

**CSAC EXCESS INSURANCE AUTHORITY (CSAC EIA)
MASTER CRIME PROGRAM
SAN JOAQUIN VALLEY INSURANCE AUTHORITY**

PROPOSAL

COMPANY AFFORDING COVERAGE	National Union Fire Insurance Company of Pittsburgh, PA (CHARTIS)
A.M. BEST'S GUIDE RATING	A (Excellent), Financial Size Category XV (\$2,000,000,000 or greater)
STANDARD & POORS' RATING	A+ (Negative)
CALIFORNIA STATUS	Admitted
COVERAGE TERM	To Be Determined Current program term is June 30, 2008 to June 30, 2011
COVERAGE PROVIDED	Government Crime Policy on <u>Discovery form</u> including: <ul style="list-style-type: none"> • Employee Theft including Faithful Performance of Duty (Per Loss Coverage) • Forgery or Alteration including Credit, Debit or Charge Card Forgery • Inside The Premises: Theft of Money and Securities • Inside The Premises: Robbery or Safe Burglary of Other Property • Outside The Premises • Computer Fraud • Money Orders and Counterfeit Paper Currency • Funds Transfer Fraud
LIMIT	\$10,000,000 per occurrence
DEDUCTIBLE	\$25,000 per occurrence
MAJOR EXCLUSIONS (Including but not limited to)	<ul style="list-style-type: none"> • Governmental action • Indirect loss • Legal expenses • Nuclear • War • Employees cancelled under prior insurance • Inventory shortages • Trading losses • Accounting errors and omissions • Exchanges or purchases • Fire • Money operated devices • Motor vehicles or equipment and accessories • Transfer or surrender • Vandalism

NOTE: THIS PROPOSAL 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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**MAJOR EXCLUSIONS
(Included but not limited to)
(continued)**

- Voluntary parting of title or possession of property
- Loss caused by an employee if that employee had also committed a dishonest act (resulting in a loss of \$25,000 or more) prior to the effective date of this policy-Exclusion does not apply unless the prior dishonest act is discovered by the Risk Management Department or other department designated to handle insurance matters for the named insured prior to the effective date of the policy
- Loss resulting from unauthorized disclosure of confidential information
- Pollution

ENDORSEMENTS

- Coverage Territory Endorsement (OFAC)
- California Changes – Cancellation and Non-renewal
- Named Insured Endorsement
- Omnibus named insured endorsement-All agencies, authorities, and districts (including special districts) which are governed directly by the Named Insured
- Add Faithful Performance of Duty Coverage for Government Employees
- Include Expenses Incurred to Establish Amount of Covered Loss-\$50,000 limit for third party investigation of covered losses
- Add Credit, Debit or Charge Card Forgery (\$10,000,000 limit)
- Notice of Cancellation – 120 Days
- Include Any Non-Compensated Officers as Employees (any elected or appointed officials and non-compensated officers included as employees)
- Include Volunteer Workers as employees
- Include Treasurers or Tax Collector and employees (any treasurer or tax collector of any insured)
- Include Any Directors or Trustees on Committees as Employees (blanket coverage)
- Bonded Employees Exclusion Deleted
- Cal Works Program Employee Endorsement
- Food Stamps Coverage Endorsement
- Public Guardian as Employee Endorsement
- Leased Workers As Employees
- Include Any Chairpersons and Members of Specified Committees as Employees (Blanket coverage)
- Revision of Discovery and Prior Theft or Dishonesty Endorsement
- Cancellation Amendatory (Return Pro-Rata) – Amended Form

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ANNUAL PREMIUM: \$15,000
• Premium will be pro-rated upon determination of the effective date

PROPOSAL DATE February 3, 2011

DATE QUOTE VALID UNTIL March 1, 2011

CONDITIONS

- Subject to signed no known loss letter on entity's letterhead or loss History in excel format
- Subject to complete named insured listing
- Latest Audited Financial Report
- Subject to completed Premium Payment Agreement Form
- Pre-paid premium due within 30 days of effective date

BROKER **ALLIANT INSURANCE SERVICES, INC.**
Nazie Arshi, Senior Vice President
Tom E. Corbett, First Vice President
Angela Adams, CSAC Program Specialist
Lisa Meisner, Assistant Account Manager

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.ALLIANTINSURANCE.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 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.

TO LEARN MORE ABOUT COMPANIES DOING BUSINESS IN CALIFORNIA, VISIT THE CALIFORNIA DEPARTMENT OF INSURANCE WEBSITE AT WWW.INSURANCE.CA.GOV

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