



ENDURANCE RISK SOLUTIONS ASSURANCE CO.

Master Policy No. EXC100009704 03
Participation Number: EXC100009704 959 02
Renewal of Master Policy #: EXC100009704 02
Renewal of Participation #: EXC100009704 959 01

COMMERCIAL EXCESS LIABILITY DECLARATIONS PAGE

1. NAMED INSURED AND ADDRESS:
Authority for California Cities Excess Liability
(ACCEL Per Named Insured Endorsement)
C/O Driver Alliant Insurance Services
100 Pine St., 11th Floor
San Francisco, CA 94111

2. POLICY PERIOD:
12:01 a.m. Standard Time at the address of the
Insured shown at the left
From: 07/01/2011 **To:** 07/01/2012

**IN RETURN FOR PAYMENT OF THE
PREMIUM AND SUBJECT TO ALL TERMS
OF THIS POLICY, WE AGREE WITH YOU
TO PROVIDE THE INSURANCE AS STATED
IN THIS POLICY.**

PRODUCER'S NAME AND ADDRESS:
AmWins Insurance Brokerage of CA
19867 Prairie, #250
Chatsworth, CA 91311

3. PREMIUM:

Total Advance Premium	\$ 470,897
Service Charge	\$
Surcharge/Taxes	\$
Total	\$ 470,897

BASIS OF PREMIUM: Non-Auditable

4. LIMITS OF INSURANCE: \$ 10,000,000 EACH OCCURRENCE
\$ 10,000,000 AGGREGATE LIMIT (Where Applicable)

These Limits of Insurance apply in excess of the "underlying limits of insurance" indicated in Item 5. of the Declarations.

5. UNDERLYING INSURANCE: See attached schedule

6. FORMS AND ENDORSEMENTS applicable to all Coverage Forms and made part of this policy at time of issue are listed on the attached Forms and Endorsements Schedule, EXL 0101.


Authorized Representative

ISSUING OFFICE:
725 South Figueroa St.
Suite 2100
Los Angeles CA 90017

FORMS AND ENDORSEMENT SCHEDULE

It is hereby understood and agreed the following forms and endorsements are attached to and are a part of this policy:

#	Form Number	Form Name
1.	EXL 0001 0110	Excess Declarations
2.	EXL 0102 0110	Schedule of Underlying Endorsement
3.	EXL1001 0110	General Change Endorsement (Named Insured)
4.	EXL 0562 0110	War Liability Exclusion
5.	EXL 0537 0110	Uninsured / Underinsured Motorist Exclusion
6.	EXL 1202 0110	Exclusion of Other Acts of Terrorism Committed Outside the United States; Cap on Losses From Certified Acts of Terrorism
7.	EXL 1001 0110	Exclusion- Financial Services
8.	EXL 1312 0110	Disclosure Pursuant to TRIA (Disclosure of Premium)

SCHEDULE OF UNDERLYING POLICIES

Carrier, Policy Number and Period	Type of Coverage	Limits of Insurance
Starr Indemnity & Liability Company SISCPEA00000111 SISCPEA00000511 7/1/2011 to 7/1/2012	Public Entity Excess Liability	<p>1. Aggregate Limit</p> <p>\$10,000,000 Completed Operations Hazard Aggregate</p> <p>2. Per Occurrence</p> <p>\$10,000,000 Any one Occurrence for Bodily Injury, Property Damage, Public Officials Errors and Omissions, Unfair Employment Practices, or Personal Injury, or any combination thereof in excess of your Retained Limit.</p> <p>Retained Limit</p> <p>\$5,000,000 Any one Occurrence for Bodily Injury, Property Damage, Public Officials Errors and Omissions, or Personal Injury or any combination thereof.</p> <p>\$5,000,000 Any one Occurrence for Unfair Employment Practices</p>

GENERAL CHANGE ENDORSEMENT

Named Insured:	Authority for California Cities Excess Liability (ACCEL)		
Participation No.:	EXC100009704 95902	Endorsement Effective Date:	07/01/2011
Issued By:	Endurance Risk Solutions Assurance Company	Endorsement No.:	1

THIS ENDORSEMENT CHANGES THIS POLICY, PLEASE READ IT CAREFULLY.

NAMED INSURED ENDORSEMENT

The named insured listed in the item 1 of the Declarations is amended to include the following:

City of Anaheim
City of Bakersfield
City of Burbank
City of Modesto
City of Monterey
City of Mountain view
City of Ontario
City of Palo Alto
City of Santa Barbara
City of Santa Cruz
City of Santa Monica
City of Visalia

But only to the extent that such named insureds are scheduled as named insureds on the underlying policies and for no broader coverage than is provided by such policies.

Nothing herein contained shall vary, alter, waive, or extend any of the terms, representations, conditions or agreements of the policy other than as above stated.



Authorized Representative

WAR LIABILITY EXCLUSION

THIS ENDORSEMENT CHANGES THE POLICY, PLEASE READ IT CAREFULLY.

This insurance does not apply to any liability arising out of any war, invasion, acts of foreign or domestic enemies, hostilities, (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalization or requisition or destruction of or damage to property including loss of access, by or under the order of any government, local authority or risks of contraband, illegal transportation or trade.

This endorsement does not change any other provisions of the policy.

UNINSURED / UNDERINSURED MOTORIST EXCLUSION

THIS ENDORSEMENT CHANGES THE POLICY, PLEASE READ IT CAREFULLY.

This insurance does not apply to any obligation of the insured under a No Fault, Uninsured Motorist or Supplementary Uninsured/Underinsured Motorist Law, or under any similar law, regulation or ordinance.

This endorsement does not change any other provision of the policy.

EXCLUSION OF OTHER ACTS OF TERRORISM COMMITTED OUTSIDE THE UNITED STATES; CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

THIS ENDORSEMENT CHANGES THE POLICY, PLEASE READ IT CAREFULLY.

A. The following exclusion is added:

This insurance does not apply to:

TERRORISM

"Any injury or damage" arising, directly or indirectly, out of an "other act of terrorism" that is committed outside of the United States (including its territories and possessions and Puerto Rico), but within the "coverage territory". However, this exclusion applies only when one or more of the following are attributed to such act:

1. The total of insured damage to all types of property exceeds \$25,000,000 (valued in US dollars). In determining whether the \$25,000,000 threshold is exceeded, we will include all insured damage sustained by property of all persons and entities affected by the terrorism and business interruption losses sustained by owners or occupants of the damaged property. For the purpose of this provision, insured damage means damage that is covered by any insurance plus damage that would be covered by any insurance but for the application of any terrorism exclusions; or
2. Fifty or more persons sustain death or serious physical injury. For the purposes of this provision, serious physical injury means:
 - a. Physical injury that involves a substantial risk of death; or
 - b. Protracted and obvious physical disfigurement; or
 - c. Protracted loss of or impairment of the function of a bodily member or organ; or
3. The terrorism involves the use, release or escape of nuclear materials, or directly or indirectly results in nuclear reaction or radiation or radioactive contamination; or
4. The terrorism is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
5. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the terrorism was to release such materials.

With respect to this exclusion, Paragraphs 1. and 2. describe the thresholds used to measure the magnitude of an incident of an "other act of terrorism" and the circumstances in which the threshold will apply for the purpose of determining whether this exclusion will apply to that incident.

B. The following definitions are added:

1. For the purposes of this endorsement, "any injury or damage" means any injury or damage covered under this policy or "underlying insurance" to which this endorsement is applicable, and includes but is not limited to "bodily injury", "property damage", "personal and advertising injury", "injury" or "environmental damage" as may be defined by this policy or "underlying insurance".
2. "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:
 - a. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act;
 - b. The act resulted in damage:
 - (1) Within the United States (including its territories and possessions and Puerto Rico); or
 - (2) Outside of the United States in the case of:
 - (a) An air carrier (as defined in Section 40102 of title 49, United States Code) or United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States), regardless of where the loss occurs; or
 - (b) The premises of any United States mission; and
 - c. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

3. "Other act of terrorism" means a violent act or an act that is dangerous to human life, property or infrastructure that is committed by an individual or individuals and that appears to be part of an effort to coerce a civilian population or to influence the policy or affect the conduct of any government by coercion, and the act is not a "certified act of terrorism". Multiple incidents of an "other act of terrorism" which occur within a seventy-two hour period and appear to be carried out in concert or to have a related purpose or common leadership shall be considered to be one incident.

C. In the event of an "other act of terrorism" that is not subject to this exclusion, coverage does not apply to any loss or damage that is otherwise excluded under this Policy.

D. If aggregate insured losses attributable to terrorist acts certified under the federal Terrorism Risk Insurance Act exceed \$100 billion in a Program Year (January 1 through December 31) and we have met out insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of Treasury.

E. Additional Definition applicable to this endorsement:

1. "Coverage territory" means anywhere in the world with the exception of any country or jurisdiction which is subject to trade or other economic sanctions or embargo by the United States of America.

This endorsement does not change any other provisions of the policy.

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FINANCIAL SERVICES EXCLUSION

Named Insured:	Authority for California Cities Excess Liability (ACCEL)	Endorsement No.:	2
Participation #:	EXC100009704 959 02	Effective Date of Endorsement:	07/01/2011
Issued By:	Endurance Risk Solutions Assurance Co.		

This endorsement changes the policy, please read it carefully.

This insurance does not apply to “bodily injury”, “property damage”, “personal and advertising injury” arising out of, resulting from or caused by the rendering of or the failure to render financial services by any insured to others.

For the purpose of this exclusion, financial services include the following types of activities:

1. Acting as a dividend disbursing agent, exchange agent, redemption or subscription agent, warrant or scrip agent, fiscal or paying agent, tax withholding agent, escrow agent, clearing agent, wire transfer agent or agent for the purpose of accomplishing any activity listed in paragraphs 2. through 10. below.
2. Planning, managing, administering, advising on or acting in a fiduciary capacity for:
 - a. Any investment, trust, pension, annuity, savings account, checking account, individual retirement plan, fund or account, welfare fund, mutual fund, or any other similar financial account;
 - b. The issuance or withdrawal of any bond, debenture, stock or other securities;
 - c. The trading or brokerage of securities, commodities, or currencies; or
 - d. Any acquisitions, mergers, dissolutions or other business consolidations or expansions.
3. Lending, or arranging for the loan of, money, including leasing or mortgage operations or activities.
4. Application for, approval of, maintenance of, termination of or collection on credit card operations.
5. Repossession, foreclosure or subsequent sale of real or personal property from a borrower or acting as an assignee for the benefit of creditors.
6. Checking or reporting of credit.
7. Maintaining of or providing information concerning financial accounts, records or balances.
8. Tax planning, tax advising or the preparation of tax returns.
9. Selling or issuing travelers checks, certified checks, bank checks or money orders.
10. Administering or leasing safe deposit or lock boxes.

11. With respect to any contract or treaty of insurance, reinsurance, suretyship, annuity, endowment or employee benefit plan (including nursing, medical, dental, psychiatric or laboratory service, health facility management, or other health maintenance or cost containment programs), including applications, receipts or binders:
 - a. The assumption of any obligation;
 - b. The failure to discharge, or the improper discharge of, any obligation or duty, contractual or otherwise;
 - c. Advising, inspecting, reporting or making recommendations;
 - d. Effecting coverage; or
 - e. Investigating, defending or settling any claim or "suit".
12. Membership in or contribution to any plan, pool, association, insolvency or guarantee fund or any similar fund, organization or association, whether voluntary or involuntary.
13. Auditing of accounts or records of others; or
14. Performing any claim, investigative, adjustment, engineering or inspection service for a fee.

This exclusion does not apply to:

- (a) Typographical errors;
- (b) Clerical errors in deposits into or withdrawals from customers' accounts;
- (c) Clerical errors in disclosing financial information; or
- (d) Other acts, errors or omissions of a clerical nature.

This endorsement does not change any other provision of the policy.


Authorized Representative

THIS ENDORSEMENT IS ATTACHED TO AND MADE PART OF YOUR POLICY IN RESPONSE TO THE DISCLOSURE REQUIREMENTS OF THE TERRORISM RISK INSURANCE ACT. THIS ENDORSEMENT DOES NOT GRANT ANY COVERAGE OR CHANGE THE TERMS AND CONDITIONS OF ANY COVERAGE UNDER THE POLICY.

DISCLOSURE PURSUANT TO TERRORISM RISK INSURANCE ACT

SCHEDULE

Terrorism Premium (Certified Acts): \$4,662

A. Disclosure of Premium

In accordance with the federal Terrorism Risk Insurance Act, we are required to provide you with a notice disclosing the portion of your premium, if any, attributable to coverage for terrorist acts certified under the Terrorism Risk Insurance Act as amended and reauthorized in 2007. The portion of your premium attributable to such coverage is shown in the Schedule of this endorsement.

B. Disclosure of Federal Participation in Payment of Terrorism Losses

The United States government, Department of the Treasury, will pay a share of terrorism losses insured under the federal program. The federal share equals 85% of that portion of the amount of such insured losses that exceeds the applicable insurer retention. However, if aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a Program Year (January 1 through December 31), the Treasury shall not make any payment for any portion of the amount of such losses that exceeds \$100 billion.

C. Cap On Insurer Participation In Payment Of Terrorism Losses

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a Program Year (January 1 through December 31) and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

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