

**SPECIAL PROPERTY INSURANCE PROGRAM (SPIP)
July 1, 2016 – July 1, 2017
EXECUTIVE SUMMARY**

We are pleased to provide the 2016-2017 Alliant Property Insurance Program (APIP) renewal material, attached.

The property market has been in a soft cycle for the last few years with underwriters willing to provide decreases based on the lack of catastrophe losses worldwide and record capacity available in the marketplace. While physical and human catastrophes abound, in recent years most of these have occurred in regions of the world that are not significantly insured. Therefore, for the 2016-2017 renewal, most insureds will see rate decreases over expiring rates. However, for those insureds that have either experienced significant losses or consistent attritional losses, rates may increase. In keeping with the programs' general history, we expect rates to remain below what can be achieved in the market for similar coverage.

The primary \$2,500,000 layer will continue to be placed with our long-term partner, Lexington Insurance Company, A.M. Best Rated A XV. Lexington will also continue to provide the majority of capacity in the \$22,500,000 x/s \$2,500,000 layer, sharing that with Lloyd's of London, A.M. Best Rated A XV. Excess limits up to \$1,000,000,000 will be placed with London, Bermudian, European, and U.S domestic markets, all A.M. Best Rated at least of A- VII. Members should note several key highlights for this year's renewal:

- Boiler & Machinery cover for participating members of the APIP Boiler Program will be maintained with Hartford Steam Boiler (HSB), who will also continue to perform jurisdictionals and inspections

Alliant Business Services (ABS) will continue to play a significant role not only in providing various types of loss control services, but also in providing appraisal services. For the 2016-2017 policy year, property valuations will continue to be a key focus. As a reminder, it is underwriters' intent to have all buildings with a scheduled value of \$5,000,000 or more appraised once every five years. This service is included in the total annual cost. Insureds may also choose to have lower valued buildings appraised. The cost to have all or specific buildings appraised between \$25,000 and \$5,000,000 will be quoted at the time the request is made.

Our Disclosures and Loss Notification information are now combined into one section of the renewal materials. Your review and acknowledgement of these documents are required with your signature once you authorize a request to bind coverage with your Alliant representative.

The following table depicts key statistics relative to last year:

Year-over-Year Rate and Premium Comparison

<u>Ventura County Transportation Commission</u>	<u>2015-2016</u> (at 11/15/2015)	<u>2016-2017</u>	<u>Variance</u>
Total Insured Values:	\$ 3,588,768	\$ 3,617,774	0.80%
Account Rate (per hundred dollars):	0.1634238	0.1634240	0.00%
Earthquake TIV:	\$ 0	\$ 0	N/A
Earthquake Limit:	Not Covered	Not Covered	N/A
*Total Annual Cost:	\$ 5,864.90	\$ 5,912.31	0.80%

* TOTAL COST includes: all premiums, underwriting fees, commissions, loss control expenses, program administration charges, and applicable taxes

Thank you for your continued support of APIP. We look forward to working with you this next year. Please let us know if you have any questions about your renewal.

Below are coverage items currently being negotiated with the APIP markets to be effective on 7/1/2016.

Coverage	2015-2016	Proposed 2016-2017 Changes	Status
Automatic Acquisition Sub-limit	\$25,000,000 Automatic Acquisition up to \$100,000,000 or a Named Insured's Policy Limit of Liability if less than \$100,000,000 for 90 days excluding licensed vehicles for which a sub-limit of \$10,000,000 applies per policy Automatic Acquisition and Reporting Condition. Additionally a sub-limit of \$2,500,000 applies for Tier 1 Wind Counties, Parishes and Independent Cities for 60 days for the states of Virginia, North Carolina, South Carolina, Georgia, Alabama, Mississippi, Louisiana, Texas and/or situated anywhere within the states of Florida and Hawaii. The peril of EQ is excluded for the states of Alaska and California. If Flood coverage is purchased for all scheduled locations, this extension will extend to include Flood coverage for any location not situated in Flood Zones A or V.	\$25,000,000 Automatic Acquisition up to \$100,000,000 or a Named Insured's Policy Limit of Liability if less than \$100,000,000 for 120 days excluding licensed vehicles for which a sub-limit of \$10,000,000 applies per policy Automatic Acquisition and Reporting Condition. Additionally a sub-limit of \$2,500,000 applies for Tier 1 Wind Counties, Parishes and Independent Cities for 60 days for the states of Virginia, North Carolina, South Carolina, Georgia, Alabama, Mississippi, Louisiana, Texas and/or situated anywhere within the states of Florida and Hawaii. The peril of EQ is excluded for the states of Alaska and California. If Flood coverage is purchased for all scheduled locations, this extension will extend to include Flood coverage for any location not situated in Flood Zones A or V.	Enhancement Pending Marketing Approval
Increase Cost of Construction Sub-limit	\$25,000,000	\$50,000,000	Enhancement Pending Marketing Approval
Earthquake Deductible description	Earthquake Shock: If the stated deductible is a flat dollar amount, the deductible will apply on a Per Occurrence basis, unless otherwise stated. If the stated deductible is on a percentage basis, the deductible will apply Per Occurrence on a Per Unit basis, as defined in the policy form, subject to the stated minimum.	Earthquake Shock: If the stated deductible is a flat dollar amount, the deductible will apply on a Per Occurrence basis, unless otherwise stated. If the stated deductible is on a percentage basis, the deductible will apply Per Occurrence on a Per Unit basis, as defined in the policy form; subject to the <u>stated</u> minimum <u>deductible per occurrence</u> .	Clarification Pending Market Approval
JPA/Pool per Occurrence Deductible:	Per Occurrence for each and every loss before exhaustion of the Annual Aggregate Pool Deductible amount unless a more specific deductible is applicable to a loss as noted in the Deductibles for Specific Perils and Coverages or Special Terms section below.	Incorporated wording from Master Policy Form into description: <u>JPA/Pool Basic Deductible – when applicable will be in excess of a JPA or Pool member's deductible amount unless a more specific deductible is applicable to a loss as noted in the Deductibles for Specific Perils and Coverages or Special Terms section below. The Named Insured(s) deductible amount will be agreed upon between the JPA or Pool and its members. The "JPA/Pool Basic Deductible" shown here, shall apply per occurrence. The company will not pay for loss or damage in any one occurrence until the amount of the loss or damage exceeds the applicable constituent members' deductible and the "JPA/Pool Basic Deductible", until the "JPA/Pool Annual Aggregate Amount" is exhausted.</u>	Clarification
JPA/Pool Annual Aggregate Deductible:	Annual Aggregate Pool Deductible	Incorporated wording from Master Policy Form into description: The "JPA/Pool Annual Aggregate Amount" - when applicable is the accumulation of payments made by the JPA or Pool that are categorized as "JPA/Pool Basic Deductibles" above. Once the annual aggregate amount is	Clarification

Coverage	2015-2016	Proposed 2016-2017 Changes	Status
		reached, all subsequent losses in chronological order are subject to the "JPA/Pool Maintenance Deductible" indicated below.	
JPA/Pool Maintenance Deductible	Pool Maintenance Deductible applicable to each occurrence after the Annual Aggregate Deductible is reached. The specific deductibles for Flood, Earthquake and Wind will always apply to losses caused by those perils regardless if it is greater or less than the Pool Maintenance Deductible. The maintenance deductible does not apply to those items listed in the Deductibles for Specific Perils and Coverages or Special Terms & Conditions section below if those perils do not erode the annual aggregate deductible.	Pool Maintenance Deductible applicable to each occurrence after the Annual Aggregate Deductible is reached. <u>As with the "JPA/Pool Basic Deductible" this maintenance deductible will be applicable in excess of the applicable JPA or Pool constituent member's deductible.</u> The specific deductibles for Flood, Earthquake and Wind will always apply to losses caused by those perils regardless if it is greater or less than the Pool Maintenance Deductible. The maintenance deductible does not apply to those items listed in the Deductibles for Specific Perils and Coverages or Special Terms & Conditions section below if those perils do not erode the annual aggregate deductible.	Clarification
Excess Terrorism	<p><u>\$400,000,000</u> Per Member/Entity for Terrorism (Excess Layer) subject to:</p> <p><u>\$900,000,000</u> Per Occurrence, All Named Insureds combined in Declarations 1-9, 11-14, 18-22, 25-30 and 32-34 for Terrorism (Excess Layer) subject to;</p> <p><u>\$1,050,000,000</u> Annual Aggregate shared by all Named Insureds combined in Declarations 1-9, 11-14, 18-22, 25-30 and 32-34, as respects Property Damage, Business Interruption, Rental Income and Extra Expense combined for Terrorism (Excess Layer)</p>	<p><u>\$500,000,000</u> Per Member/Entity for Terrorism (Excess Layer) subject to:</p> <p><u>\$1,000,000,000</u> Per Occurrence, All Named Insureds combined in Declarations 1-9, 11-14, 18-22, 25-30 and 32-34 for Terrorism (Excess Layer) subject to;</p> <p><u>\$1,300,000,000</u> Annual Aggregate shared by all Named Insureds combined in Declarations 1-9, 11-14, 18-22, 25-30 and 32-34, as respects Property Damage, Business Interruption, Rental Income and Extra Expense combined for Terrorism (Excess Layer)</p>	Approved

Master Policy Form Wording

Policy Term	July 1, 2015 to July 1, 2016	July 1, 2016 to July 1, 2017	Renewal item
Section I, G. 6.	Library Book table	Updated library book values per U.S. inflation calculator	Update
Section II, B., 1. Ingress / Egress	This Policy is extended to insure the actual loss sustained during the period of time not exceeding 30 days when, as a direct result of physical loss or damage caused by a covered peril(s) specified by this Policy and occurring at property located within a <u>10 mile radius</u> of covered property, ingress to or egress from the covered property covered by this Policy is prevented. Coverage under this extension is subject to a 24-hour waiting period.	This Policy is extended to insure the actual loss sustained during the period of time not exceeding 30 days when, as a direct result of physical loss or damage caused by a covered peril(s) specified by this Policy and occurring at property located within a <u>20 mile radius</u> of covered property, ingress to or egress from the covered property covered by this Policy is prevented. Coverage under this extension is subject to a 24-hour waiting period.	Enhancement Pending Marketing Approval

Coverage	2015-2016	Proposed 2016-2017 Changes	Status
Section II. B. 2. Interruption by Civil Authority	This Policy is extended to include the actual loss sustained by the Named Insured, as covered hereunder during the length of time, not exceeding 30 days, when as a direct result of damage to or destruction of property by a covered peril(s) occurring at property located within a <u>10 mile radius</u> of covered property, access to the covered property is specifically prohibited by order of a civil authority. Coverage under this extension is subject to a 24-hour waiting period.	This Policy is extended to include the actual loss sustained by the Named Insured, as covered hereunder during the length of time, not exceeding 30 days, when as a direct result of damage to or destruction of property by a covered peril(s) occurring at property located within a <u>20 mile radius</u> of covered property, access to the covered property is specifically prohibited by order of a civil authority. Coverage under this extension is subject to a 24-hour waiting period.	Enhancement Pending Marketing Approval
Section II, Item D. 7. Vehicle Replacement Valuation	Second paragraph: If the values, provided by the Named Insured, provides a valuation based on <u>replacement cost</u> , then recovery will be on the same basis, if replaced. If not replaced, the basis of recovery shall be <u>actual cash value</u> .	Second paragraph change only: If the values, provided by the Named Insured, provides a valuation based on <u>Replacement Cost (New)</u> , then recovery will be on the same basis, if replaced. If not replaced, the basis of recovery shall be <u>Actual Cash Value</u> .	Clarification Pending Market Approval
Section III, Item B. 4. Contingent Time Element Coverage	Business interruption, rental income, tuition income and extra expense coverage provided by this Policy is extended to cover loss directly resulting from physical damage to property of the type not otherwise excluded by this Policy at direct supplier or direct customer locations (<u>whether such location is owned by the Named Insured or not</u>) that prevents a supplier of goods and/or services to the Named Insured from supplying such goods and/or services, or that prevents a recipient of goods and/or services from the Named Insured from accepting such goods and/or services. The coverage provided by this clause separately as respects each of these coverage's is sub-limited to USD as per Declaration Page.	Deleted wording in parenthesis Business interruption, rental income, tuition income and extra expense coverage provided by this Policy is extended to cover loss directly resulting from physical damage to property of the type not otherwise excluded by this Policy at direct supplier or direct customer locations (whether such location is owned by the Named Insured or not) that prevents a supplier of goods and/or services to the Named Insured from supplying such goods and/or services, or that prevents a recipient of goods and/or services from the Named Insured from accepting such goods and/or services. The coverage provided by this clause separately as respects each of these coverage's is sub-limited to USD as per Declaration Page.	Clarification Pending Market Approval
Section IV, Exclusions 1.	Loss or damage caused by or resulting from moths, vermin, termites, or other insects, inherent vice, latent defect, faulty materials, error in design, faulty workmanship, wear, tear or gradual deterioration, <u>contamination</u> , rust, corrosion, wet or dry rot, unless physical loss or damage not otherwise excluded herein ensues and then only for such ensuing loss or damage.	Deleted "contamination" Loss or damage caused by or resulting from moths, vermin, termites, or other insects, inherent vice, latent defect, faulty materials, error in design, faulty workmanship, wear, tear or gradual deterioration, <u>contamination</u> , rust, corrosion, wet or dry rot, unless physical loss or damage not otherwise excluded herein ensues and then only for such ensuing loss or damage.	Clarification Pending Market Approval

Coverage	2015-2016	Proposed 2016-2017 Changes	Status
Section IV, Exclusions 18.	Loss, damage, costs or expenses in connection with any kind or description of seepage and/or pollution and/or contamination, direct or indirect, arising from any cause whatsoever.	Loss, damage, costs or expenses in connection with any kind or description of seepage and/or pollution and/or contamination, direct or indirect, arising from any cause whatsoever. <u>Except as provided in Section II Property Damage, B. Extension of Coverage, 21. Accidental Contamination.</u>	Clarification Pending Market Approval
Section I, E., 2. Sub-limits g.	Unscheduled Landscaping, tees, sand traps, greens and athletic fields if specific values for such items have not been reported as part of the Named Insured(s) schedule of values held on file with Alliant Insurance Services, Inc.;	Unscheduled Landscaping, tees, sand traps, greens, athletic fields, <u>and artificial turf</u> if specific values for such items have not been reported as part of the Named Insured(s) schedule of values held on file with Alliant Insurance Services, Inc.;	Clarification Pending Market Approval
Section I, E., 2. Sub-limits h.	Scheduled Landscaping, tees, sand traps, greens, and athletic fields if specific values for such items have been reported as part of the Named Insured(s) schedule of values held on file with Alliant Insurance Services, Inc.;	Scheduled Landscaping, tees, sand traps, greens, athletic fields, <u>and artificial turf</u> if specific values for such items have been reported as part of the Named Insured(s) schedule of values held on file with Alliant Insurance Services, Inc.;	Clarification Pending Market Approval
Section II, C. 3. Land	Land (including land on which covered property is located), and land values (except athletic fields, landscaping, sand traps, tees and greens).	Land (including land on which covered property is located), and land values (except athletic fields, landscaping, <u>artificial turf</u> , sand traps, tees and greens).	Clarification Pending Market Approval
Section II, D. 9. Landscaping	Landscaping, sand traps, tees, putting greens and athletic fields; the actual replacement cost of sod, shrubs, sand, plants and trees; however the Company's liability for replacement of trees, plants and shrubs will be limited to the actual size of the destroyed plant, tree or shrub at the time of the loss up to a maximum size of 25 gallons per item but not to exceed USD25,000 per item.	Landscaping, <u>artificial turf</u> , sand traps, tees, putting greens and athletic fields; the actual replacement cost of sod, shrubs, sand, plants and trees; however the Company's liability for replacement of trees, plants and shrubs will be limited to the actual size of the destroyed plant, tree or shrub at the time of the loss up to a maximum size of 25 gallons per item but not to exceed USD25,000 per item.	Clarification Pending Market Approval

**ALL RISK
COVERAGES &
LIMITS: (continued)**

\$	25,000,000	Miscellaneous Unnamed Locations for existing Named Insured's Excluding Earthquake coverage for Alaska and California Named Insureds. If Flood coverage is purchased for all scheduled locations, this extension will extend to include Flood coverage for any location not situated in Flood Zones A or V.
	180 days	Extended Period of Indemnity
	See Policy Provisions	\$25,000,000 Automatic Acquisition up to \$100,000,000 or a Named Insured's Policy Limit of Liability if less than \$100,000,000 for 90 days excluding licensed vehicles for which a sub-limit of \$10,000,000 applies per policy Automatic Acquisition and Reporting Condition. Additionally a sub-limit of \$2,500,000 applies for Tier 1 Wind Counties, Parishes and Independent Cities for 60 days for the states of Virginia, North Carolina, South Carolina, Georgia, Alabama, Mississippi, Louisiana, Texas and/or situated anywhere within the states of Florida and Hawaii. The peril of EQ is excluded for the states of Alaska and California. If Flood coverage is purchased for all scheduled locations, this extension will extend to include Flood coverage for any location not situated in Flood Zones A or V.
\$	1,000,000	Unscheduled Landscaping, tees, sand traps, greens and athletic fields and further subject to \$25,000 / 25 gallon maximum per item
\$	5,000,000	or 110% of the scheduled values, whichever is greater, for Scheduled Landscaping, tees, sand traps, greens and athletic fields and further subject to \$25,000 / 25 gallon maximum per item.
\$	25,000,000	Errors & Omissions - This extension does not increase any more specific limit stated elsewhere in this policy or Declarations.
\$	25,000,000	Course of Construction and Additions (including new) for projects with completed values not exceeding the sub-limit shown. Projects valued between \$25,000,001 and \$50,000,000 can be added for an additional premium with underwriting approval
\$	2,500,000	Money & Securities for named perils only as referenced within the policy
\$	2,500,000	Unscheduled Fine Arts
\$	250,000	Accidental Contamination per occurrence and annual aggregate per Named Insured with \$500,000 annual aggregate for all Named Insureds per Declaration

**ALL RISK
COVERAGES &
LIMITS: (continued)**

\$	2,000,000	Unscheduled Tunnels, Bridges, Dams, Catwalks (except those not for public use), Roadways, Highways, Streets, Sidewalks, Culverts, Street Lights and Traffic Signals unless a specific value has been declared (excluding coverage for the peril of Earthquake Shock, and excluding Federal Emergency Management Agency (FEMA) and/or Office of Emergency Services (OES) declared disasters, providing said declaration provides funding for repairs)
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	\$	25,000,000	Increased Cost of Construction due to the enforcement of building codes/ ordinance or law (includes All Risk and Boiler & Machinery)
	\$	25,000,000	Transit
	\$	2,500,000	Unscheduled Animals; not to exceed \$50,000 per Animal, per Occurrence
	\$	2,500,000	Unscheduled Watercraft up to 27 feet
		Not Covered	Per Occurrence for Off Premises Vehicle Physical Damage
	\$	25,000,000	Off Premises Services Interruption including Extra Expense resulting from a covered peril at non-owned/operated locations
	\$	5,000,000	Per Occurrence Per Named Insured subject to an Annual Aggregate of \$10,000,000 for Earthquake Shock on Licensed Vehicles, Unlicensed Vehicles, Contractor's Equipment and Fine Arts combined for all Named Insured(s) in this Declaration combined that do not purchase optional dedicated Earthquake Shock coverage, and/or where specific values for such items are not covered for optional dedicated Earthquake Shock coverage as part of the Named Insured's schedule of values held on file with Alliant Insurance Services, Inc.
	\$	5,000,000	Per Occurrence Per Named Insured subject to an Annual Aggregate of \$10,000,000 for Flood on Licensed Vehicles, Unlicensed Vehicles, Contractor's Equipment and Fine Arts combined for all Named Insured(s) in this Declaration combined that do not purchase optional dedicated Flood coverage, and/or where specific values for such items are not covered for optional dedicated Flood coverage as part of the Named Insured's schedule of values held on file with Alliant Insurance Services, Inc.
	\$	3,000,000	Contingent Business Interruption, Contingent Extra Expense, Contingent Rental Values and Contingent Tuition Income separately
	\$	500,000	Jewelry, Furs, Precious Metals and Precious Stones Separately
	\$	1,000,000	Claims Preparation Expenses
	\$	25,000,000	Expediting Expenses
	\$	1,000,000	Personal Property Outside of the USA
ALL RISK COVERAGES & LIMITS: (continued)	\$	25,000,000	Per Named Insured Per Occurrence subject to \$200,000,000 Annual Aggregate of Declarations 1-14, 18-22, 25-30 and 32-34 combined as respects Property Damage, Business Interruption, Rental Income and Extra Expense Combined for Terrorism (Primary Layer)

- Not Covered Per Named Insured for Terrorism (Excess Layer) subject to;
- Not Covered Per Occurrence, All Named Insureds combined in Declarations 1-9, 11-14, 18-22, 25-30 and 32-34 for Terrorism (Excess Layer) subject to;
- Not Covered Annual Aggregate shared by all Named Insureds combined in Declarations 1-9, 11-14, 18-22, 25-30 and 32-34, as respects Property Damage, Business Interruption, Rental Income and Extra Expense combined for Terrorism (Excess Layer)
- Not Covered Per Occurrence Per Declaration Upgrade to Green Coverage subject to the lesser of, the cost of upgrade, an additional 25% of the applicable limit of liability shown in the schedule of values or this sub limit.

VALUATION:

- Repair or Replacement Cost
- Actual Loss Sustained for Time Element Coverages
- Contractor's Equipment / either Replacement Cost or Actual Cash Value (ACV) as declared by each member. If not declared, valuation will default to Actual Cash Value (ACV)

EXCLUSIONS (Including but not limited to):

- Seepage & Contamination
- Cost of Clean-up for Pollution
- Mold

Deductibles: If two or more deductible amounts provided in the Declaration Page apply for a single occurrence the total to be deducted shall not exceed the largest per occurrence deductible amount applicable. (The Deductible amounts set forth below apply Per Occurrence unless indicated otherwise).

"ALL RISK"

DEDUCTIBLE: \$ 2,500 Per Occurrence, which to apply in the event a more specific deductible is not applicable to a loss

DEDUCTIBLES FOR SPECIFIC PERILS AND COVERAGES:

- Not Covered All Flood Zones Per Occurrence excluding Flood Zones A & V
- Not Covered Per Occurrence for Flood Zones A & V (inclusive of all 100 year exposures)
- Not Covered Earthquake Shock: If the stated deductible is a flat dollar amount, the deductible will apply on a Per Occurrence basis, unless otherwise stated. If the stated deductible is on a percentage basis, the deductible will apply Per Occurrence on a Per Unit basis, as defined in the policy form, subject to the stated minimum.

DEDUCTIBLES FOR SPECIFIC PERILS AND COVERAGES: (continued)

- \$ 1,000 Per Occurrence for Specially Trained Animals
- \$ 500,000 Per Occurrence for Unscheduled Tunnels, Bridges, Dams, Catwalks (except those not for public use), Roadways,

Highways, Streets, Sidewalks, Culverts, Street Lights and Traffic Signals unless a specific value has been declared (excluding coverage for the peril of Earthquake Shock, and excluding Federal Emergency Management Agency (FEMA) and/or Office of Emergency Services (OES) declared disasters)

\$	10,000	Per Vehicle or Item for Licensed Vehicles, Unlicensed Vehicles and Contractor's Equipment subject to \$100,000 Maximum Per Occurrence, Per Named Insured for the peril of Earthquake for Named Insured(s) who do not purchase dedicated Earthquake limits
\$	50,000	Per Occurrence Per Named Insured for this Declaration for Fine Arts for the peril of Earthquake for Named Insured(s) who do not purchase dedicated Earthquake limits
\$	10,000	Per Vehicle or Item for Licensed Vehicles, Unlicensed Vehicles and Contractor's Equipment subject to \$100,000 Maximum Per Occurrence, Per Named Insured for the peril of Flood for Named Insured(s) who do not purchase dedicated Flood limits
\$	50,000	Per Occurrence Per Named Insured for this Declaration for Fine Arts for the peril of Flood for Named Insured(s) who do not purchase dedicated Flood limits
	24 Hour	Waiting Period for Service Interruption for All Perils and Coverages
	2.5%	of Annual Tax Revenue Value per Location for Tax Interruption
	Not Covered	Per Occurrence for Off Premises Vehicle Physical Damage. If Off-Premises coverage is included/purchased, the stated deductible will apply to vehicle physical damage both on and off-premises on a Per Occurrence basis, unless otherwise stated. If Off-Premises coverage is not included, On-Premises/In-Yard coverage is subject to the All Risk (Basic) deductible.
	Not Covered	Per Occurrence for Contractor's Equipment
\$	2,500	Per Occurrence for Primary Terrorism
	Not Covered	Per Occurrence for Excess Terrorism (Applies only if the Primary Terrorism Limit is exhausted)

**TERMS &
CONDITIONS:**

25% Minimum Earned Premium and cancellations subject to 10% penalty

**NOTICE OF
CANCELLATION:**

90 Days except 10 Days for non-payment of premium

	Annual Cost*
Total Property Premium:	\$ 5,541.00
Excess Boiler:(Not Covered)	\$ 0.00
ABS Fee:	\$ 194.00
SLT&F's (Estimate)	\$ 177.31
Broker Fee:	\$ 0.00
TOTAL COST †: (Including Taxes and Fees)	\$ 5,912.31
<p>*Premiums are based on valid selectable options and the TIV's above. Changes in TIV's will require a premium adjustment.</p> <p>† TOTAL COST includes: premiums, underwriting fees, commissions, loss control expenses, program administration charges, and applicable taxes (excluding the Cyber Enhancement premium - should you have elected to purchase this coverage)</p>	

PRINT DATE: May 25, 2016

PROPOSAL VALID UNTIL: July 1, 2016

BROKER: **ALLIANT INSURANCE SERVICES, INC.**
License No. 0C36861
 Chris M. Tobin, ARM-P
 Senior Vice President
 Armando H. Guzman
 Account Representative

NOTES:

- *Major pending and approved changes to the APIP Program are described in the Executive Summary.*
- *Change in Total Insurable Values will result in adjustment in premium*
- *Some coverage, sub-limits, terms and conditions could change until negotiations with the insurance carriers have been finalized*
- *Coverage outlined in this Proposal is subject to the terms and conditions set forth in the policy. Please refer to Policy for specific terms, conditions and exclusions*

**ALLIANT INSURANCE SERVICES, INC.
ALLIANT PROPERTY INSURANCE PROGRAM (APIP)**

BOILER & MACHINERY PROPOSAL

PROGRAM: Special Property Insurance Program (SPIP)
NAMED INSURED: Ventura County Transportation Commission
POLICY PERIOD: July 1, 2016 to July 1, 2017
COMPANIES: See Attached List of Companies
TOTAL INSURED VALUES: \$ 3,617,774 as of May 25, 2016
STATUS/RATING: See Attached List of Companies

COVERAGES & LIMITS:

\$	25,000,000	Coverage excludes jurisdictional and all other boiler inspections Boiler Explosion and Machinery Breakdown, (for those Named Insureds that purchase this optional dedicated coverage) as respects Combined Property Damage and Business Interruption/Extra Expense (Including Bond Revenue Interest Payments where Values Reported and excluding Business Interruption for power generating facilities unless otherwise specified). Limit includes loss adjustment agreement and electronic computer or electronic data processing equipment with the following sub-limits:
	Not Covered	Jurisdictional and Inspections
\$	10,000,000	Per Occurrence for Service/Utility/Off Premises Power Interruption
	Included	Per Occurrence for Consequential Damage/Perishable Goods/Spoilage
\$	10,000,000	Per Occurrence for Electronic Data Processing Media and Data Restoration
\$	2,000,000	Per Occurrence, Per Named Insured and in the Annual Aggregate per Declaration for Earthquake Resultant Damage for Members who purchase Dedicated Earthquake Coverage
\$	10,000,000	Per Occurrence for Hazardous Substances/ Pollutants/Decontamination
	Included	Per Occurrence for Machine or Apparatus used for Research, Diagnosis, Medication, Surgical, Therapeutic, Dental or Pathological Purposes

**NEWLY ACQUIRED
LOCATIONS:**

\$ 25,000,000 Automatic Acquisition for Boiler & Machinery values at newly acquired locations. Values greater than \$25,000,000 or Power Generating Facilities must be reported within 90 days and must have prior underwriting approval prior to binding

VALUATION:

Repair or Replacement except Actual Loss sustained for all Time Element coverages

EXCLUSIONS

(Including but not limited to):

- Testing
- Explosion, except for steam or centrifugal explosion
- Explosion of gas or unconsumed fuel from furnace of the boiler

OBJECTS EXCLUDED:

(Including but not limited to):

- Insulating or refractory material
- Buried Vessels or Piping
- Furnace, Oven, Stove, Incinerator, Pot Kiln

**NOTICE OF
CANCELLATION:**

90 days except 10 days for non-payment of premium

DEDUCTIBLES:

\$ 2,500	Except as shown for Specific Objects or Perils
\$ 2,500	Electronic Data Processing Media
\$ 2,500	Consequential Damage
\$ 2,500	Objects over 200 hp, 1,000 KW/KVA/Amps or Boilers over 5,000 square feet of heating surface
\$ 50,000	Objects over 350 hp, 2,500 KW/KVA/Amps or Boilers over 10,000 square feet of heating surface
\$ 100,000	Objects over 500 hp, 5,000 KW/KVA/Amps or Boilers over 25,000 square feet of heating surface
\$ 250,000	Objects over 750 hp, 10,000 KW/KVA/Amps or Boilers over 75,000 square feet of heating surface
\$ 350,000	Objects over 25,000 hp, 25,000 KW/KVA/Amps or Boilers over 250,000 square feet of heating surface
10 per foot / \$2,500 Minimum	Deep Water Wells
24 Hour Waiting Period	Utility Interruption
24 Hours	Business Interruption/Extra Expense Except as noted below
30 Days	Business Interruption - Revenue Bond
5 x 100% of Daily Value	Business Interruption - All objects over 750 hp or 10,000 KW/KVA/Amps or 10,000 square feet heating surface

5 x 100% of Daily Value

Business interruption - All Objects at Waste
Water Treatment Facilities and All Utilities

Annual Cost

COST: Cost is included on Property Proposal

PRINT DATE: May 25, 2016

PROPOSAL VALID UNTIL: July 1, 2016

BROKER: **ALLIANT INSURANCE SERVICES, INC.**

License No. 0C36861

Chris M. Tobin, ARM-P
Senior Vice President

Armando H. Guzman
Account Representative

NOTES:

- *Major pending and approved changes to the APIP Program are described in the Executive Summary.*
- *Change in Total Insurable Values will result in adjustment in premium*
- *Some coverage, sublimits, terms and conditions could change until negotiations with the insurance carriers have been finalized*
- *Coverage outlined in this Proposal is subject to the terms and conditions set forth in the policy. Please refer to Policy for specific terms, conditions and exclusions*

SPECIAL PROPERTY INSURANCE PROGRAM (SPIP)
2016-2017

NAMED INSURED SCHEDULE
As of 05/25/2016

THE NAMED INSURED IS:

Ventura County Transportation Commission
950 Country Square Drive, #207
Ventura, CA 93003

First Named Insured Member shall be deemed the sole agent of each and every Named Insured for the purpose of:

- (1) Giving notice of cancellation,
- (2) Giving instructions for changes in the Policy and accepting changes in this Policy
- (3) The payment of assessments / premiums or receipt of return assessments / premiums.

Member(s), entity(ies), agency(ies), organization(s), enterprise(s) and/or individual(s) for whom the Named Insured has extended coverage is as follows:

NAMED INSURED:

Ventura County Transportation Commission



**ALLIANT PROPERTY INSURANCE PROGRAMS
PROPOSAL LIST OF CARRIERS
JULY 1, 2016 TO JULY 1, 2017**

ACE – Illinois Union Insurance Company (Pollution)	Ironshore Specialty Insurance Company (excluding AZ)
ACE European Group Limited	Lancashire Insurance Company (UK) Ltd.
Allied World Assurance Company	Lexington Insurance Company
Arch Specialty Insurance Company	Liberty Surplus Insurance Corporation
Aspen Specialty Insurance	Lloyds of London
Attain Specialty Ins. Co. paper	Maxum Indemnity Co
Berkshire Hathaway Specialty	Partner Re Ireland Insurance Ltd
Endurance America Specialty	QBE Specialty Insurance Company
Endurance Worldwide Insurance Limited	RSUI Indemnity Company
Essex Insurance Company	Scottsdale Surplus Lines Insurance Company
Hallmark Specialty Insurance Company	Steadfast Insurance Company
Hartford Steam Boiler Inspec & Insurance	Tokio Marine Specialty Insurance Company
Homeland Insurance Company of New York	United States Fire Insurance Company
Houston Casualty	Westport Insurance Corporation
Interstate Fire & Casualty Company	XL Insurance America, Inc.
Ironshore Indemnity Inc. (AZ only)	