance shown on the Declarations, this Policy shall provide insurance excess of the **Underlying Insurance** in conformance with all provisions of the **Followed Policy** and, to the extent coverage is limited or restricted thereby, the **Underlying Insurance**. Liability shall attach to the Insurer only after the full amount of the applicable **Underlying Limit**, and any applicable retention or deductible, has been paid, in legal currency, by the insurers of the **Underlying Insurance**, the **Insureds**, or others on behalf of the **Insureds**, in any combination, in accordance with the terms of the **Underlying Insurance**.

All other provisions of the Policy remain unchanged.



Endorsement Number	Effective Date of Endorsement	Policy Number	Premium
7	12:01 a.m. on 07/01/2019	P-001-000118274-01	N/A

QUOTA SHARE ENDORSEMENT

It is agreed that:

I. The INSURING AGREEMENT section of the Policy is deleted and replaced with the following:

Except as specifically set forth herein, this Policy shall provide insurance excess of the **Underlying Insurance** in conformance with all provisions of the **Followed Policy**. Liability shall attach to each **Quota Share Participant** severally, not jointly, for its Proportionate Limit of Liability, as set forth in the Quota Share Schedule below, and only after the full amount of the applicable **Underlying Limit**, and any applicable retention or deductible, has been paid, in legal currency, by the insurers of the **Underlying Insurance**, the **Insureds**, or others on behalf of the **Insureds**, in any combination, in accordance with the terms of the **Underlying Insurance**. Under no circumstances will this policy be broader than any other Quota Share Participant's policy.

II. The DEFINITIONS section of the Policy amended by the addition of the following Definition:

Quota Share Participant means each insurer participating in the quota share layer of insurance of \$0 as set forth in the Quota Share Schedule below.

III. The CONDITIONS section of the Policy is amended by the addition of the following:

The Insurer's maximum liability under this Policy shall not exceed the Insurer's proportionate Limit of Insurance stated in the Declarations. The liability of the Insurer and each **Quota Share Participant** is several and not joint. If any **Quota Share Participant** is terminated or refuses or is unable to pay all or a portion of its proportionate limit of insurance, the **Insureds** shall be responsible for any such amount not paid. No such event shall affect coverage under this Policy, but the Insurer shall not be liable to a greater extent than it would have been had no such event occurred.

QUOTA SHARE SCHEDULE	
Quota Share Participant	Proportionate Limit of Liability
Great American Excess and Surplus Company	\$10,000,000 part of \$25,000,000
Hallmark Specialty Insurance Company	\$5,000,000 part of \$25,000,000

All other provisions of the Policy remain unchanged.