

Market Reform Contract

UMR / Policy No. **B0180PN1903079**

180
RKH

\$25m p/o \$50m xs \$150m
XL Dublin

Insured: Authority of California Cities Excess Liability

Period: From: 1st July 2019
To: 1st July 2020

<i>Contract Order:</i>	50%
<i>No. Of Contract Documents:</i>	1
<i>Hereto Written:</i>	100%
<i>Total Written:</i>	100%
<i>Signing Percentage:</i>	100%

RKH Specialty
A trading name of Howden UK Group Limited

 **RKH**
Specialty

RKH
Authoriser



NOTICE:

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 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 INSURERS SHOULD BE LICENSED BY A STATE IN THE UNITED STATES AND YOU MAY CONTACT THAT STATE'S 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 BE 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.

LMA9098A
04 May 2017



CALIFORNIA COMPLAINTS NOTICE (AMENDED)

To request assistance or make an initial complaint, you may contact the Lloyd's Complaints Department at:

Lloyd's Complaints Department
c/o Lloyd's America Inc.
25 West 53rd Street, 14th Floor
New York, NY 10019
USA

Phone: 1-844-849-7828
Fax: 1-800-481-3121
Email: complaints@lloyds.com

The California Department of Insurance should be contacted only after discussions with the insurer, its agent, or representative, have failed to produce a satisfactory resolution. You may contact the California Department of Insurance to obtain information on your rights or make a complaint at:

Consumer Hotline
1-800-927-4357 (HELP)

TDD Number
1-800-482-4833 (TTY)

California Department of Insurance
Consumer Services Division
300 South Spring Street, South Tower
Los Angeles, CA 90013

LMA9136 (amended)
08 December 2016



DECLARATIONS TO THE CONTRACT OF INSURANCE

- Unique Market Reference:** B0180PN1903079
- Type:** Excess Liability Insurance (Occurrence basis) as detailed in the Policy Wording
- Item 1. a) Named Insured:** Authority for California Cities Excess Liability but only in respect of the City of Santa Monica, City of Palo Alto and City of Anaheim only
- b) Address of Named Insured:** 100 Pine Street, 11th Floor,
San Francisco,
CA 94111,
USA
- Item 2. a) Lead Underlying Policy No.:** 1827326-02
- b) All other Underlying Policy No(s):** As per Schedule of Underlying Policies
- c) Lead Underlying Insurer:** Great American Insurance Company
- d) All other Underlying Insurer(s):** As per Schedule of Underlying Policies
- Item 3. Limit(s) of Liability: Defense Costs Outside (Insuring Agreement 2):**
- | | | |
|----|--------------------------------------|---|
| a) | USD 25,000,000 p/o
USD 50,000,000 | Each Occurrence |
| b) | USD 25,000,000 p/o
USD 50,000,000 | General Aggregate Limit, all Coverages Combined |
- Item 4. Underlying Limit(s): Defense Costs Outside (Insuring Agreement 2):**
- | | | |
|----|-----------------|--|
| a) | USD 150,000,000 | Each Occurrence |
| b) | USD 150,000,000 | General Aggregate Limit, where applicable as more fully defined in the Underlying Policies |
- as more fully detailed in the Schedule of Underlying Policies
- Item 5. Policy Period:** From: 1st July 2019
To: 1st July 2020
both days at 12.01 a.m. Standard Time at the address insured.
- Interest:** Arising out of the Named Insured's Operations.



Item 6. Notice to:

(Conditions 3 and 5):

a) All Notices of Occurrence, to:

CASnewclaims@rkhspecialty.com

RKH Specialty

One Creechurch Place, & XL Insurance Company
London EC3V 1LE, dublinclaims@xlgroup.com
United Kingdom.

b) All other Notices, via:

RKH Specialty,
One Creechurch Place,
London EC3A 5AF,
United Kingdom

to the Company.

Policy Territory:

World-wide.

Conditions:

As per attached London Short Excess Form 01-08 (OCC) (as attached) Wording follows the same terms, definitions, exclusions, conditions and extensions of the underlying policy issued by the Insurer as identified in Item 2 a).

1. Schedule of Underlying Policy(ies), as attached.
2. LSW 3000 Premium Payment Clause – 60 days (as attached)
3. Endorsement For Excess Following Form Policy Issuance Prior To Issuance/Receipt Of The Lead Underlying Policy, as attached.
4. Cancellation Clause, In The Event of Downgrading of Insurer's Financial Rating, as attached.
5. Assistance And Co-Operation Amendment Endorsement, as attached.
6. Non-Follow Form amendatory endorsement, as attached.
7. LMA 3100 Sanctions Limitation & Exclusion Clause (as attached)
8. As restrictive as Underlying Endorsement (as attached)

Exclusions

1. Police Professional Liability (as attached)
2. Employment Practices Liability (as attached)
3. Failure to Supply (as attached)
4. Wildfire (as attached)

Conformity Clause

Wherever the words "Assured" and "Insured" appear they have the same meaning.

Wherever the words "Underwriters" "Insurers" and "the Company" appear they have the same meaning.

Wherever the words "the/this Policy" appears it shall be understood to mean "the/this Contract of Insurance".



Notices: LMA9098A California Surplus Lines Notice
LMA9136 CA Complaints Notice

Conditions Precedent: None, other than as may exist in the policy wording or attached clauses.

Express Warranties: None, other than as may exist in the policy wording or attached clauses.

Subjectivities: None, other than as may exist in the policy wording or attached clauses.

Choice of Law and Jurisdiction:
Choice of Law: California, USA
Jurisdiction: FLWA Service Corp, c/o Foley & Lardner LLP, 555 California Street, Suite 1700, San Francisco, CA 94104-1520

Item 7. Premium: USD 100,000 (for 50% Order hereon)
USD 200,000 (100% Annual Layer Premium)
Minimum Earned Premium of 25% fully earned at inception

Premium Payment Terms: LSW 3000 Premium Payment Clause 60 days - (as attached per Endorsement 2).

Item 8. The Company Name and Reference: As set forth in the Security Details section.

Taxes Payable by Insured and Administered by Insurers: None

Recording, Transmitting and Storing Information: Where RKH Specialty maintains risk and claim data/information/documents RKH Specialty may hold data/information/documents electronically.

Insurer Contract Documentation: This document details the contract terms entered into by the Insurer(s), and constitutes the contract document.

For contract changes the Contract Endorsement(s) signed by (Re)Insurer(s) shall form the evidence of changes agreed.

RKH Specialty are authorised by Insurer(s) to provide the Insured with copies of all London market registered clauses applicable to this contract

LONDON SHORT EXCESS FORM 01-08 (OCC)

INSURING AGREEMENTS:

1. COVERAGE -

The Company (as stated in Item 8 of the Declarations) hereby agrees, subject to the limitations, terms and conditions contained herein, to pay all sums which the Insured shall be obligated to pay by reason of the liability arising out of the hazards covered by and as more fully defined in the Lead Underlying Policy (as stated in Item 2. a) of the Declarations and hereinafter referred to as "Lead Underlying Policy"); provided always however, that this Policy shall not apply until the Underlying Insurers (as stated in Items 2.c) and 2.d) of the Declarations and hereinafter referred to as "Underlying Insurers") have paid or have been held liable to pay the full amount of their respective Limit(s) of Liability in accordance with Insuring Agreement 2.

The Company further agrees that this Policy will follow the same terms, definitions, exclusions and conditions (except as otherwise provided herein) as are, at inception hereof, contained in the Lead Underlying Policy.

Notwithstanding the foregoing, in the event that any of the following amendment(s) are subsequently made to the terms, definitions, exclusions and conditions of the Lead Underlying Policy in effect at inception hereof:

1. any change which is subject to an additional premium charge,
2. the inclusion of an additional coverage extension endorsement,
3. any change to the insuring agreements, definitions and exclusions which is intended to broaden the scope of the coverage already provided, other than Insureds or Named Insureds added without an additional premium charge,

then such amendment(s) shall not be binding upon the Company unless otherwise agreed in writing by the Company.

2. LIMIT OF LIABILITY -

The Company shall be liable only to pay sums up to:

As stated in Item 3.a) of the Declarations in respect of each Occurrence – subject to a limit of

As stated in Item 3.b) of the Declarations in the aggregate where applicable

but liability shall attach to the Company only after the Underlying Insurers have paid or have been held liable to pay the full amount of their respective Limit(s) of Liability as follows:

As stated in Item 4.a) of the Declarations in respect of each Occurrence - subject to a limit of

USD (as stated in Item 4.b) of the Declarations) in the aggregate where applicable

which in turn is excess of various insurances and/or retentions as more fully set forth in the Lead Underlying Policy.



CONDITIONS:**1. MAINTENANCE OF UNDERLYING INSURANCE -**

It is a condition of this Policy that the Underlying Policy/ies (as stated in Items 2.a) and 2.b) of the Declarations and hereinafter referred to as "Underlying Policy/ies") shall be maintained in full force and effect, except for any reduction of the aggregate limits contained therein solely by payment of any loss(es). In the event of the Insured's failure to maintain the Underlying Policy/ies in full force and effect and except with respect to the aforementioned aggregate reduction, coverage hereunder shall not be invalid, but shall apply to the same extent that it would have applied had there been compliance with this condition.

In the event any Underlying Policy stated in Item 2.b) of the Declarations excludes loss(es) which are covered by the Lead Underlying Policy and subsequently covered hereunder in accordance with the provisions of Insuring Agreement 1 - Coverage, the Company shall not drop down to apply in place of such excluded coverage.

2. ASSISTANCE AND CO-OPERATION -

The Company shall not be called upon to assume charge of the settlement or defense of any claim made or suit brought or proceeding instituted against the Insured however the Company shall have the right and shall be given the opportunity to associate with the Insured or the Insured's underlying insurers, or both, in the defense and control of any claim, suit or proceeding relative to an Occurrence where the claim or suit involves, or appears reasonably likely to involve the Company, in which event the Insured and the Company shall co-operate in all things in the defense of such claim, suit or proceeding.

3. CANCELLATION -

The Named Insured or the Company hereon shall have the right to cancel this Policy in accordance with the cancellation provisions of the Lead Underlying Policy, and the Company shall retain the earned premium hereon, subject to any Minimum Earned Premium stated in Item 7 of the Declarations. Such notice shall be sent to the Company via the entity stated in Item 6.b) of the Declarations.

4. OTHER INSURANCE -

If other valid and collectible insurance is available to the Insured covering a loss also covered by this Policy, other than a Policy that is specifically written to apply in excess of this Policy, the insurance afforded by this Policy shall apply in excess of and shall not contribute with such other insurance.

5. NOTICE OF OCCURRENCE -

Whenever the Insured has information from which they may reasonably conclude that an Occurrence covered hereunder involves injuries or damages which, in the event that the Insured should be held liable, is likely to involve this Policy, notice shall be sent to the Company via the entity stated in Item 6.a) of the Declarations as soon as practicable, provided, however, that failure to give notice of any Occurrence which at the time of its happening did not appear to involve this Policy, but which, at a later date would appear to give rise to claims hereunder, shall not prejudice such claims.



ENDORSEMENT NUMBER 1**SCHEDULE OF UNDERLYING POLICY(IES)****Layer 8a:**

Coverage:	Excess Liability
Carrier:	Navigators Insurance Company
Limit:	\$25m part of \$50M (Quota Share Layer with Great American) excess of:
Attachment:	\$95M (See Layers 1-7 below) x \$5m SIR
TRIA:	Rejected
Participation Premium:	\$78,000 (50% of \$156,000)
Layer Premium	\$156,000

Layer 8b:

Coverage:	Excess Liability
Carrier:	Great American Assurance Company
Limit:	\$25m part of \$50M (Quota Share Layer with Navigators) excess of:
Attachment:	\$95M (See Layers 1-7 below) x \$5m SIR
TRIA:	Rejected
Participation Premium:	\$78,000 (50% of \$156,000)
Layer Premium	\$156,000

Notes for Layer 8

1. Participating Cities: **Cities of Anaheim, Palo Alto, and Santa Monica**

Layer 7:

Coverage:	Excess Liability
Carrier:	Allied World National Assurance Company
Limit:	\$25M excess of:
Attachment:	\$70M (See Layers 1-6 below) x \$5m SIR
TRIA:	Rejected
Premium	\$118,909 (excluding Taxes and Fees)

Notes for Layer 7

1. Layer participating membership as follows: **Cities of Anaheim, Palo Alto, Santa Monica and Mountain View.**



Layer 6a:

Coverage: Excess Liability
 Carrier: Great American E & S Insurance Company
 Limit: \$10M part of \$25M (Quota Share Layer) excess of:
 Attachment: \$45M (See Layers 1-5 below) x \$5m SIR
 TRIA: Rejected
 Participation Premium: \$138,000 (40% of \$345,000)
 Layer Premium \$345,000 (excluding Taxes and Fees)

Layer 6b:

Coverage: Excess Liability
 Carrier: Hallmark Specialty Insurance Company
 Limit: \$5M part of \$25M (Quota Share Layer) excess of:
 Attachment: \$45M (See Layers 1-5 below) x \$5m SIR
 TRIA: Rejected
 Participation Premium: \$69,000 (20% of \$345,000)
 Layer Premium \$345,000 (excluding Taxes and Fees)

Layer 6c:

Coverage: Excess Liability
 Carrier: TBC
 Limit: \$10M part of \$25M (Quota Share Layer) excess of:
 Attachment: \$45M (See Layers 1-5 below) x \$5m SIR
 TRIA: Rejected
 Participation Premium: \$138,000 (40% of \$345,000)
 Layer Premium \$345,000 (excluding Taxes and Fees)

Notes for Layer 6

1. Layer participating membership as follows: **Cities of Anaheim, Ontario, Mountain View, Palo Alto, Santa Monica, Santa Cruz, Bakersfield, and Burbank.**

Layer 5:

Coverage: Excess Liability
 Carrier: Berkley National Insurance Company
 Limit: \$10m; excess of:
 Attachment: \$35m (See Layers 1-4 below) x \$5m SIR
 TRIA: Accepted
 Premium: \$211,595 (including TRIA)



Layer 4:

Coverage: Excess Liability
 Carrier: Endurance Risk Solutions Assurance Company
 Limit: \$10m; excess of:
 Attachment: \$25m (See Layers 1-3 below) x \$5m SIR
 TRIA: Accepted
 Premium: \$272,700 (including TRIA)

Layer 3:

Coverage: Excess Liability
 Carrier: Lloyd's of London (Brit Syndicate 2987 - 100%)
 Limit: \$5m; excess of:
 Attachment: \$20m (Layer 1) & (Layer 2) x \$5m SIR
 TRIA: Accepted
 Premium: \$213,557.95 (including TRIA & taxes)

Layer 2:

Coverage: Excess Liability
 Carrier: Berkley National Insurance Company
 Limit: \$10m; excess of:
 Attachment: \$10m (Layer 1 – ANML AmTrust) x \$5m SIR
 TRIA: Accepted
 Premium: \$626,200 (including TRIA)

Layer 1:

Coverage: Alliant National Municipal Liability Program (ANML) – Special Excess Liability
 Carrier: Great American Insurance Company
 Limit: \$10m; excess of:
 Attachment: \$5mil SIR
 TRIA: Accepted
 Premium: \$3,011,525 (including TRIA, excluding taxes & fees)

Notes for Layers 1 – 5

1. Layer participating membership as follows: **Cities of Anaheim, Bakersfield, Burbank, Modesto, Monterey, Mountain View, Ontario, Palo Alto, Santa Barbara, Santa Cruz, Santa Monica and Visalia.**



ENDORSEMENT NUMBER 2**PREMIUM PAYMENT CLAUSE**

The (Re)Insured undertakes that premium will be paid in full to Underwriters within 60 days of inception of this policy (or, in respect of instalment premiums, when due).

If the premium due under this policy has not been so paid to Underwriters by the 60th day from the inception of this policy (and, in respect of instalment premiums, by the date they are due) Underwriters shall have the right to cancel this policy by notifying the (Re)Insured via the broker in writing. In the event of cancellation, premium is due to Underwriters on a pro rata basis for the period that Underwriters are on risk but the full policy premium shall be payable to Underwriters in the event of a loss or occurrence prior to the date of termination which gives rise to a valid claim under this policy.

It is agreed that Underwriters shall give not less than 15 days prior notice of cancellation to the (Re)Insured via the broker. If premium due is paid in full to Underwriters before the notice period expires, notice of cancellation shall automatically be revoked. If not, the policy shall automatically terminate at the end of the notice period.

Unless otherwise agreed, the Leading Underwriter (and Agreement Parties if appropriate) are authorised to exercise rights under this clause on their own behalf and on behalf of all Underwriters participating in this contract.

If any provision of this clause is found by any court or administrative body of competent jurisdiction to be invalid or unenforceable, such invalidity or unenforceability will not affect the other provisions of this clause which will remain in full force and effect.

Where the premium is to be paid through a London Market Bureau, payment to Underwriters will be deemed to occur on the day of delivery of a premium advice note to the Bureau.

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ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.



ENDORSEMENT NUMBER 3**ENDORSEMENT FOR EXCESS FOLLOWING FORM POLICY ISSUANCE PRIOR TO
ISSUANCE/RECEIPT OF THE LEAD UNDERLYING POLICY**

This Excess Liability Following Form Policy has been issued on the basis that it is following the same warranties, terms, definitions, exclusions and conditions (except as otherwise provided herein) as are, at inception hereof, contained in the Lead Underlying Policy, as identified in 2. a) of the Declarations, to be issued by the Insurer stated in 2.c) of the Declarations and that such policy(ies) should reflect coverage as contained in the **BINDER** incepting **1st July 2019**, which is held on file by Parties hereon.

Following the issuance of the above referenced policy a copy of such policy should be forwarded to the Company, via RKH Specialty, for review and agreement by the Company. Any difference in coverage between the binder and the policy will not be binding upon the Company hereunder until agreed by the Company in writing.

Upon satisfactory review of the above referenced policy by the Company, an endorsement will be issued to this Policy deleting this endorsement in its entirety.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

ENDORSEMENT NUMBER 4**CANCELLATION CLAUSE
IN THE EVENT OF DOWNGRADING OF INSURER'S FINANCIAL RATING**

Notwithstanding anything to the contrary in the terms and conditions of this Policy including any conditions relating to minimum earned premium or short rate provisions, the Insured may, at any time during the policy period, have the right to cancel this Policy, subject to a prorata return of premium, in the event the Insurer's financial rating by Standard & Poor's or A.M. Best Co. drops below A -, and/or the Insurer has experienced a Change of Control.*

*Change of Control for this purpose means when any "Person" or "Group" (within the meanings of Sections 13(d) and 14(d)(2) of the Securities Exchange Act of 1934 ("the Act")), becomes the "beneficial owner" (within the meaning of Rule 13d-3 and/or 13d-5 under the Act, except that a Person shall be deemed to have "beneficial ownership" of all shares that such person has the right to acquire without condition, other than the passage of time, whether such right is exercisable immediately or only after the passage of time) ,directly or indirectly, of more than 50% of the total voting power of the then outstanding voting stock or other securities of (the Insurer) or any corporate or other parent or ultimate parent entity of (the Insurer) (the "Control Group"); or any member of the Control Group consolidates with or merges into another Person or conveys, transfers, or leases all or substantially all its assets to any Person, or any corporation consolidates with or merges into any member of the control Group pursuant to a transaction in which the outstanding voting stock or other securities of any member of the Control Group is changed into or exchanged for cash, securities or other property, other than a transaction between members of the Control Group and their Affiliates (within the meaning of section 1504 of the Internal Revenue Code of 1986, as amended, or any successor provision thereto).

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.



ENDORSEMENT NUMBER 5**ASSISTANCE AND CO-OPERATION AMENDMENT ENDORSEMENT**

It is hereby understood and agreed that Condition 2. Assistance and Co-operation of this Policy is deleted and replaced as follows:

2. ASSISTANCE AND CO-OPERATION -

The Company shall not be called upon to assume charge of the settlement or defense of any claim made or suit brought or proceeding instituted against the Insured. However, the Company shall have the right and shall be given the opportunity to associate with the Insured or the Insured's underlying insurers, or both, in the defense and control of any claim, suit or proceeding relative to an Occurrence where the claim or suit involves, or appears reasonably likely to involve the Company, in which event the Insured and the Company shall co-operate in all things in the defense of such claim, suit or proceeding.

Notwithstanding the foregoing, the Company will assume charge of the settlement or defense of any claim made or suit brought or proceeding instituted against the Insured to which this policy applies; if

1. all insurers providing Underlying Insurance are obligated by the terms and conditions of their policies to assume charge of the settlement or defense of any claim made or suit brought or proceeding instituted against the Insured; and
2. after all applicable limits of liability of Underlying Insurance have been exhausted by actual payment of loss.

Should the Company assume any right, opportunity or obligation under this provision, the Company shall not be obligated to defend any claim, suit or proceeding after the applicable limits of this policy have been exhausted.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.



ENDORSEMENT NUMBER 6**NON FOLLOW FORM ENDORSEMENT**

It is hereby agreed that notwithstanding any other provisions in this Policy, in no event shall this Policy follow the terms, conditions, exclusions or limitations in the Lead Underlying Umbrella Policy or any Underlying Insurance or provide coverage under this Policy with respect to or as a result of any of the following endorsements, clauses or similar clauses in the Lead Underlying Umbrella Policy or any Underlying Insurance:

1. Liberalization Clause;
2. Non-renewal or change in terms notice requirements;
3. State Amendatory or State Specific endorsement;
4. Service of Suit Clause or endorsement
5. Crisis Management or Crisis Response Endorsement; or
6. Sublimit of liability, unless coverage for such sublimit is specifically endorsed to this Policy;
7. Uninsured/Underinsured Motorist Coverage.
8. Police Professional Liability Coverage
9. Employment Practices Liability Coverage
10. Failure to Supply Coverage
11. Wildfire Coverage

It is agreed that Underwriters shall not recognize the reduction or the exhaustion of the limits of liability of the Lead Underlying Umbrella Policy or any Underlying Insurance which results from the payment of any claim or claims under the coverage(s) listed above.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.



ENDORSEMENT NUMBER 7

SANCTION LIMITATION AND EXCLUSION CLAUSE

No (re)insurer shall be deemed to provide cover and no (re)insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that (re)insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

15/09/10

LMA3100



ENDORSEMENT NUMBER 8**AS RESTRICTIVE AS UNDERLYING ENDORSEMENT**

It is hereby understood and agreed that the **INSURING AGREEMENTS 1. COVERAGE** of this Policy is amended with the addition of the following paragraph:

Notwithstanding any provision to the contrary in this Policy if any Underlying Policy (as stated in Item 2.b) of the Declarations) with limits of liability in excess of the Lead Underlying Policy (as stated in Item 2.a) of the Declarations) but underlying to this Policy (the "Intervening Policy"), contains warranties, terms, conditions, exclusions or limitations more restrictive than the Lead Underlying Policy, whether on the Inception Date of this Policy or at any time during the Policy Period of this Policy, then this Policy shall be deemed to follow those more restrictive warranties, terms, conditions, exclusions or limitations of the Intervening Policy.

The terms, declarations, insuring agreements, definitions, exclusions and conditions of this Policy otherwise remain unchanged.



CHOICE OF LAW ENDORSEMENT

It is hereby understood and agreed that this Policy and any dispute, controversy or claim arising out of or relating to this Policy, shall be governed by and construed in accordance with the substantive internal law (i.e., excluding procedural and choice-of-law rules) of the State of New York, except insofar as such law (1) may prohibit payment in respect of punitive damages hereunder; (2) pertain to regulation under New York Insurance Law, or regulations issued by the Insurance Department of the State of New York pursuant thereto, applying to insurers doing insurance business, or issuance, delivery or procurement of policies of insurance, within the State of New York or as respect risks or insured entities situated in the State of New York; or (3) are inconsistent with any provision of this Policy; provided, however, that the provisions, stipulations, exclusions and conditions of this Policy are to be construed in an even handed fashion as between the Insured and the Company; where the language of this Policy is deemed to be ambiguous or otherwise unclear, the issue shall be resolved in the manner most consistent with the relevant provisions, stipulations, exclusions and conditions (without regard to authorship of the language, without any presumption or arbitrary interpretation or construction in favour of either the Insured or the Company or reference to the "reasonable expectations" of either thereof or to contra proferentum and without reference to parol or other extrinsic evidence). Insofar as the substantive internal law of New York is inapplicable as provided herein or otherwise, and as respects arbitration procedure, the internal laws of England and Wales apply.

All other terms and conditions of this Policy remain unchanged.



ARBITRATION ENDORSEMENT

It is hereby understood and agreed that any dispute, controversy or claim arising out of or relating to this Policy or to the breach, cancellation, termination or validity of this Policy shall be finally and fully determined in London, England under the provisions of the Arbitration Act of 1996 ("Act") and/or any statutory modifications or amendments thereto, for the time being in force, by a Board composed of three arbitrators to be selected for each controversy as follows:

Any party may, in the event of such a dispute, controversy or claim, notify the other party or parties to such dispute, controversy or claim of its desire to arbitrate the matter, and at the time of such notification the party desiring arbitration shall notify any other party or parties of the name of the arbitrator selected by it. The other party or parties who has been so notified shall within thirty (30) calendar days thereafter select an arbitrator and notify the party desiring arbitration of the name of such second arbitrator. If the party or parties notified of a desire for arbitration shall fail or refuse to nominate the second arbitrator within thirty (30) calendar days following the receipt of such notification, the party who first served notice of a desire to arbitrate will, within an additional period of thirty (30) calendar days, apply to a judge of the High Court of Justice of England and Wales for the appointment of a second arbitrator and in such a case the arbitrator appointed by such a judge shall be deemed to have been nominated by the party or parties who failed to select the second arbitrator. The two arbitrators, chosen as above provided, shall within thirty (30) calendar days after the appointment of the second arbitrator choose a third arbitrator. In the event of the failure of the first two arbitrators to agree on a third arbitrator within said thirty (30) calendar day period, either of the parties may within a period of thirty (30) calendar days thereafter, after notice to the other party or parties, apply to a judge of the High Court of Justice of England and Wales for the appointment of a third arbitrator and in such case the person so appointed shall be deemed and shall act as the third arbitrator. Upon acceptance of the appointment by said third arbitrator, the Board of Arbitration for the controversy in question shall be deemed fixed.

The Board of Arbitration shall fix, by a notice in writing to the parties, a reasonable time and place for the hearing and may prescribe reasonable rules and regulations governing the course and conduct of the arbitration proceedings, including discovery by the parties.

The Board shall, within ninety (90) calendar days following the conclusion of the hearing, render its written decision on the matter or matters in controversy in writing and shall cause a copy thereof to be served on all the parties thereto. In case the Board fails to reach a unanimous decision, the decision of the majority of the members of the Board shall be deemed to be the decision of the Board, and the same shall be final and binding on the parties thereto. Such decision shall be a complete defense to any attempted appeal or litigation of such decision in the absence of serious irregularity. Without limiting the foregoing, the parties waive any right to appeal to, and/or seek collateral review of the decision of the Board of Arbitration by, any court or other body to the fullest extent permitted by applicable law, including, without limitation, application or appeal under Sections 45 and 69 of the Act.

Any order as to the costs of the arbitration shall be in the sole discretion of the Board, who may direct to whom and by whom and in what manner they shall be paid.

The parties agree that, in the event that claims for indemnity or contribution are asserted in any action or proceeding against the Company by any of the Insured's other insurers in any jurisdiction or forum other than that set forth in this arbitration provision, the Insured will in good faith take all reasonable steps requested by the Company to assist the Company in obtaining a dismissal of these claims (other than on the merits) and will undertake to the court or other tribunal to reduce any judgment or award against such other insurers to the extent that the court or tribunal determines that the Company would have been liable to such insurers for indemnity or contribution pursuant to this Policy. The Insured shall be entitled to assert claims against the Company for coverage under this Policy, including, without limitation, for amounts by which the Insured reduced its judgment against such other insurers in respect of such claims for indemnity or contribution, in an arbitration between the Company and the Insured pursuant to this arbitration provision, which arbitration may take place before, concurrently with and/or after the action or proceeding involving such other insurers; provided, however, that the Company in such arbitration in respect of such reduction of any judgment shall be entitled to raise any defenses under this Policy and any other defenses (other than jurisdictional defenses) as it would have been entitled to raise in the action or proceeding with such insurers (and no determination in any such action or proceeding involving such other insurers shall have collateral estoppel, res judicata or other issue preclusion or estoppel effect against the Company in such arbitration, irrespective of whether or not the Company remained a party to such action or proceeding).

All other terms and conditions of this Policy remain unchanged.



POLICE PROFESSIONAL LIABILITY EXCLUSION

It is hereby noted and agreed that this Policy of Insurance excludes all Liability and/ or Damages arising directly or indirectly out of Police Professional Liability coverage, as per the Non-Follow Form Endorsement #006 (as attached).

All other terms and conditions remain unchanged.

EMPLOYMENT PRACTICES LIABILITY EXCLUSION

It is hereby noted and agreed that this Policy of Insurance excludes all Liability and/ or Damages arising directly or indirectly out of Employment Practices Liability coverage, as per the Non-Follow Form Endorsement #006 (as attached).

All other terms and conditions remain unchanged.



FAILURE TO SUPPLY EXCLUSION

It is hereby noted and agreed that this Policy of Insurance excludes all Liability and/ or Damages arising directly or indirectly out Failure to Supply coverage, as per the Non-Follow Form Endorsement #006 (as attached).

All other terms and conditions remain unchanged.

WILDFIRE EXCLUSION ENDORSEMENT

In no case shall this insurance cover any actual or alleged liability, loss, cost or expense directly or indirectly caused by or arising out of

- A. a wildfire or
- B. any of the following resulting from a wildfire:
 - landslide, mudslide, mudflow, land movement, overflow of a body of water, surface run-off, flooding, pollution, contamination or health hazards.

As used in this exclusion, the word 'wildfire' means a fire in an area of combustible vegetation.



1/2/19

INFORMATION

The following information was provided to insurer(s) to support the assessment of the risk at the time of underwriting.

- As held on file by RKH Specialty



SECURITY DETAILS**Insurer's Liability:** **LMA 3333****(RE)INSURERS LIABILITY CLAUSE****(Re)insurer's liability several not joint**

The liability of a (re)insurer under this contract is several and not joint with other (re)insurers party to this contract. A (re)insurer is liable only for the proportion of liability it has underwritten. A (re)insurer is not jointly liable for the proportion of liability underwritten by any other (re)insurer. Nor is a (re)insurer otherwise responsible for any liability of any other (re)insurer that may underwrite this contract.

The proportion of liability under this contract underwritten by a (re)insurer (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of the syndicate taken together) is shown next to its stamp. This is subject always to the provision concerning "signing" below.

In the case of a Lloyd's syndicate, each member of the syndicate (rather than the syndicate itself) is a (re)insurer. Each member has underwritten a proportion of the total shown for the syndicate (that total itself being the total of the proportions underwritten by all the members of the syndicate taken together). The liability of each member of the syndicate is several and not joint with other members. A member is liable only for that member's proportion. A member is not jointly liable for any other member's proportion. Nor is any member otherwise responsible for any liability of any other (re)insurer that may underwrite this contract. The business address of each member is Lloyd's, One Lime Street, London EC3M 7HA. The identity of each member of a Lloyd's syndicate and their respective proportion may be obtained by writing to Market Services, Lloyd's, at the above address.

Proportion of liability

Unless there is "signing" (see below), the proportion of liability under this contract underwritten by each (re)insurer (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of the syndicate taken together) is shown next to its stamp and is referred to as its "written line".

Where this contract permits, written lines, or certain written lines, may be adjusted ("signed"). In that case a schedule is to be appended to this contract to show the definitive proportion of liability under this contract underwritten by each (re)insurer (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of the syndicate taken together). A definitive proportion (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of a Lloyd's syndicate taken together) is referred to as a "signed line". The signed lines shown in the schedule will prevail over the written lines unless a proven error in calculation has occurred.

Although reference is made at various points in this clause to "this contract" in the singular, where the circumstances so require this should be read as a reference to contracts in the plural.

Order Hereon: 100% of 50%**Basis of Written Lines:** Percentage of Order

Signing Provisions:

In the event that the written lines hereon exceed 100% of the order, any lines written "to stand" will be allocated in full and all other lines will be signed down in equal proportions so that the aggregate signed lines are equal to 100% of the order without further agreement of any of the (re)insurers.

However:

- a) in the event that the placement of the order is not completed by the commencement date of the period of insurance then all lines written by that date will be signed in full;
- b) the signed lines resulting from the application of the above provisions can be varied, before or after the commencement date of the period of insurance, by the documented agreement of the (re)insured and all (re)insurers whose lines are to be varied. The variation to the contracts will take effect only when all such (re)insurers have agreed, with the resulting variation in signed lines commencing from the date set out in that agreement.

Written Lines:

In a co-insurance placement, following (re)insurers may, but are not obliged to, follow the premium charged by the lead (re)insurer.

(Re)insurers may not seek to guarantee for themselves terms as favourable as those which others subsequently achieve during the placement.

Signed Lines:

Written Lines:

\$25m / 50% of WHOLE



XL Insurance

**XL INSURANCE COMPANY SE
IRELAND BRANCH**

I E 0 0 0 2 0 7 2 4 L I 1 9 A

**ALL AMENDMENTS TO BE AGREED BY AXA XL
LINE TO STAND**

*King
17/12/19
[Signature]*



17/19

SUBSCRIPTION AGREEMENT SECTION

Slip Leader: XL Insurance Company SE - Irish Branch

Basis of Agreement to Contract Changes: GUA (February 2014) with Non Marine Schedule (October 2001).

Other Agreement Parties for Contract Changes, for Part 2 GUA Changes Only: Part 2 changes may be agreed by Slip Leader only.

Any amendments extending "beyond 5 days" the settlement due dates shown in any Premium Payment Warranty, Premium Payment Condition, or LSW 3000 (as applicable to this contract) to be agreed by Slip Leader only, if required. All Insurers hereon will receive electronic transmission from RKH Specialty.

When required to do so by the Slip Leader only, RKH Specialty will provide details of agreed endorsements to following Insurers. If required, electronic transmission may be used by RKH Specialty for providing details of agreed endorsements, contractual changes or information to following Insurers as necessary.

Wherever practicable, between RKH Specialty and each (re)insurer which have at any time the ability to send and receive ACORD messages:

1. RKH Specialty agrees that any proposed contract change will be requested via an 'ACORD message' or using an ACORD enabled electronic trading platform;
2. whilst the parties may negotiate and agree any contract change in any legally effective manner, each relevant (re)insurer agrees to respond via an appropriate 'ACORD message' or using an ACORD enabled electronic trading platform;
3. where a (re)insurer has requested to receive notification of any contract change RKH Specialty agrees to send the notification via an 'ACORD message' or using an ACORD enabled electronic trading platform.

Agreement Parties for Contract Changes, for Their Proportion Only: None

Basis of Claims Agreement: Claims to be managed in accordance with

- i) The Lloyd's Claims Scheme (Combined), or as amended or any successor thereto.
- ii) IUA claims agreement practices.
- iii) The practices of any company(ies) electing to agree claims in respect of their own participation.



Claims Agreement Parties:i) For Lloyd's syndicates

The leading Lloyd's syndicate and, where required by the applicable Lloyd's Claims Scheme, the second Lloyd's syndicate and/or the Scheme Service Provider.

The second Lloyd's Syndicate is: None

ii) For IUA Companies

Those companies acting in accordance with the IUA claims agreement practices, excepting those that may have opted out via iii) below.

iii) Those companies that have specifically elected to agree claims in respect of their own participation. *None, unless completed here.*iv) For Non Bureau Companies

All other subscribing insurers that are not party to the Lloyd's/IUA claims agreement practices, each in respect of their own participation.

Claims Administration: All Claims to XL Insurance Company SE - Irish Branch

Rules and Extent of Any Other Delegated Claims Authority:

None.

Expert(s) Fees Collection:

RKH Specialty to collect fees.

Settlement Due Date: 30th August 2019

Bureau Arrangements: Xchanging Ins-sure Services are authorised to sign premium from individual cedants / territories separately as and when received by RKH Specialty.

Premium payment requirements deemed met by presentation of premium / accounts to Ins-sure or Underwriters hereon as applicable on or before the Settlement Due Date(s) which deemed to be in compliance with Settlement Due Date(s) and will therefore not be recorded as a late signing or payment.

Where a Premium Payment Condition or Premium Payment Warranty requires payment by a date which is later than the Settlement Due Date, the Settlement Due Date is deemed to have been amended and shall be the same as the Premium Payment Condition or Premium Payment Warranty due date.

If Settlement Due Date (SDD) or any Premium Payment Warranty (PPW) or Premium Payment Condition (PPC) due date falls on a weekend or public holiday, presentation to Xchanging Ins-sure Services or Underwriters hereon as applicable on the next working day will be deemed in compliance with SDD, PPW or PPC.

Non-Bureau Arrangements:

None.



FISCAL AND REGULATORY SECTION

Tax Payable by Insurer(s): None applicable.

Country of Origin: United States of America.

Overseas Broker: None – Self-Procured

Surplus Lines Broker: Not Applicable - Self-Procured

State of Filing: Not Applicable - Self-Procured

US Classification: Self-Procured

Allocation of Premium to Coding: N/A

Regulatory Client Classification: Large Risk.

BROKER REMUNERATION & DEDUCTIONS SECTION

Fee Payable by Client?: No fee payable to RKH Specialty.

Total Brokerage: 20%

Other Deductions from Premium: None.



1/7/19.