

## GENERAL LIABILITY PROGRAM 1 (GL1) INDICATION

<b>COVERED PARTY</b>	City of Carson
<b>PROGRAM TERM</b>	August 31, 2017 to July 1, 2018
<b>COMPANIES AFFORDING COVERAGE</b>	CSAC Excess Insurance Authority (CSAC EIA) with reinsurance provided by (see below Schedule of Insurers)
<b>COVERAGE PROVIDED</b>	<p>Per the CSAC Excess Insurance Authority (CSAC EIA) Excess Liability 1 Program Memorandum of Coverage. Coverage includes:</p> <ul style="list-style-type: none"> <li>• Bodily Injury</li> <li>• Personal Injury</li> <li>• Property Damage</li> <li>• Public Officials Errors and Omissions</li> <li>• Automobile Liability</li> <li>• Contractual Liability</li> <li>• Employment Practices Liability</li> <li>• Non-Owned Aircraft Liability</li> </ul>
<p><b>LIMITS OF LIABILITY</b></p> <p>HUMAN RESOURCES RECEIVED 2017 JUL 20 PM 1:26 CITY OF CARSON</p>	<p><b><u>Pooled Layer</u></b> \$ 5,000,000 per occurrence, offense or wrongful act (difference between \$5,000,000 and the Covered Party's SIR)</p> <p><b><u>Reinsured Layer</u></b> \$20,000,000 per occurrence or wrongful act excess of \$5,000,000 pooled retention</p> <p><b><u>As Respects all Layers</u></b></p> <ul style="list-style-type: none"> <li>• Annual aggregate to apply to each layer for completed operations</li> <li>• Occurrence and aggregate limits apply separately by layer per member</li> <li>• Limits do not drop down in the event of erosion of Completed Operations annual aggregate</li> </ul> <p><b><u>As Respects to Nose Coverage Option</u></b></p> <ul style="list-style-type: none"> <li>• Coverage includes a sub-limit for Errors &amp; Omissions and Employment Practice Liability of \$10,000,000</li> <li>• Coverage includes a sub-limit for Sexual Harassment Liability and Sexual Abuse Liability of \$2,000,000</li> </ul>
<b>SELF-INSURED RETENTION</b>	<p>\$ 250,000 each occurrence, offense or wrongful act</p> <p>Self-insured retention is eroded by defense costs</p>

**NOTE: THIS INDICATION IS FOR INFORMATIONAL PURPOSES ONLY AND DOES NOT AMEND, EXTEND OR ALTER THE POLICY FORM IN ANY WAY. PLEASE REFER TO THE POLICY FORM FOR COMPLETE COVERAGE AND EXCLUSION INFORMATION**

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Version: June 15, 2017

Page 1 of 6

## GENERAL LIABILITY PROGRAM 1 (GL1) INDICATION

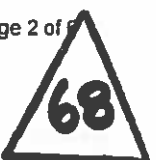
<b>MAJOR EXCLUSIONS</b> (Including but not limited to)	<ul style="list-style-type: none"> <li>• Airports/Aircraft</li> <li>• Health Care Professional Liability (limited)</li> <li>• Inverse Condemnation/Eminent Domain</li> <li>• Failure to Supply</li> <li>• Subsidence (unless endorsed)</li> <li>• Nuclear Material</li> <li>• Pollution</li> <li>• Dam Failure (unless endorsed)</li> <li>• Asbestos</li> <li>• Fixed Route Transit (unless endorsed)</li> <li>• Punitive Damages</li> <li>• Fiduciary Liability</li> <li>• ERISA</li> <li>• Care Custody and Control</li> <li>• Benefits payable under an employee benefit plan</li> <li>• Non-monetary damages</li> <li>• Breach of Contract</li> <li>• Unlawful Discrimination intentionally committed by, at the direction of, or with the consent of the Covered Party</li> <li>• Violation of Economic or Trade Sanctions</li> <li>• Strip Search (limited)</li> <li>• Violation of Communication or Information Law</li> </ul>
<b>ESTIMATED ANNUAL PAYROLL</b>	\$ 29,163,983
<b>SERVICES PROVIDED</b>	<ul style="list-style-type: none"> <li>• DMV Employer Pull Notices</li> <li>• EIA-TV</li> <li>• Employment Labor Law Services</li> <li>• Risk Management Legal Advice</li> <li>• TargetSolutions</li> <li>• Streaming Library</li> <li>• Claims Index Reporting</li> <li>• Subsidy Funds</li> </ul>

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Page 2 of 2



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<b>ANNUAL PREMIUM</b>	<table><tr><td colspan="2"><b><u>\$250,000 SIR</u></b></td></tr><tr><td>\$</td><td>290,000</td></tr><tr><td></td><td>43,500</td></tr><tr><td></td><td>65,000</td></tr><tr><td></td><td>26,000</td></tr><tr><td></td><td>25,000</td></tr><tr><td></td><td>350</td></tr><tr><td>\$</td><td>449,850</td></tr></table> <table><tr><td>Pool Premium</td></tr><tr><td>Reinsurance Premium</td></tr><tr><td>Fixed Route Transit Exclusion Buyback</td></tr><tr><td>CSAC EIA Administration Fee</td></tr><tr><td>Alliant Broker Fee</td></tr><tr><td>CSAC EIA One-Time Development Fee</td></tr><tr><td><b>Total Estimated Annual Premium</b></td></tr></table> <table><tr><td colspan="2"><b><u>Option: Nose Coverage**</u></b></td></tr><tr><td>\$</td><td>150,000</td></tr><tr><td></td><td>20,000</td></tr><tr><td>\$</td><td>170,000</td></tr></table> <table><tr><td>Pool Premium</td></tr><tr><td>Reinsurance Premium</td></tr><tr><td><b>Total Estimated Annual Premium*</b></td></tr></table> <p>*Nose Coverage premium is a one-time charge</p>	<b><u>\$250,000 SIR</u></b>		\$	290,000		43,500		65,000		26,000		25,000		350	\$	449,850	Pool Premium	Reinsurance Premium	Fixed Route Transit Exclusion Buyback	CSAC EIA Administration Fee	Alliant Broker Fee	CSAC EIA One-Time Development Fee	<b>Total Estimated Annual Premium</b>	<b><u>Option: Nose Coverage**</u></b>		\$	150,000		20,000	\$	170,000	Pool Premium	Reinsurance Premium	<b>Total Estimated Annual Premium*</b>
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<b>CONDITIONS</b>	<ul style="list-style-type: none"><li>• Premium includes a \$1,000 annual loss prevention subsidy</li><li>• Premium includes a \$2,000 actuarial subsidy</li><li>• Premium includes cost for claim audit requirement</li><li>• Premium includes fixed route transit buyback as respects to Carson Circuit</li><li>• Subject to Committee approvals</li><li>• Subject to carrier approvals</li><li>• Membership Conditions:<ul style="list-style-type: none"><li>• Claims audit to be conducted within the first year</li><li>• Loss Prevention to be approved by EIA staff prior to binding</li><li>• Actuarial Study to be conducted in the first year of participation</li><li>• Receipt of completed and signed Authorization to Obtain Loss Data form</li><li>• Receipt of the executed Joint Powers Agreement (JPA) prior to binding</li><li>• Receipt of the executed General Liability 1 Memorandum of Understanding prior to binding</li><li>• Receipt of executed of board resolution to join CSAC EIA and provide a designated representative prior to binding</li></ul></li></ul> <p><b>**Nose Coverage Details:</b></p> <ul style="list-style-type: none"><li>• Retroactive date is July 1, 2010.</li><li>• Coverage will apply for claims made between July 1, 2010 and August 31, 2017.</li></ul>																																		

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CSAC EXCESS  
INSURANCE AUTHORITY  
A Public Agency

**GENERAL LIABILITY PROGRAM 1 (GL1)  
INDICATION**



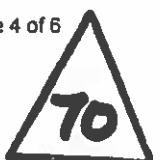
<b>BROKER</b>	<b>ALLIANT INSURANCE SERVICES, INC.</b> Gordon DesCombes, Executive Vice President Nazie Arshi, Senior Vice President Tom E. Corbett, Senior Vice President Kevin Bibler, Senior Vice President Courtney Ramirez, Vice President Brenna Smith, CSAC EIA Program Supervisor
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Page 4 of 6





## GENERAL LIABILITY PROGRAM 1 (GL1) INDICATION



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

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

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

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

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

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

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

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Version: June 15, 2017

Page 5 of 7



**GENERAL LIABILITY PROGRAM 1 (GL1)  
INDICATION  
2017/2018 SCHEDULE OF INSURERS**

<b>Companies Affording Coverage</b>	<b>California Status</b>	<b>A.M. Best's Guide Rating</b>	<b>Standard &amp; Poor's Rating</b>
<b>CSAC Excess Insurance Authority (Pool Layer)</b>	Not Applicable	Not Applicable	Not Applicable
<b>Great American Insurance Company (Layer 1)</b>	Not Applicable	A+ (Superior); Financial Size Category XV (\$2,000,000,000 or greater)	Not Applicable
<b>Markel Global Reinsurance Company and Lloyd's (25% Hiscox and 25% AmTrust Syndicate) (50% Quota Share) (Layer 2)</b>	Not Applicable	A (Excellent); Financial Size Category XV (\$2,000,000,000 or greater) A (Excellent); Financial Size Category XV (\$2,000,000,000 or greater)	Not Applicable
<b>Markel Global Reinsurance Company and Argonaut Insurance Company (75%/25% Quota Share) (Layer 3)</b>	Not Applicable	A (Excellent); Financial Size Category XII (\$2,000,000,000 or greater) A (Excellent); Financial Size Category XII (\$1,000,000,000 to \$1,250,000,000)	Not Applicable A- (Stable)

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Page 6 of 6



HUMAN RESOURCES  
RECEIVED



2017 JUL 20 PM 1:26 CITY OF CARSON  
2017-2018 EXCESS LIABILITY  
CITY OF CARSON MARKETING REPORT

MARKET	RESPONSE
Great American Insurance Company	Incumbent – Premium \$424,141 with policy extension (Includes Claims Made Coverage)  Non-renew – Carrier is only writing pools at this time
CSAC EIA	Indication Only – subject to Reinsurer & Committee approval (Occurrence Coverage)  \$25M limit with \$250k retention - \$449,850 Nose/Tail to convert form to occurrence - \$170,000  Total with Nose/Tail: \$619,850
Munich Re	Indication Only (Includes Claims Made Coverage)  Option 1: \$10M limit with \$250k retention - \$768,634 Option 2: \$10M limit with \$500k retention - \$625,360
AIX	Indication Only  \$5M limit with \$500k retention - \$421,000
Berkley	Indication Only  Option 1: \$1M limit with \$350k retention - \$380,000 Option 2: \$1M limit with \$250k retention and \$250k Corridor SIR - \$290,000 Option 3: \$2M limit with \$350k retention - \$540,000 Option 4: \$2M limit with \$250k retention and \$250k Corridor SIR - \$450,000
Argonaut	Indication Only Quote contemplates excess coverage above the Berkley Option. \$5M limit with \$1.5 SIR and \$250k Corridor SIR - \$180,000
ACE	Declined: Carrier was previously on the account and suffered a significant loss – approximately \$1.4M Auto Claim
Genesis	Declined: Not able to quote primary at the current attachment point but will consider writing excess of \$5M – this is a possibility for additional limits depending on how primary layer is structured

**CITY OF CARSON  
2017-2018 EXCESS LIABILITY  
MARKETING REPORT  
Continued**

MARKET	RESPONSE
Safety National	Declined : Minimum retention is \$750,000
Euclid/Hudson	Declined: Account not within carrier's appetite
Old Republic	Declined: Account not within carrier's appetite
Brit	Declined: Account not within carrier's appetite
Allied Public Risk (AWAC)	Pending Response
Travelers	Declined: Carrier doesn't feel that they have enough time to adequately underwriter. Would be interested in reviewing next renewal
AIG/Lexington	Declined: CA public entities must have a \$3M attachment
AmTrust	Declined: Not entertaining new public entity submissions
XL Catlin	Declined: Carrier is currently not entertaining lead standalone public entity accounts at this time
Markel	Declined: Carrier is only writing pools at this time
Midlands	Declined: Carrier is working to set up public entity practice, this may be an opportunity for future renewals
One Beacon	Declined: Carrier not writing public entity business in CA at this time
Starr Indemnity & Liability Co.	Declined: Carrier not writing public entity business in CA at this time
Tokio Marine HCC	Declined: Carrier not writing public entity business at this time
Ironshore	Declined: Carrier is not attaching below \$10M
Liberty National	Declined: Carrier not writing public entity business in CA at this time
Torus	Declined: Not entertaining new public entity submissions
Hiscox	Declined: Carrier is not attaching below \$10M
QBE	Declined: Carrier is not attaching below \$10M
Landmark/RSUI	Declined: Carrier is not attaching below \$10M
Arch	Declined: Carrier is not attaching below \$10M
National Indemnity	Declined: Carrier is not attaching below \$10M
Lloyds of London	Declined: Carrier is not attaching below \$10M