



City of Temecula

Excess Liability Insurance Proposal

Presented by
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Thomas Joyce, Assistant Vice President

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Company Profile

Alliant provides risk management, insurance, and consulting services to thousands of clients nationwide, delivering tailored products and services engineered to mitigate risk, improve performance, and promote long-term growth. Our core business includes property and casualty insurance services, middle-market brokerage, employee benefits, and underwriting, each staffed with dedicated industry specialists who understand the unique market dynamics facing their clients.

In addition to our 90-plus year legacy of service and results, Alliant is one of the industry's fastest-growing organizations. As America's 10th largest insurance brokerage, we have an active presence in every U.S. market and an extensive arsenal of best-in-class resources and intelligence that moves our clients forward in today's competitive market climate.

Alliant has a broad reach that covers a wide range of industries, including:

- Agriculture
- Aviation
- Construction
- Energy and Marine
- Environmental
- Healthcare
- Financial Institutions
- Law
- Public Entity
- Real Estate
- Tribal Nations
- And many more

Your Service Team

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Named Insured

Temecula Community Services District
Successor Agency to the Redevelopment Agency
Temecula Public Financing Authority
Temecula Housing Authority

NAMED INSURED DISCLOSURE

- Name Insured(s) should match State of Incorporation filing. Inform Alliant if there is a difference or change
- The First Named Insured policy status granted includes certain rights and responsibilities. These responsibilities do not apply to other Named Insureds on the policy. Some examples for First Named Insured status include; (1) being designated to act on behalf of all insureds for making policy changes, (2) receiving of correspondence, (3) distributing claim proceeds, and (4) making premium payments
- **Are ALL entities listed as named insureds?** Coverage is **not** automatically afforded to all entities unless specifically named. Confirm with your producer and service team that all entities to be protected are on the correct policy. Not all entities may be listed on all policies based on coverage line.
- Additional named insured is (1) A person or organization, other than the first named insured, identified as an insured in the policy declarations or an addendum to the policy declarations. (2) A person or organization added to a policy after the policy is written with the status of named insured. This entity would have the same rights and responsibilities as an entity named as an insured in the policy declarations (other than those rights and responsibilities reserved to the first named insured).
- Applies to Professional Liability, Pollution Liability, Directors & Officers Liability, Employment Practices Liability, Fiduciary Liability policies (this list not all inclusive). Check your Policy language for applicability. These policies provide protection to the Named Insured for claims made against it alleging a covered wrongful act.

Excess Liability Coverage

Proposed Coverage	
Proposed Limit: \$5,000,000 xs \$15,000,000 = \$20,000,000	
Insurance Company	Arch Specialty Insurance Company
A.M. Best Rating	A+ (Superior), XV (Greater than or Equal to \$2B)
Standard & Poor's Rating	Not Rated
California Status	Non-Admitted
Policy/Coverage Term	February 1, 2025 to July 1, 2025
Coverage	Excess Liability
Limits	
Excess Liability	\$ 5,000,000 Per Occurrence
	\$ 5,000,000 General Aggregate
Proposed Limit: \$5,000,000 xs \$20,000,000 = \$25,000,000	
Insurance Company	Acceptance Casualty Insurance Company
A.M. Best Rating	A- (Excellent), XI (\$750M to \$1B)
Standard & Poor's Rating	Not Rated
California Status	Non-Admitted
Policy/Coverage Term	February 1, 2025 to July 1, 2025
Coverage	Excess Liability
Limits	
Excess Liability	\$ 5,000,000 Per Occurrence
	\$ 5,000,000 General Aggregate
Schedule of Underlying Coverage	
2nd Layer Excess Liability (\$5,000,000 xs \$10,000,000 = \$15,000,000)	
Company	StarStone Specialty Insurance Company
Policy Period	07/01/2024 - 07/01/2025
Excess Liability	\$ 5,000,000 Per Occurrence
	\$ 5,000,000 General Aggregate
1st Layer General Liability (\$10,000,000)	
Company	Great American E&S Ins. Co Starstone Specialty Ins. Co
Policy Period	07/01/2024 - 07/01/2025
General Liability	\$ 10,000,000 Each Occurrence
	\$ 40,000,000 Aggregate
	\$ 500,000 Self Insured Retention
	\$ 10,000,000 Completed Operations Hazard Annual Aggregate

Excess Liability Coverage (cont.)

Proposed Coverage	
Nose Coverage	7/1/2022
Defense Inside/Outside the Limit	Per Underlying
Who has the Duty to Defend	Insurer
Endorsement & Exclusions (including but not limited to)	<p>Arch Specialty Insurance Company</p> <ul style="list-style-type: none"> ▪ Excess Third Party Liability Policy Declarations (ASIC) ▪ Excess Third Party Liability Policy Schedule A – Schedule Of Underlying Insurance (Excess) ▪ Commercial Excess Third Party Liability Policy Schedule Of Endorsements. - Arch Specialty ▪ Claims Handling Procedures ▪ Excess Third Party Liability Policy ▪ U.S. Treasury Department's Office Of Foreign Assets Control ("OFAC") Signature Page (Arch Specialty) ▪ Service of Suit ▪ Excess/Umbrella Policy Underlying Insurance Notice ▪ Lead Hazard Exclusion ▪ Silica Exclusion ▪ Fungi and Bacteria Hazard Exclusion ▪ Unimpaired Underlying Aggregate Limit Endorsement ▪ Anti-Stacking Endorsement ▪ Amendment Of Limits of Insurance (Public Entities) - \$5,000,000 Each Occurrence/ \$5,000,000 Aggregate Where Applicable / Item (C): N/A ▪ Communicable Disease Exclusion ▪ Advisory Notice to Policyholders Excess Follow Form ▪ Endorsements Addressing Cyber and Data Privacy ▪ Exclusion – Violation of Law Addressing Data Privacy ▪ Exclusion – Access or Disclosure of Confidential or Personal Material or Information ▪ Exclusion – Electronic Data ▪ Exclusion – Cyber Incident ▪ Advisory Notice to Policyholders Exclusion – Perfluoroalkyl And Polyfluoroalkyl Substances (Pfas) ▪ Exclusion – Perfluoroalkyl and Polyfluoroalkyl Substances (PFAS) ▪ California Important Notice ▪ Terrorism Coverage Disclosure Notice ▪ Total Terrorism Exclusion (If Terrorism Is Rejected) ▪ Exclusion Of Terrorism Other Than a Certified Act Of Terrorism (If Terrorism Is Accepted) ▪ <p>Acceptance Casualty Insurance Company</p> <ul style="list-style-type: none"> ▪ Commercial Lines Policy Jacket ▪ Notice Of Privacy Policy ▪ California Premium Refund Disclosure Notice

Excess Liability Coverage (cont.)

Proposed Coverage	
Endorsement & Exclusions (cont.) (including but not limited to)	<ul style="list-style-type: none"> ▪ Schedule Of Forms and Endorsements ▪ Commercial Excess Liability Declarations ▪ Commercial Excess Liability Schedule of Controlling Underlying Insurance ▪ California Important Notice ▪ Commercial Excess Liability Coverage Form ▪ Nuclear Energy Liability Exclusion Endorsement ▪ Exclusion - Fungi or Bacteria ▪ Exclusion - Silica or Silica-Related Dust ▪ Exclusion - Communicable Disease ▪ Exclusion Of Other Acts of Terrorism Committed Outside the United States; Cap On Losses From Certified Acts Of Terrorism ▪ Exclusion Of Punitive Damages Related to A Certified Act of Terrorism ▪ Exclusion - Access or Disclosure of Confidential or Personal Material or Information ▪ Auto Coverage - Exclusion of Terrorism ▪ Exclusion - Unmanned Aircraft ▪ Exhaustion Of Retained Limit ▪ Exclusion – Cyber Incident ▪ Punitive Or Exemplary Damages Follow Form ▪ Drop-Down Limitation Endorsement ▪ Underlying Cancellation Endorsement ▪ Toxic Substances Exclusion ▪ Asbestos Exclusion ▪ Lead Exclusion ▪ Perfluoroalkyl And Polyfluoroalkyl Substances (PFAS) Exclusion ▪ Watercraft Exclusion ▪ Employees' Retirement Income Security Act (E.R.I.S.A.) Exclusion ▪ Cyber Liability and Data Exclusion ▪ Total Pollution Exclusion ▪ Cross Suits Exclusion - Named Insured ▪ Common Policy Conditions ▪ Continuous Or Progressive Injury or Damage Exclusion ▪ Non-Stacking of Limits Endorsement ▪ Minimum Earned Premium Endorsement ▪ Service Of Suit Endorsement ▪ Notice Of Disclosure for Agent Broker & Managing General Agency Compensation ▪ Claim Reporting Policyholder Notice ▪ Terrorism Coverage Notice ▪ U.S. Treasury Department's Office of Foreign Assets Control (OFAC) Advisory Notice To Policyholders

Excess Liability Coverage (cont.)

Proposed Coverage	
Proposed Limit: \$5,000,000 xs \$15,000,000 = \$20,000,000	
Arch Specialty Insurance Company	
Total Cost Excluding TRIA	\$ 67,843.95
Policy Premium	\$ 65,753.00
CA Surplus Lines Tax (3%)	\$ 1,972.59
CA Stamping Fee (0.18%)	\$ 118.36
Total Cost Including TRIA	\$ 69,391.65
Minimum Earned Premium	\$ 16,813.25
Proposed Limit: \$5,000,000 xs \$20,000,000 = \$25,000,000	
Acceptance Casualty Insurance Company	
Total Cost Including TRIA	\$ 44,085.72
Policy Premium	\$ 42,727.00
CA Surplus Lines Tax (3%)	\$ 1,281.81
CA Stamping Fee (0.18%)	\$ 76.91
Minimum Earned Premium	\$ 10,681.75
Total Limit: \$25,000,000	
Total Premium excluding TRIA	\$ 111,929.67
Total Premium including TRIA	\$ 113,477.37
Subjectivities	Written Request to Bind TRIA form signed – if rejected (Arch) TRIA decision to reject in writing (Acceptance) Signed D1 forms
Quote Valid Until	February 1, 2025

Disclosures

This proposal of insurance is provided as a matter of convenience and information only. All information included in this proposal, 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 proposal does not reflect any independent study or investigation by Alliant Insurance Services, Inc. or its agents and employees.

Please be advised that this proposal is also expressly conditioned on there being no material change in the risk between the date of this proposal 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 proposal, whether or not this offer has already been accepted.

This proposal 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 proposal 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. 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. For additional information regarding insurer financial strength ratings visit Standard and Poor's website at 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.

NY Regulation 194

Alliant Insurance Services, Inc. is an insurance producer licensed by the State of New York. Insurance producers are authorized by their license to confer with insurance purchasers about the benefits, terms and conditions of insurance contracts; to offer advice concerning the substantive benefits of particular insurance contracts; to sell insurance; and to obtain insurance for purchasers. The role of the producer in any particular transaction typically involves one or more of these activities.

Compensation will be paid to the producer, based on the insurance contract the producer sells. Depending on the insurer(s) and insurance contract(s) the purchaser selects, compensation will be paid by the insurer(s) selling the insurance contract or by another third party. Such compensation may vary depending on a number of factors, including the insurance contract(s) and the insurer(s) the purchaser selects. In some cases, other factors such as the volume of business a producer provides to an insurer or the profitability of insurance contracts a producer provides to an insurer also may affect compensation.

The insurance purchaser may obtain information about compensation expected to be received by the producer based in whole or in part on the sale of insurance to the purchaser, and (if applicable) compensation expected to be received based in whole or in part on any alternative quotes presented to the purchaser by the producer, by requesting such information from the producer.

Privacy

At Alliant, one of our top priorities is making sure that the information we have about you is protected and secure. We value our relationship with you and work hard to preserve your privacy and ensure that your preferences are honored. At the same time, the very nature of our relationship may result in Alliant's collecting or sharing certain types of information about you in order to provide the products and services you expect from us. Please take the time to read our full Privacy Policy posted at www.alliant.com, and contact your Alliant service team should you have any questions.

Other Disclosures / Disclaimers

FATCA:

The Foreign Account Tax Compliance Act (FATCA) requires the notification of certain financial accounts to the United States Internal Revenue Service. Alliant does not provide tax advice so please contact your tax consultant for your obligation regarding FATCA.

Other Disclosures / Disclaimers - Continued

NRRA:

The Non-Admitted and Reinsurance Reform Act (NRRA) went into effect on July 21, 2011. Accordingly, surplus lines tax rates and regulations are subject to change which could result in an increase or decrease of the total surplus lines taxes and/or fees owed on this placement. If a change is required, we will promptly notify you. Any additional taxes and/or fees must be promptly remitted to Alliant Insurance Services, Inc.

Guarantee Funds

Established by law in every state, guaranty funds are maintained by a state's insurance commissioner to protect policyholders in the event that an insurer becomes insolvent or is unable to meet its financial obligations. If your insurance carrier is identified as 'Non-Admitted', your policy is not protected by your state's Guaranty Fund.

Claims Reporting:

Your policy will come with specific claim reporting requirements. Please make sure you understand these obligations. Contact your Alliant Service Team with any questions.

Claims Made Policy:

This claims-made policy contains a requirement stating that this policy applies only to any claim first made against the Insured and reported to the insurer during the policy period or applicable extended reporting period. Claims must be submitted to the insurer during the policy period, or applicable extended reporting period, as required pursuant to the Claims/Loss Notification Clause within the policy in order for coverage to apply. Late reporting or failure to report pursuant to the policy's requirements could result in a disclaimer of coverage by the insurer.

Any Employment Practices Liability (EPL) or Directors & Officers (D&O) with EPL coverage must give notice to the insurer of any charges / complaints brought by any state / federal agency (i.e. EEOC and similar proceedings) involving an employee. To preserve your rights under the policy, it is important that timely notice be given to the insurer, whether or not a right to sue letter has been issued.

Other Disclosures / Disclaimers - Continued

Changes and Developments

It is important that we be advised of any changes in your operations, which may have a bearing on the validity and/or adequacy of your insurance. The types of changes that concern us include, but are not limited to, those listed below:

- Changes in any operations such as expansion to another state, new products, or new applications of existing products.
- Travel to any state not previously disclosed.
- Permanent operations outside the United States, Canada or Puerto Rico.
- Mergers and/or acquisition of new companies and any change in business ownership, including percentages.
- Any newly assumed contractual liability, granting of indemnities or hold harmless agreements.
- Any changes in existing premises including vacancy, whether temporary or permanent, alterations, demolition, etc. Also, any new premises either purchased, constructed or occupied
- Circumstances which may require an increased liability insurance limit.
- Any changes in fire or theft protection such as the installation of or disconnection of sprinkler systems, burglar alarms, etc. This includes any alterations to the system.
- Immediate notification of any changes to a scheduled of equipment, property, vehicles, electronic data processing, etc.
- Property of yours that is in transit, unless previously discussed and/or currently insured.

Other Disclosures / Disclaimers - Continued

Certificates / Evidence of Insurance

A Certificate or Evidence is issued as a matter of information only and confers no rights upon the certificate holder. The certificate does not affirmatively or negatively amend, extend or alter the coverage afforded by a policy, nor does it constitute a contract between the issuing insurer(s), authorized representative, producer or recipient.

You may have signed contracts, leases or other agreements requiring you to provide this evidence. In those agreements, you may assume obligations and/or liability for others (Indemnification, Hold Harmless) and some of the obligations that are not covered by insurance. We recommend that you and your legal counsel review these documents.

In addition to providing a Certificate or Evident of Insurance, you may be required to name your landlord, client or customer on your policy as a loss payee on property insurance or as an additional insured on liability insurance. This is only possible with permission of the insurance company, added by endorsement and, in some cases, an additional premium.

By naming the certificate holder as additional insured, there are consequences to your risks and insurance policy including:

- Your policy limits are now shared with other entities; their claims involvement may reduce or exhaust your aggregate limit.
- Your policy may provide higher limits than required by contract; your full limits can be exposed to the additional insured.
- There may be conflicts in defense when your insurer has to defend both you and the additional insured.
- An additional insured endorsement will most likely not provide notification of cancellation. Some insurance companies use a “blanket” additional insured endorsement that provides coverage automatically when it is required in a written contract. Most insurance companies do not want to be notified of all additional insureds when there is a blanket endorsement on the policy. If a notice of cancellation is required for the additional insured party, you must notify us immediately and we will request an endorsement from your insurance company. There may be an additional premium for adding a notice of cancellation endorsement for an additional insured.

See Request to Bind Coverage page for acknowledgement of all disclaimers and disclosures.

Request to Bind Coverage

City of Temecula

We have reviewed the proposal and agree to the terms and conditions of the coverages presented. We are requesting coverage to be bound as outlined by coverage line below:

Coverage Line	Bind Coverage for:
Excess Liability – \$5,000,000 xs \$15,000,00 = \$20,000,000	<input checked="" type="checkbox"/>
Excess Liability – \$5,000,000 xs \$20,000,000 = \$25,000,000	<input checked="" type="checkbox"/>

This Authorization to Bind Coverage also acknowledges receipt and review of all disclaimers and disclosures, including exposures used to develop insurance terms, contained within this proposal.



Signature of Authorized Insured Representative

01/24/2025

Date

Risk Manager

Title

Nicole Flores

Printed / Typed Name

This proposal does not constitute a binder of insurance. Binding is subject to the final carrier approval. The actual terms and conditions of the policy will prevail.