

AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY

MEMORANDUM OF EXCESS LIABILITY COVERAGE

The Authority is an intergovernmental, risk-sharing, joint powers authority, duly formed pursuant to State of California Government Code Sections 6500 - 6512.

This Memorandum of Excess Liability Coverage is intended to be a contract between the **Authority** and a **Member Agency** which sets forth certain duties, responsibilities and obligations of each party. This Memorandum of Excess Liability Coverage is not an insurance policy or document, and is not necessarily subject to the particular rules and law which apply to insurance policy or document interpretation.

Throughout this Memorandum, words and phrases in boldface type have special meaning, which are defined in SECTION V. WORDS AND PHRASES WITH SPECIAL MEANING.

I. WHAT THE AUTHORITY PAYS ON MEMBER AGENCY'S BEHALF

A. COVERAGE OF MEMBER AGENCY

The **Authority** will pay on behalf of the **covered party** the **ultimate net loss** excess of the retained limit which the **covered party** shall become legally obligated to pay by reason of liability:

- (1) Imposed by law, or
- (2) Assumed by contract,

for damages because of:

- COVERAGE A - BODILY INJURY LIABILITY
- COVERAGE B - PROPERTY DAMAGE LIABILITY
- COVERAGE C - PUBLIC OFFICIALS ERRORS AND OMISSIONS LIABILITY
- COVERAGE D - PERSONAL INJURY LIABILITY

to which the Memorandum applies, caused by or arising out of an **occurrence**.

808111 080111
08/01/97 11:08:08
08/01/97 11:08:08

B. DEFENSE OF MEMBER AGENCY

The **Authority** shall not be called upon to assume charge of the investigation or defense of any claim.

However, in the case of a claim or proceeding which, in the opinion of the **Authority**, may result in an **ultimate net loss** exceeding the **retained limit**, the **Authority** has certain rights as set forth below:

1. On any claim in which, in the opinion of the **Authority**, the **covered party** is acting reasonably in the handling, defense or settlement of a claim, the **Authority** may, at its own expense, associate in or participate with the **covered party** in the negotiation, investigation, defense, appeal or settlement of such claim; however, the **Authority** shall not have the right to take over or control the negotiation, investigation, defense, appeal or settlement of such claim.
2. On any claim in which, in the opinion of the **Authority**, the **covered party** is acting unreasonably in the handling, defense or settlement of such claim, the **Authority** may, at its own expense, assume control of the negotiation, investigation, defense or appeal of such claim. However, nothing contained in this Section B 2 shall be construed as to allow the **Authority** to settle a claim, or to force a **covered party** to settle a claim, within the **retained limit**.
3. On any claim in which, in the opinion of the **Authority**, it is clear that the claim will result in an ultimate net loss exceeding the **retained limit**, the **Authority** may, at its own expense, assume control of the negotiation, investigation, defense, settlement or appeal. Such assumption of control may include requiring **covered party** to tender its **retained limit**, once it has been determined that there exists a reasonable, fair and realistic settlement opportunity in excess of the **retained limit**.

The **covered party** shall fully cooperate with the **Authority** in all matters pertaining to a claim or proceeding. No claim shall be settled for an amount in excess of the **retained limit** without the prior written consent of the **Authority**.

II. AUTHORITY'S LIMIT OF LIABILITY

Regardless of the number of (1) **covered parties** under this Memorandum, (2) persons or organizations who sustain injury or damage, or (3) claims made or suits brought, the **Authority's** liability is limited as follows:

SEP 20 11 08:00 AM '97

- A. With respect to the Coverage provided, the **Authority's** liability for bodily injury, property damage, public officials errors and omissions, and personal injury or any combination thereof arising out of any one occurrence shall be limited to the **ultimate net loss** which is in excess of the amount shown as the **Member Agency's** self-insured retention as specified in the Declarations, or for the **ultimate net loss** which is in excess of any specifically scheduled underlying insurance under this Memorandum; but then only up to the sum set forth in the Declarations as the **Authority's** limit of liability for any one occurrence. In the event that a **structured settlement** is utilized in the resolution of a claim, only the present value of the agreed upon payments (the present value "cost" of the **structured settlement**) shall be considered in satisfaction of a **Member Agency's** self-insured retention.
- B. The total liability of the **Authority** for all **ultimate net loss** because of all **occurrences** to which this Memorandum applies shall not exceed the limit of liability shown in the Declarations as "Aggregate".
- C. Underlying or other insurance:

The **Authority** acknowledges that the **Member Agency** from time to time may purchase (subject to the policies and procedures of the **Authority**) underlying insurance, or may participate in an underlying **Authority** risk-retention pool, with limits of liability less than, equal to, or greater than the amount of the **Member Agency's** retention for certain operations, events, and hazards for which this Memorandum provides coverage.

It is agreed that this Memorandum of Coverage (subject to its exclusions, terms and conditions) shall provide coverage in excess of the per occurrence limits, but not the aggregate limits, of such insurance or **Authority** pool, subject to the following conditions:

1. If the limits of liability of the underlying policy or **Authority** pool are less than the **Member Agency's** retention, the **Member Agency** shall bear the risk of the difference. However, if such limits are greater than the **Member Agency's** retention, this Memorandum of Coverage will apply in excess of the greater limit.
2. All **defense costs** paid or payable, or obligations to provide defense or pay defense costs, under such underlying or other insurance shall be primary to and not contribute with the **Authority's** obligation to pay **defense costs** as required under this Memorandum.
3. If the **Member Agency** fails to meet its financial obligation for its retained limit, it is understood that the coverage provided under this Memorandum of Coverage will not drop down and provide coverage, and the limits of liability provided under this Memorandum of Coverage shall continue to apply as if the **Member Agency** had met its obligation and the limits of liability stated in the declarations are still in effect.

4. If the underlying insurance or **Authority** pool coverage is canceled, or the limits reduced, then it is understood that the coverage provided under this Memorandum of Coverage will not drop down and provide coverage, and the limits of liability provided under this Memorandum of Coverage shall continue to apply as if the limits of liability stated in the declarations are still in effect.
5. If the limits of liability of such aggregate coverage limits are reduced, for whatever reason, this shall have no effect on the limits of liability afforded by this Memorandum of Coverage; coverage provided under this Memorandum of Coverage will not drop down and provide coverage; and this Memorandum of Coverage shall apply as if the limits of liability stated in the declarations are still in effect.

The terms of this section (section 5) apply equally to any other pool operated by the **Authority**. Should a **Member Agency's** aggregate limits be reduced or exhausted in another **Authority** pool, the coverage provided under this Memorandum of Coverage shall not drop down and provide coverage; and this Memorandum of Coverage shall apply as if the limits of liability stated in the declarations are still in effect.

6. It is understood that the pool represented by this Memorandum of Coverage operates separately and distinctly from any other pools operated by the **Authority**.
7. It is understood that should **Member Agency's** underlying insurance, or coverage provided by any other **Authority** pool, fail to respond, or be financially unable to respond, to its obligations, the risk for this failure or inability to respond shall be borne by the **Member Agency** and not the **Authority**; but only up to the limit of the **Member Agency's** retained per occurrence limit (\$1,000,000 per occurrence) under this Memorandum of Coverage.

Nothing contained herein shall operate to increase the **Authority's** limit of liability under this Memorandum of Coverage.

III. WHO IS A COVERED PARTY

Each of the following is a **covered party** to the extent set forth below:

- A. The **Member Agency** as set forth in the Declarations, any and all commissions, agencies, districts, authorities, boards (including the governing board) or similar entity coming under the **Member Agency's** direction or control or for which the **Member Agency's** board members sit as the governing body. The **Member Agency** includes all departments and constituent agencies of the **Member Agency**.

- B. Any person who are past or present elected or appointed officials, employees or authorized volunteers of the **Member Agency** whether or not compensated while acting for or on behalf of the **Member Agency** including while acting on outside boards at the direction of the **Member Agency**.
- C. Any person while using any **automobile** and any person legally responsible for the use thereof, provided the actual use of the **automobile** is with the permission of the **Member Agency**. The coverage extended by this Section C shall not apply:
- (1) To any person or organization, other than the **Member Agency**, or to any agent or employee thereof, engaged in selling, repairing, servicing, delivering, testing, road testing, parking or storing **automobiles**, with respect to any **occurrence** arising out of any such occupation; or
 - (2) With respect to any **hired automobile**, to the owner, or lessee thereof other than the **Member Agency**, or to any agent or employee of such owner or lessee; or
 - (3) To liability arising from the ownership, maintenance, or use of any **automobile** assigned to an airport premises while such **automobile** is on the premises of an airport which is owned, maintained or operated by the **Member Agency**.
- D. Any person or organization to whom or to which the **Member Agency** is obligated by virtue of a written contract to provide coverage such as is afforded by this agreement but only with respect to operations performed by or on behalf of the **Member Agency** or facilities owned or used by the **Member Agency**.

5/17/97 10:08 AM

IV. WHAT THE AUTHORITY WILL NOT COVER (EXCLUSIONS)

This Memorandum does not apply:

- A. To liability arising out of the partial or complete structural failure of any **dam**.
- B. To **bodily injury, property damage or personal injury** arising out of the ownership or maintenance or use or operation of any airfield or similar aviation facility.
- C. To liability arising out of the ownership or maintenance or loading or unloading or use or operation of any **aircraft**.
- D. To liability arising out of the ownership or maintenance or loading or unloading or use or operation of any watercraft over 17 feet in length.
- E. To any obligation for which the **covered party**, or any carrier as insurer therefor, may be held liable under any workers' compensation, unemployment compensation or disability benefits law, or under any similar law.
- F. To liability for **bodily injury** to any employee of the **covered party** arising out of and in the course of his employment by the **covered party**, except with respect to liability of others assumed by the **covered party** under contract.
- G. To liability for **property damage** to:
 - (1) Property owned by the **covered party**;
 - (2) Property rented to or leased to the **covered party** where the **covered party** has assumed liability under contract for damage to or destruction of such property, unless the **covered party** would have been liable in the absence of such contract; and
 - (3) Aircraft in the care, custody or control of the **covered party**.
- H. To liability arising out of the actual, alleged or threatened discharge, dispersal, release or escape of **pollutants**:
 - (1) At or from premises owned, leased or occupied by the **Member Agency**, except for public streets and roads when the discharge, dispersal, release or escape was not participated in by a **covered party**;

- (2) At or from any site or location used by or for the **covered party** or others for the handling, storage, disposal, processing or treatment of pollutants or waste;
 - (3) Which are at any time transported, handled, stored, treated, disposed of or processed as pollutants or waste by or for the **Member Agency** or any person or organization for whom the **Member Agency** may be legally liable;
 - (4) At or from any site or location on which the **Member Agency** or any contractors or subcontractors working directly on the **Member Agency's** behalf are performing operations:
 - (a) If the **pollutants** are brought on or to the site or location in connection with such operations; or
 - (b) If the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize the **pollutants**.
- I. To liability arising out of any governmental direction or request that **pollutants** be tested for, monitored, cleaned up, removed, contained, treated, detoxified or neutralized.
- J. To liability arising out of or contributed to by any complete or partial failure to supply water, electricity or gas.
- K. To liability arising out of medical professional services provided by any doctor, nurse, or dentist employed by or contracted by the **Member Agency**, including:
- (1) The rendering or failure to render:
 - (a) Medical, surgical, dental, x-ray or nursing service or treatment or the furnishing of foods or beverages in connection therewith.
 - (b) Any service or treatment conducive to health or of a professional nature.
 - (c) Any cosmetic or tonsorial service or treatment.
 - (2) The furnishing of or dispensing of drugs or medical, dental, or surgical supplies or appliances.
- This exclusion does not apply to the activities of paramedics, emergency medical dispatches, technicians or similar personnel.
- L. To liability arising out of the ownership or operation of any hospital or medical clinic.

2025 JUN 11 09:08

- M. To claims for loss or damage including consequential loss or any liability of any and all **covered parties** arising out of or in any way connected with the application of the principles of eminent domain, condemnation proceeding, retroactive condemnation, inverse condemnation or reverse condemnation, by whatever name called, regardless of whether such claims are made directly against the **covered party** or by virtue of any agreement entered into by or on behalf of the **covered party**.

This exclusion does not apply, however, to **property damage** for which the **covered party** may be legally responsible and for which recovery is sought by claimant or plaintiff pursuant to a claim for inverse condemnation, by whatever name called; provided, however, that in any case in which a claim of inverse condemnation is made against the **covered party**, coverage shall exist for **property damage** only, and there shall be no coverage for reduced value of property (diminution of value), plaintiff's attorney fees and expert fees, severance damages, relocation costs, or any other form of relief, however denominated.

- N. To fines or punitive damages.

- O. Under Coverage C, **public officials errors and omissions** to:

- (1) **Bodily injury or personal injury;**
- (2) **Property damage;**
- (3) Refund of taxes, fees or assessments.
- (4) Liability of a **covered party** (a) arising in whole or in part out of a **covered party** obtaining remuneration or financial gain to which the **covered party** was not legally entitled or (b) arising out of the actual or alleged violation of the penal code, or a penal ordinance, committed by or with the knowledge or consent of any **covered party**.
- (5) Liability arising out of estimates of probable cost or cost estimates being exceeded or faulty preparation of bid specifications or plans including architectural plans.
- (6) Failure to perform, or breach of, a contractual obligation.
- (7) Liability arising out of fiduciary activities as respects employee benefit plans.

Q. To liability:

- (1) With respect to which a **covered party** under the Memorandum is also a **covered party** under a nuclear energy liability policy issued by Mutual Atomic Energy Liability Underwriters, American Nuclear Insurers, or Nuclear Insurance Association of Canada, or any successor organizations, or would be a **covered party** under any such policy but for its termination upon exhaustion of its limit of liability; or
- (2) Resulting from the "hazardous properties" of "nuclear material" and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the **covered party** is, or had this Memorandum not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, with any person or organization, or
- (3) Resulting from "hazardous properties" of "nuclear material," if:
 - (a) The "nuclear material" (i) is at any "nuclear facility" owned by, or operated by or on behalf of, a **covered party**, or (ii) has been discharged or dispersed therefrom;
 - (b) The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of a **covered party**; or
 - (c) The liability arising out of the furnishing by a **covered party** of services, materials, parts of equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility," but if such facility is located within the United States of America, its territories or possessions, or Canada, this exclusion (c) applies only to "property damage" to such "nuclear facility" and any property threat;

As used in this exclusion:

- (a) "Hazardous properties" include radioactive, toxic, or explosive properties;
- (b) "Nuclear facility" means: (i) any nuclear reactor; (ii) any equipment or device designed or used for (aa) separating the isotopes of uranium or plutonium, (bb) processing or utilizing spent fuel, or (cc) handling, processing, or packaging "waste"; (iii) any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the **covered**

party at the premises where such equipment or device is located consists of or contains more than 25 grams of uranium m235; (iv) any structure, basin, excavation, premises or place prepared or used for the storage or disposal of waste; and (v) includes the site on which any of the foregoing is located, all operations conducted on such site, and all premises used for such operation;

- (c) "Nuclear material" means "source material," "special nuclear material," or "byproduct material";
- (d) "Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material;
- (e) "Property damage" includes all forms of radioactive contamination of property.
- (f) "Source material," "special nuclear material," and "byproduct material" have the meaning given them in the Atomic Energy Act of 1954 or in any law amendatory thereof;
- (g) "Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a nuclear reactor;
- (h) "Waste" means any "waste" material (i) containing "byproduct material" and (ii) resulting from the operation by any person or organization of any "nuclear facility" included within the definition of "nuclear facility" under paragraph (f) (i) or (ii) thereof;

- R. To liability arising out of salary or wages due because of unlawful discrimination against, violation of civil rights of, or wrongful termination of any employee or official of the **covered party**.
- S. To liability, including, but not limited to, liability for civil rights violations, arising out of or in connection with the principles of eminent domain, or in condemnation proceedings, regardless of whether or not liability accrues directly against the **Member Agency** or by virtue of any agreement entered into by, or on behalf of, the **Member Agency**.
- T. To liability, including, but not limited to, liability for civil rights violations, arising out of or in connection with land use planning, land use regulation, or zoning, by whatever names called, regardless of whether or not such liability accrues directly against the **Member Agency** or by virtue of any agreement entered into by or on behalf of the **Member Agency**.

- U. To any liability arising out of any investment decision including, but not limited to, investing, re-investing, purchasing, acquiring, exchanging, selling and/or managing public funds.
- V. To ultimate net loss arising out an occurrence for which the **Covered Party** is held liable for punitive damages or exemplary damages after actual trial. This exclusion shall not apply to defense costs other than interest on judgments accruing after entry of judgments.

V. WORDS AND PHRASES WITH SPECIAL MEANING

Aircraft means a vehicle designed for the transport of persons or property principally in the air.

Authority means the Authority for California Cities Excess Liability.

Automobile means a land motor vehicle or trailer licensed for highway use.

Bodily injury means bodily injury, sickness, disease or emotional distress, including death resulting therefrom, and also includes care and loss of services by any person or persons.

Covered Party means any person or entity set forth in Section III of this Memorandum.

Dam means any artificial barrier, together with appurtenant works, which does or may impound or divert water, and which either (a) is 25 feet or more in height from the natural bed of the stream or watercourse at the downstream toe of the barrier, or from the lowest elevation of the outside limit of the barrier, if it is not across a stream channel or watercourse, to the maximum possible water storage elevation; or (b) has an impounding capacity of 50 acre feet or more.

Any such barrier which is not in excess of 6 feet in height, regardless of storage capacity, or which has a storage capacity not in excess of 15 acre feet, regardless of height, shall not be considered a **dam**.

No obstruction in a canal used to raise or lower water therein or divert water therefrom, no levee, including but not limited to a levee on the bed of a natural lake the primary purpose of which levee is to control floodwaters, no railroad fill or structure, tank constructed of steel or concrete or of a combination thereof, no tank elevated above the ground, and no barrier which is not across a stream channel, watercourse, or natural drainage area and which has the principal purpose of impounding water for agricultural use shall be considered a **dam**. In addition, no obstruction in the channel of a stream or watercourse upstream from the construction for percolation underground shall be considered a **dam**.

Defense costs means all fees and expenses caused by and relating to the adjustment, investigation, defense or litigation of a claim including attorney's fees, court costs and interest on judgments accruing after entry of judgment. **Defense costs** shall not include the salaries of employees or officials, or the office expenses of the **Authority**, the **covered party**, or any claims administration firm engaged by any **covered party**.

Hired Automobile means an **automobile** used under contract on behalf of or loaned to the **Member Agency** provided such **automobile** is not owned by or registered in the name of (1) the **Member Agency**, or (2) any other **covered party**.

Member Agency means the local public agency, designated in the declarations, which is a party signatory to the Joint Powers Agreement creating the Authority for California Cities Excess Liability.

Occurrence means: a) an accident or event which, during the coverage period, results in **bodily injury** or **property damage** neither expected nor intended from the standpoint of the covered party b) an act, accident or event, as defined under **personal injury** or **public officials errors and omissions**, during the coverage period which results in injury or damage; all injuries or damages arising out of continuous or repeated exposure to substantially the same general conditions shall be considered as arising out of one **occurrence**.

Owned Automobile means an **automobile** owned by or under long term lease to the **Member Agency**.

Personal Injury means (a) false arrest, malicious prosecution, or willful detention; (b) libel, slander or defamation of character; (c) invasion of privacy; (d) wrongful entry or eviction, or other invasion of the right of private occupancy; (e) assault and battery; and (f) discrimination or civil rights violations.

Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed. The term **pollutant** as used herein is not defined to mean potable water or agricultural water or water furnished to commercial users or water used for fire suppression, and it is not defined to mean smoke from a hostile fire.

Property Damage means (1) physical injury to or destruction of tangible property, including the loss of use thereof at any time resulting therefrom, or (2) loss of use of tangible property which has not been physically injured or destroyed.

Public officials errors and omissions means any and all breaches of duty by the **covered party** arising from negligent action or inaction, mistake, misstatement, error, neglect, inadvertence, or omission by the **covered party** in the discharge of duties with the **Member Agency**.

Retained limit means the amount of paid claim liability for which the covered party is responsible on a per-occurrence basis, and which the **covered party** actually pays in cash, after making proper deduction for all recoveries and salvages collectible; provided, however, that recoveries, as used herein, shall not include recoveries of settlement or judgment payments from an “underlying” insurer or “other” insurer (as contemplated under Section II C). The **Member Agency’s retained limit** includes **defense costs** expended by the **Member Agency**.

Structured Settlement shall mean any agreement which provides for a program of future payments in the settlement of a claim, but in no event shall the present value be in excess of the judgment.

Ultimate net loss means the sum actually paid or payable in cash in the settlement or satisfaction of losses for which a **Member Agency** is liable either by adjudication or compromise (with the written consent of the **Authority**) after making proper deductions for all recoveries and salvages collectible, and includes **defense costs** and interest on any judgment or award, whether such sums paid or payable, costs, or interest are incurred by the **Member Agency**, a **covered party** or the **Authority**.

VI. CONDITIONS

- A. Deposit/Adjustment. All deposits and retroactive adjustments for this Memorandum shall be computed and paid in accordance with the Joint Powers Agreement, By-Laws and the cost allocation plan adopted by the Board of Directors. The deposit is an estimate to be credited to the amount of retrospective adjustment determined under the cost allocation plan.
- B. Inspection and Audit. The **Authority** shall be permitted but not obligated to inspect the **Member Agency’s** property and operations at any time. The **Authority** may examine and audit the **Member Agency’s** books and records at any time prior to cessation of the **Member Agency’s** financial obligations under the Joint Powers Agreement.
- C. Covered Party’s Duties in the Event of Occurrence, Claim or Suit.

In the event of:

- (1) an **occurrence** in which the **ultimate net loss** is estimated to exceed twenty-five percent (25%) of the **covered party’s** retained limit; or
- (2) any claim or **occurrence** falling within any of the following classifications, without regard to liability:
 - a) One or more fatalities;

CO MP 20 MAR 08

- b) Spinal cord injuries (para or quadriplegic);
- c) Amputations;
- d) Loss of sight or hearing;
- e) Severe burns or disfigurement;
- f) Serious head injuries;
- g) Serious loss of use of any body part or function;
- h) Long-term hospitalization (30 days or more);
- i) Multiple claims arising out of the same occurrence which result in losses in the aggregate exceeding 25% or more of the S.I.R.; or
- j) Section 1983 Civil Rights estimated to exceed 25% of the S.I.R.

Written notice containing particulars sufficient to identify the covered party and also reasonable obtainable information with respect to the date, time, place and circumstances thereof, and the names and addresses of the **covered party** and of available witnesses, shall be given by or for the **covered party** to the **Authority** or any of its authorized agents as soon as practicable.

With respect to any claim required to be reported in accordance with Section VI C(1) and (2), the **covered party** shall immediately forward to the **Authority** every demand, notice, summons or process received.

The **covered party** shall cooperate with the **Authority** and, upon the **Authority's** request, assist in making settlements in the conduct of suits and in enforcing any right of contribution or indemnity against any person who, or organization which, may be liable to the **covered party** because of injury or damage with respect to which coverage is afforded under this Memorandum; and the **covered party** shall attend hearings and trials and assist in securing and giving evidence and obtaining the attendance of witnesses. The **covered party** shall not, except at the **covered party's** cost, voluntarily make any payment, assume any obligation or incur any expense other than for first aid or damage mitigation.

The **Authority** may not be liable for **occurrences**, suits or claims in which the **Member Agency** fails to comply with this Subsection C.

- D. **Action Against Authority.** No action shall lie against the **Authority** unless, as a condition precedent thereto, there shall have been full compliance with all of the terms of this Memorandum, nor until the amount of the **covered party's** obligation to pay shall have been finally determined either by judgment against the **covered party** after actual trial or by written agreement of the **covered party**, the claimant and the **Authority**.

No person or organization shall have any right under this Memorandum to join the **Authority** as a party to any action against the **covered party** to determine the **covered party's** liability, nor shall the **Authority** be impleaded by the **covered party** or the **covered party's** legal representative. Bankruptcy or insolvency of the **covered party** or of the **covered party's** estate shall not relieve the **Authority** of any of its obligations hereunder.

- E. Multiple Coverage Periods. An **occurrence** with a duration of more than one coverage period shall be treated as a single **occurrence** arising during the coverage period when the **occurrence** begins.
- F. Other Coverage. The coverage afforded in this Memorandum shall be excess of and shall not contribute with any valid and collectible insurance available to the **covered party**, other than any excess or umbrella insurance procured by the **Authority** or the **Member Agency** which is specifically meant to apply in excess of the coverage afforded by this Memorandum.
- G. Subrogation. In the event of any payment under this Memorandum, the **Authority** shall be subrogated to all the **covered party's** rights of recovery therefor against any person or organization and the **covered party** shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The **covered party** shall do nothing after loss to prejudice such rights.
- H. Withdrawal/Cancellation. The **Member Agency** may withdraw from the **Authority** and cancel this coverage only:
 - (1) At the end of an **Authority** fiscal year; and
 - (2) Three or more years following its first day of **Authority** coverage; and
 - (3) After six months' advance written notice of withdrawal is given by the **Member Agency** and received by the **Authority**.

The **Authority** may cancel the **Member Agency's** participation in the **Authority** upon two-thirds vote of the **Authority's** Board of Directors. However, any canceled **Member Agency** shall be given thirty days' written notice before such cancellation becomes effective, unless the **Member Agency's** participation is canceled for non-payment of deposit or retrospective adjustment, then ten days' written notice applies.

- I. Changes. This Memorandum shall not be changed except by written endorsement hereto.

VII. ARBITRATION

It is the intent of this Section VII: (1) to provide an alternative, and confidential, avenue to litigation for the resolution of coverage disputes between a **Member Agency** and the **Authority**, and (2) that this Section shall apply to those disputes arising out of or in connection with claims or actions filed against a **Member Agency**. The purpose of such confidentiality is to protect the interests of parties, particularly in a circumstance in which there is a pending, or the potential of an underlying case.

Arbitration shall be final and binding, and shall apply only in instances in which the **Member Agency** and the **Authority** agree to arbitration. Agreement by the **Authority** to arbitrate shall require a majority vote of the Board.

The Parties in the proceedings shall be the **Authority** and a **Member Agency** (hereinafter referred to in this Section VII as "Party" or "Parties").

(A) Requesting arbitration:

Either a **Member Agency** or the **Authority** may request arbitration of disputes under this Section. To proceed with arbitration, the **Member Agency** and the **Authority** must have prior approval from their respective governing bodies. Such arbitration proceeding becomes non-cancelable once an arbitration agreement is executed by both the **Authority** and the **Member Agency**.

Upon receipt of a request for arbitration from a **Member Agency**, the Board decides whether or not the **Authority** shall agree to arbitration, and the time to make such decision shall not extend past the next two regularly scheduled Board meetings after receipt of such request, provided that such request is received no later than 14 days prior to the first of such two Board meetings.

Upon receipt of a request for arbitration from the **Authority**, the **Member Agency** decides whether or not it will agree to arbitration, and the time to make such decision shall not extend past the next two regularly scheduled **Authority** Board meetings after receipt of such request, provided that such request is received no later than 14 days prior to the first of such two **Authority** Board meetings.

(B) Arbitration procedures:

If a dispute is submitted to arbitration, each Party shall, within thirty (30) calendar days, select one (1) arbitrator and submit his or her name in writing to the other Party. Within thirty (30) calendar days after their selection, these two arbitrators shall select a third, independent arbitrator. No arbitrator shall be employed by or in any way affiliated with the

Authority or with any **covered party**. One of the three arbitrators must be an attorney with knowledge, expertise, and experience in the area of California insurance or memorandum-of-coverage law.

If the two selected arbitrators cannot agree on the selection of the third arbitrator within thirty (30) calendar days, either Party may petition the Contra Costa County Superior Court for the appointment of the third arbitrator pursuant to the provisions of Section 1281.6 of the California Code of Civil Procedure.

The arbitration panel shall choose a Chairperson from the three panelists; however, each arbitrator shall have an equal vote. The arbitration hearing shall commence within one hundred eighty (180) calendar days from the date of the selection of the complete panel.

Each Party shall pay the cost of its selected arbitrator and one-half the cost of the third, independent arbitrator. In addition, each Party shall be responsible for its own cost and expense of arbitration.

Except for notification of appointment, and as otherwise provided for in the California Code of Civil Procedure, there shall be no communication between the Parties and the arbitrator(s) relating to the subject of the arbitration, other than at scheduled hearings.

(C) Discovery:

The procedures set forth in California Code of Civil Procedure 1283.05 relating to discovery (including, but not limited to, depositions) shall apply to any arbitration pursuant to this Section. The arbitration panel shall have the authority to designate any discovery under this arbitration as confidential.

(D) Testimony under oath:

The testimony of witnesses shall be given under oath, as administered by a qualified individual, or shall be given under a declaration under penalty of perjury.

(E) Hearing decision:

The decision of the panel shall be reported in writing. The written decision of the panel shall be given to both Parties within thirty (30) calendar days of the close of the hearing.

(F) Certified court reporter:

Either Party electing to utilize a certified court reporter shall make arrangements directly with such certified court reporter and shall notify the other Party of such arrangements in advance of the hearing. Such Party shall pay the cost of recording the hearing if no

transcript is ordered by the other Party. If such a transcript is ordered, the cost of the transcript and of recording the hearing shall be divided equally among the Parties ordering copies.

(G) Funding of defense and payment of claims pending resolution of dispute:

The commencement of an arbitration process hereunder shall have no effect on the Parties' responsibilities for payment of fees or expenses related to investigation, defense, or litigation of a claim or lawsuit, until such time as a final decision has been rendered by the arbitration panel. The initiation of an arbitration process shall have no effect on the Parties' obligation, rights, or responsibilities under this Memorandum.

(H) Effect of arbitration decisions:

All decisions made by the arbitration panel shall be final and binding upon the Parties.

(I) Costs of arbitration:

Unless otherwise provided for herein, each Party shall bear its own costs associated with arbitration.

(J) Interpretation and application of rules:

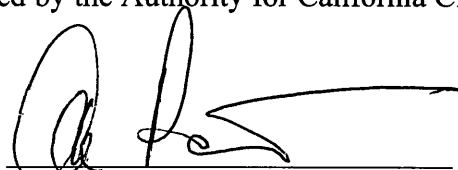
With respect to any procedure not herein expressly provided for, the arbitration shall be governed by the California Code of Civil Procedure provisions relating to arbitration (Section 1280 et seq.). The arbitrator(s) shall interpret and apply these rules in so far as they relate to the arbitrator(s)' power and duties. All decisions of the arbitration panel shall be decided by a majority vote.

(K) Not applicable to excess carriers:

These arbitration provisions are intended to bind only the **Authority** and its **Member Agencies**. They are not intended to be binding upon any of the **Authority's** excess carriers.

Issued by the Authority for California Cities Excess Liability.

By:


Secretary

ACCEL
AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY
MEMORANDUM OF EXCESS LIABILITY COVERAGE

DECLARATIONS

Memorandum Number: ACC9798 ANA101

Member Agency: City of Anaheim
200 South Anaheim Blvd. 10th Floor
Anaheim, CA 92803

Coverage Period: July 1, 1997 To July 1, 1998
12:01 a.m. Pacific Time

Retained Limit: \$1,000,000 ultimate net loss each occurrence

Coverage Limit: \$9,000,000 ultimate net loss each occurrence *
\$27,000,000 ultimate net loss aggregate

Deposit Premium: \$658,983

This DECLARATIONS page, together with the MEMORANDUM OF EXCESS LIABILITY COVERAGE and AMENDMENTS or ENDORSEMENTS, if any, form the full and complete coverage agreement between ACCEL and the Member Agency. Words with special meaning are shown in **bold face** and are explained in the Words and Phrases with Special Meaning Section.

MEMORANDUM OF COVERAGE (07/96)

** These limits are reinsured through the Insurance Company of the State of Pennsylvania's (ICSP) provision of \$7,000,000 excess of \$2,000,000 layer of coverage. Please see ICSP's coverage document for Terms and Conditions for this contributing layer.*

Signed by: 
AUTHORIZED REPRESENTATIVE

July 9, 1997
DATE

A C C E L
AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY

Endorsement Number: 1

Issued to: City of Anaheim, etal

**This Endorsement Forms a
Part of Memorandum Number:** ACC9798 ANA101

Effective Date: July 1, 1997 To July 1, 1998
12:01 a.m. Pacific Time

MEMBER AGENCY

Member Agency as shown on the Declarations Page is amended to read:

City of Anaheim
Anaheim Redevelopment Agency
Anaheim Housing Authority
Anaheim Stadium Incorporated
Anaheim Convention Center Authority
Anaheim Public Improvement Corporation



AUTHORIZED REPRESENTATIVE

July 9, 1997
DATE

ACCEL
AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY
MEMORANDUM OF EXCESS LIABILITY COVERAGE

DECLARATIONS

Memorandum Number: ACC9798 BAK71

Member Agency: City of Bakersfield
1501 Truxtun Avenue
Bakersfield, CA 93301

Coverage Period: July 1, 1997 To July 1, 1998
12:01 a.m. Pacific Time

Retained Limit: \$1,000,000 ultimate net loss each occurrence

Coverage Limit: \$9,000,000 ultimate net loss each occurrence *
\$27,000,000 ultimate net loss aggregate

Deposit Premium: \$295,070

This DECLARATIONS page, together with the MEMORANDUM OF EXCESS LIABILITY COVERAGE and AMENDMENTS or ENDORSEMENTS, if any, form the full and complete coverage agreement between ACCEL and the Member Agency. Words with special meaning are shown in **bold face** and are explained in the Words and Phrases with Special Meaning Section.

MEMORANDUM OF COVERAGE (07/96)

** These limits are reinsured through the Insurance Company of the State of Pennsylvania's (ICSP) provision of \$7,000,000 excess of \$2,000,000 layer of coverage. Please see ICSP's coverage document for Terms and Conditions for this contributing layer.*

Signed by:



AUTHORIZED REPRESENTATIVE

July 9, 1997
DATE

A C C E L
AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY

Endorsement Number: 1

Issued to: City of Bakersfield, etal

**This Endorsement Forms a
Part of Memorandum Number:** ACC9798 BAK71

Effective Date: July 1, 1997 To July 1, 1998
12:01 a.m. Pacific Time

MEMBER AGENCY

Member Agency as shown on the Declarations Page is amended to read:

City of Bakersfield
Central District Development Agency



AUTHORIZED REPRESENTATIVE

July 9, 1997
DATE

ACCEL
AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY
MEMORANDUM OF EXCESS LIABILITY COVERAGE

DECLARATIONS

Memorandum Number: ACC9798 BUR51

Member Agency: City of Burbank
275 East Olive Avenue
Burbank, CA 91502

Coverage Period: July 1, 1997 To July 1, 1998
12:01 a.m. Pacific Time

Retained Limit: \$1,000,000 ultimate net loss each occurrence

Coverage Limit: \$9,000,000 ultimate net loss each occurrence *
\$27,000,000 ultimate net loss aggregate

Deposit Premium: \$407,467

This DECLARATIONS page, together with the MEMORANDUM OF EXCESS LIABILITY COVERAGE and AMENDMENTS or ENDORSEMENTS, if any, form the full and complete coverage agreement between ACCEL and the Member Agency. Words with special meaning are shown in **bold face** and are explained in the Words and Phrases with Special Meaning Section.

MEMORANDUM OF COVERAGE (07/96)

** These limits are reinsured through the Insurance Company of the State of Pennsylvania's (ICSP) provision of \$7,000,000 excess of \$2,000,000 layer of coverage. Please see ICSP's coverage document for Terms and Conditions for this contributing layer.*

Signed by:



AUTHORIZED REPRESENTATIVE

July 9, 1997
DATE

A C C E L
AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY

Endorsement Number: 1

Issued to: City of Burbank, etal

**This Endorsement Forms a
Part of Memorandum Number:** ACC9798 BUR51

Effective Date: July 1, 1997 To July 1, 1998
12:01 a.m. Pacific Time

MEMBER AGENCY

Member Agency as shown on the Declarations Page is amended to read:

City of Burbank
Burbank Redevelopment Agency
Burbank Parking Authority



AUTHORIZED REPRESENTATIVE

July 9, 1997
DATE

ACCEL
AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY

MEMORANDUM OF EXCESS LIABILITY COVERAGE

DECLARATIONS

Memorandum Number: ACC9798 MOD51

Member Agency: City of Modesto
801 11th Street
Modesto, CA 95353

Coverage Period: July 1, 1997 To July 1, 1998
12:01 a.m. Pacific Time

Retained Limit: \$1,000,000 ultimate net loss each occurrence

Coverage Limit: \$9,000,000 ultimate net loss each occurrence *
\$27,000,000 ultimate net loss aggregate

Deposit Premium: \$292,578

This DECLARATIONS page, together with the MEMORANDUM OF EXCESS LIABILITY COVERAGE and AMENDMENTS or ENDORSEMENTS, if any, form the full and complete coverage agreement between ACCEL and the Member Agency. Words with special meaning are shown in **bold face** and are explained in the Words and Phrases with Special Meaning Section.

MEMORANDUM OF COVERAGE (07/96)

** These limits are reinsured through the Insurance Company of the State of Pennsylvania's (ICSP) provision of \$7,000,000 excess of \$2,000,000 layer of coverage. Please see ICSP's coverage document for Terms and Conditions for this contributing layer.*

Signed by:



AUTHORIZED REPRESENTATIVE

July 9, 1997
DATE

A C C E L
AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY

Endorsement Number: 1

Issued to: City of Modesto, etal

**This Endorsement Forms a
Part of Memorandum Number:** ACC9798 MOD51

Effective Date: July 1, 1997 To July 1, 1998
12:01 a.m. Pacific Time

MEMBER AGENCY

Member Agency as shown on the Declarations Page is amended to read:

City of Modesto
Redevelopment Agency of the City of Modesto



AUTHORIZED REPRESENTATIVE

July 9, 1997
DATE

ACCEL
AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY

MEMORANDUM OF EXCESS LIABILITY COVERAGE

DECLARATIONS

Memorandum Number: ACC9798 MON71

Member Agency: City of Monterey
399 Madison - City Hall
Monterey, CA 93940

Coverage Period: July 1, 1997 To July 1, 1998
12:01 a.m. Pacific Time

Retained Limit: \$1,000,000 ultimate net loss each occurrence

Coverage Limit: \$9,000,000 ultimate net loss each occurrence *
\$27,000,000 ultimate net loss aggregate

Deposit Premium: \$129,000

This DECLARATIONS page, together with the MEMORANDUM OF EXCESS LIABILITY COVERAGE and AMENDMENTS or ENDORSEMENTS, if any, form the full and complete coverage agreement between ACCEL and the Member Agency. Words with special meaning are shown in **bold face** and are explained in the Words and Phrases with Special Meaning Section.

MEMORANDUM OF COVERAGE (07/96)

** These limits are reinsured through the Insurance Company of the State of Pennsylvania's (ICSP) provision of \$7,000,000 excess of \$2,000,000 layer of coverage. Please see ICSP's coverage document for Terms and Conditions for this contributing layer.*

Signed by:



AUTHORIZED REPRESENTATIVE

July 9, 1997
DATE

ACCEL
AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY
MEMORANDUM OF EXCESS LIABILITY COVERAGE

DECLARATIONS

Memorandum Number: ACC9798 MTV492

Member Agency: City of Mountain View
500 Castro Street
Mountain View, CA 94041

Coverage Period: July 1, 1997 To July 1, 1998
12:01 a.m. Pacific Time

Retained Limit: \$1,000,000 ultimate net loss each occurrence

Coverage Limit: \$9,000,000 ultimate net loss each occurrence *
\$27,000,000 ultimate net loss aggregate

Deposit Premium: \$205,991

This DECLARATIONS page, together with the MEMORANDUM OF EXCESS LIABILITY COVERAGE and AMENDMENTS or ENDORSEMENTS, if any, form the full and complete coverage agreement between ACCEL and the Member Agency. Words with special meaning are shown in **bold face** and are explained in the Words and Phrases with Special Meaning Section.

MEMORANDUM OF COVERAGE (07/96)

** These limits are reinsured through the Insurance Company of the State of Pennsylvania's (ICSP) provision of \$7,000,000 excess of \$2,000,000 layer of coverage. Please see ICSP's coverage document for Terms and Conditions for this contributing layer.*

Signed by:



AUTHORIZED REPRESENTATIVE

July 9, 1997
DATE

ACCEL
AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY
MEMORANDUM OF EXCESS LIABILITY COVERAGE

DECLARATIONS

Memorandum Number: ACC9798 ONT71

Member Agency: City of Ontario
303 East "B" Street
Ontario, CA 91764

Coverage Period: July 1, 1997 To July 1, 1998
12:01 a.m. Pacific Time

Retained Limit: \$1,000,000 ultimate net loss each occurrence

Coverage Limit: \$9,000,000 ultimate net loss each occurrence *
\$27,000,000 ultimate net loss aggregate


Deposit Premium: \$345,000

This DECLARATIONS page, together with the MEMORANDUM OF EXCESS LIABILITY COVERAGE and AMENDMENTS or ENDORSEMENTS, if any, form the full and complete coverage agreement between ACCEL and the Member Agency. Words with special meaning are shown in **bold face** and are explained in the Words and Phrases with Special Meaning Section.

MEMORANDUM OF COVERAGE (07/96)

** These limits are reinsured through the Insurance Company of the State of Pennsylvania's (ICSP) provision of \$7,000,000 excess of \$2,000,000 layer of coverage. Please see ICSP's coverage document for Terms and Conditions for this contributing layer.*

Signed by:



AUTHORIZED REPRESENTATIVE

July 9, 1997

DATE

ACCEL
AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY
MEMORANDUM OF EXCESS LIABILITY COVERAGE

DECLARATIONS

Memorandum Number: ACC9798 PAL1171

Member Agency: City of Palo Alto
250 Hamilton Avenue
Palo Alto, CA 94303

Coverage Period: July 1, 1997 To July 1, 1998
12:01 a.m. Pacific Time

Retained Limit: \$1,000,000 ultimate net loss each occurrence

Coverage Limit: \$9,000,000 ultimate net loss each occurrence *
\$27,000,000 ultimate net loss aggregate

Deposit Premium: \$361,449

This DECLARATIONS page, together with the MEMORANDUM OF EXCESS LIABILITY COVERAGE and AMENDMENTS or ENDORSEMENTS, if any, form the full and complete coverage agreement between ACCEL and the Member Agency. Words with special meaning are shown in **bold face** and are explained in the Words and Phrases with Special Meaning Section.

MEMORANDUM OF COVERAGE (07/96)

** These limits are reinsured through the Insurance Company of the State of Pennsylvania's (ICSP) provision of \$7,000,000 excess of \$2,000,000 layer of coverage. Please see ICSP's coverage document for Terms and Conditions for this contributing layer.*

Signed by: Michael Quinn
AUTHORIZED REPRESENTATIVE

July 9, 1997
DATE

ACCEL
AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY
MEMORANDUM OF EXCESS LIABILITY COVERAGE

DECLARATIONS

Memorandum Number: ACC9798 SBA51

Member Agency: City of Santa Barbara
735 Anacapa
Santa Barbara, CA 93102-1990

Coverage Period: July 1, 1997 To July 1, 1998
12:01 a.m. Pacific Time

Retained Limit: \$1,000,000 ultimate net loss each occurrence

Coverage Limit: \$9,000,000 ultimate net loss each occurrence *
\$27,000,000 ultimate net loss aggregate

Deposit Premium: \$288,000

This DECLARATIONS page, together with the MEMORANDUM OF EXCESS LIABILITY COVERAGE and AMENDMENTS or ENDORSEMENTS, if any, form the full and complete coverage agreement between ACCEL and the Member Agency. Words with special meaning are shown in **bold face** and are explained in the Words and Phrases with Special Meaning Section.

MEMORANDUM OF COVERAGE (07/96)

** These limits are reinsured through the Insurance Company of the State of Pennsylvania's (ICSP) provision of \$7,000,000 excess of \$2,000,000 layer of coverage. Please see ICSP's coverage document for Terms and Conditions for this contributing layer.*

Signed by:



AUTHORIZED REPRESENTATIVE

July 9, 1997
DATE

A C C E L
AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY

Endorsement Number: 1

Issued to: City of Santa Barbara, etal

**This Endorsement Forms a
Part of Memorandum Number:** ACC9798 SBA71

Effective Date: July 1, 1997 To July 1, 1998
12:01 a.m. Pacific Time

MEMBER AGENCY

Member Agency as shown on the Declarations Page is amended to read:

City of Santa Barbara
Santa Barbara Redevelopment Agency



AUTHORIZED REPRESENTATIVE

July 9, 1997
DATE

ACCEL
AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY
MEMORANDUM OF EXCESS LIABILITY COVERAGE

DECLARATIONS

Memorandum Number: ACC9798 SCZ197

Member Agency: City of Santa Cruz
809 Center Street, Room 107
Santa Cruz, CA 95060

Coverage Period: July 1, 1997 To July 1, 1998
12:01 a.m. Pacific Time

Retained Limit: \$1,000,000 ultimate net loss each occurrence

Coverage Limit: \$9,000,000 ultimate net loss each occurrence *
\$27,000,000 ultimate net loss aggregate

Deposit Premium: \$183,733

This DECLARATIONS page, together with the MEMORANDUM OF EXCESS LIABILITY COVERAGE and AMENDMENTS or ENDORSEMENTS, if any, form the full and complete coverage agreement between ACCEL and the Member Agency. Words with special meaning are shown in **bold face** and are explained in the Words and Phrases with Special Meaning Section.

MEMORANDUM OF COVERAGE (07/96)

** These limits are reinsured through the Insurance Company of the State of Pennsylvania's (ICSP) provision of \$7,000,000 excess of \$2,000,000 layer of coverage. Please see ICSP's coverage document for Terms and Conditions for this contributing layer.*

Signed by: Michael Finn
AUTHORIZED REPRESENTATIVE

July 9, 1997
DATE

A C C E L
AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY

Endorsement Number: 1

Issued to: City of Santa Cruz, etal

**This Endorsement Forms a
Part of Memorandum Number:** ACC9798 SCZ197

Effective Date: July 1, 1997 To July 1, 1998
12:01 a.m. Pacific Time

MEMBER AGENCY

Member Agency as shown on the Declarations Page is amended to read:

City of Santa Cruz
Santa Cruz Redevelopment Agency



AUTHORIZED REPRESENTATIVE

July 9, 1997
DATE

ACCEL
AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY
MEMORANDUM OF EXCESS LIABILITY COVERAGE

DECLARATIONS

Memorandum Number: ACC9798 SMO41

Member Agency: City of Santa Monica
1717 4th Street #270
Santa Monica, CA 90401

Coverage Period: July 1, 1997 To July 1, 1998
12:01 a.m. Pacific Time

Retained Limit: \$1,000,000 ultimate net loss each occurrence

Coverage Limit: \$9,000,000 ultimate net loss each occurrence *
\$27,000,000 ultimate net loss aggregate

Deposit Premium: \$504,000

This DECLARATIONS page, together with the MEMORANDUM OF EXCESS LIABILITY COVERAGE and AMENDMENTS or ENDORSEMENTS, if any, form the full and complete coverage agreement between ACCEL and the Member Agency. Words with special meaning are shown in **bold face** and are explained in the Words and Phrases with Special Meaning Section.

MEMORANDUM OF COVERAGE (07/96)

** These limits are reinsured through the Insurance Company of the State of Pennsylvania's (ICSP) provision of \$7,000,000 excess of \$2,000,000 layer of coverage. Please see ICSP's coverage document for Terms and Conditions for this contributing layer.*

Signed by: 
AUTHORIZED REPRESENTATIVE

July 9, 1997
DATE

A C C E L
AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY

Endorsement Number: 1

Issued to: City of Santa Monica, etal

**This Endorsement Forms a
Part of Memorandum Number:** ACC9798 SMO41

Effective Date: July 1, 1997 To July 1, 1998
12:01 a.m. Pacific Time

MEMBER AGENCY

Member Agency as shown on the Declarations Page is amended to read:

City of Santa Monica
Santa Monica Redevelopment Agency
Santa Monica Housing Authority
Santa Monica Parking Authority


AUTHORIZED REPRESENTATIVE

July 9, 1997
DATE

ACCEL
AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY
MEMORANDUM OF EXCESS LIABILITY COVERAGE

DECLARATIONS

Memorandum Number: ACC9798 VIS71

Member Agency: City of Visalia
815 West Center Street
Visalia, CA 93291

Coverage Period: July 1, 1997 To July 1, 1998
12:01 a.m. Pacific Time

Retained Limit: \$1,000,000 ultimate net loss each occurrence

Coverage Limit: \$9,000,000 ultimate net loss each occurrence *
\$27,000,000 ultimate net loss aggregate

Deposit Premium: \$121,771

This DECLARATIONS page, together with the MEMORANDUM OF EXCESS LIABILITY COVERAGE and AMENDMENTS or ENDORSEMENTS, if any, form the full and complete coverage agreement between ACCEL and the Member Agency. Words with special meaning are shown in **bold face** and are explained in the Words and Phrases with Special Meaning Section.

MEMORANDUM OF COVERAGE (07/96)

** These limits are reinsured through the Insurance Company of the State of Pennsylvania's (ICSP) provision of \$7,000,000 excess of \$2,000,000 layer of coverage. Please see ICSP's coverage document for Terms and Conditions for this contributing layer.*

Signed by:



AUTHORIZED REPRESENTATIVE

July 9, 1997
DATE

A C C E L
AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY

Memorandum of Excess Liability Coverage

Endorsement Number: 1A

Effective Date: July 1, 1997 To July 1, 1998
12:01 a.m. Pacific Time

The following payroll exemption categories have been declared under this Memorandum of Coverage:

City of Anaheim: Utilities (Water & Electric)

City of Burbank: Power Production
Electrical Distribution

City of Modesto: Airport Operations

City of Ontario: West End Communication Authority

City of Santa Barbara: Airport Operations

City of Santa Monica: Airport Operations
Rent Control Board

City of Visalia: Airport Operations
Transit Operations



AUTHORIZED REPRESENTATIVE

July 9, 1997
DATE