

**TIMOTHY CLINE  
INSURANCE AGENCY, INC.**  
CA LICENSE # 0C10844

725 Arizona Avenue Ste. 100  
Santa Monica, CA 90401-1713

Phone: (800) 966-9566  
Fax: (800) 736-3830

**Not For Profit Entity and Directors And Officers  
Liability  
Insurance Indication - Primary  
June 08, 2016**

**NOT FOR PROFIT ENTITY AND  
DIRECTORS AND OFFICERS LIABILITY  
INSURANCE INDICATION**

**RE: Palisair Home Owners Association**

June 9, 2016

Based upon the information submitted, we are pleased to provide you with the following indication. This indication is subject to our receipt, review and acceptance of the following information:

1. Completed, Signed, and Dated Ironshore Mainform Non-Profit Application
2. Name of Property Manager - Prior to Binding
3. Pro Forma Financials
4. Surplus Lines License Information

**INDICATION OPTION: 1**

**AGGREGATE LIMIT OF LIABILITY:**

(Inclusive of Costs of Defense)

\$1,000,000 ✓

**RETENTIONS:**

(Per Policy Terms)

(a) Claim other than an Employment Practices Claim

\$150,000

(b) Employment Practices Claim

\$150,000

A Retention shall not apply to a Non Indemnifiable Loss.

**PREMIUM:**

\$15,615.00 ✓

\$664.68

**INDICATION OPTION: 2**

**AGGREGATE LIMIT OF LIABILITY:**

(Inclusive of Costs of Defense)

\$2,000,000 ✓

**RETENTIONS:**

(Per Policy Terms)

(a) Claim other than an Employment Practices Claim

\$150,000

(b) Employment Practices Claim

\$150,000

A Retention shall not apply to a Non Indemnifiable Loss.

**PREMIUM:**

\$25,658.00 ✓

\$986.06

**INSURED:**

**Palisair Home Owners Association  
16163 Anoka Drive  
Pacific Palisades, CA 90272**

**INSURER:**

**Ironshore Specialty Insurance Company**  
A non-admitted carrier with an A.M. Best rating of A (Excellent) Class  
XIV

**Signature Required**

NFP.QTP.001 (0415)



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**EXPIRING POLICY NUMBER:** New

**POLICY FORM:** NFP.002 (1007 Ed.) Not-For-Profit D&O Policy Form

**POLICY PERIOD:** July 31, 2016 To: July 31, 2017

**PENDING AND PRIOR DATE:** 07/31/16

**THE FOLLOWING ENDORSEMENTS WILL BE ADDED TO THE BASIC POLICY:**

1. IRON.PN.001 (0513) OFAC Compliance Notice
2. NFP.END.003 (0614) Bankruptcy Insolvency and Creditor Exclusion
3. NFP.END.022 (0614) Regulatory Exclusion
4. NFP.END.027 (0614) Professional Services Exclusion
5. NFP.END.052 (0615) Sexual Misconduct and Child Abuse Exclusion
6. NFP.END.054 (1111 Ed.) Specific Investigation Claim Litigation Event or Act Exclusion – all prior claims
7. NFP.END.055 (1111 Ed.) Third Party Coverage Deleted
8. NFP.END.060 (0614) Definition of Not-For-Profit Entity (Named Insured Only)
9. NFP.END.064 (0614) Definition of Employee (Delete Independent Contractor and Leased Person)
10. NFP.END.065 (0614) Community Association Management Additional Insured Endorsement – Property Manager TBD
11. NFP.END.067 (0614) Bond Exclusion
12. NFP.END.068 (0614) Definition of Loss (Punitive Damages Deleted)
13. NFP.END.081 (0614) Condo, Co-op, Homeowners Association Amendatory
14. NFP.END.090 (1014) Worldwide Provision Amended (US Claims Only)
15. NFP.EX.002 (1007 Ed.) Advertising Broadcasting and Publishing Exclusion
16. NFP.EX.005 (1007 Ed.) Captive Insurance Entity Exclusion
17. NFP.EX.006 (1007 Ed.) Commission Exclusion
18. NFP.EX.021 (1007 Ed.) Medical Malpractice Exclusion
19. NFP.EX.023 (1007 Ed.) Nuclear Energy Liability Exclusion
20. NFP.EX.025 (1007 Ed.) Prior Act Exclusion (Backdated) – 7/31/2016
21. NFP.END.039 (1111 Ed.) Anti-Trust Exclusion

In order to complete the underwriting process, we require that you send us the additional information requested above. We are not required to bind coverage prior to our receipt, review and underwriting approval of the above information.

Please note that if between the date of this indication and the effective date of the policy there is any material change in the condition of the proposed insured or any event or occurrence which may be deemed to be a material change in underwriting exposure by us, we may at our option withdraw or modify this indication by giving you written notice of such.

It is your agency's/brokerage's responsibility to conform to the Laws & Regulations of the applicable jurisdiction, including, but not limited to, payment of premium taxes, procuring of affidavits and compliance with surplus lines laws if applicable.

This Indication will remain open until July 31, 2016.

Thank you for your consideration. If you have any questions or concerns, please feel free to give me a call.



Ironshore Insurance Services LLC.  
A subsidiary of Ironshore Holdings (US) Inc.  
One State Street Plaza  
8th Floor  
New York, NY 10004

**NOTICE:**

- 1. THE INSURANCE POLICY THAT YOU (HAVE PURCHASED) (ARE APPLYING TO PURCHASE) IS BEING ISSUED BY AN INSURER THAT IS NOT LICENSED BY THE STATE OF CALIFORNIA. THESE COMPANIES ARE CALLED "NONADMITTED" OR "SURPLUS LINE" INSURERS.**
- 2. THE INSURER IS NOT SUBJECT TO THE FINANCIAL SOLVENCY REGULATION AND ENFORCEMENT THAT APPLY TO CALIFORNIA LICENSED INSURERS.**
- 3. THE INSURER DOES NOT PARTICIPATE IN ANY OF THE INSURANCE GUARANTEE FUNDS CREATED BY CALIFORNIA LAW. THEREFORE, THESE FUNDS WILL NOT PAY YOUR CLAIMS OR PROTECT YOUR ASSETS IF THE INSURER BECOMES INSOLVENT AND IS UNABLE TO MAKE PAYMENTS AS PROMISED.**
- 4. THE INSURER SHOULD BE LICENSED EITHER AS A FOREIGN INSURER IN ANOTHER STATE IN THE UNITED STATES OR AS A NON-UNITED STATES (ALIEN) INSURER. YOU SHOULD ASK QUESTIONS OF YOUR INSURANCE AGENT, BROKER, OR "SURPLUS LINE" BROKER OR CONTACT THE CALIFORNIA DEPARTMENT OF INSURANCE AT THE FOLLOWING TOLL-FREE TELEPHONE NUMBER: 800-927-4357. ASK WHETHER OR NOT THE INSURER IS LICENSED AS A FOREIGN OR NON-UNITED STATES (ALIEN) INSURER AND FOR ADDITIONAL INFORMATION ABOUT THE INSURER. YOU MAY ALSO CONTACT THE NAIC'S INTERNET WEB SITE AT [WWW.NAIC.ORG](http://WWW.NAIC.ORG).**
- 5. FOREIGN INSURERS SHOULD BE LICENSED BY A STATE IN THE UNITED STATES AND YOU MAY CONTACT THAT STATE'S DEPARTMENT OF INSURANCE TO OBTAIN MORE INFORMATION ABOUT THAT INSURER.**
- 6. FOR NON-UNITED STATES (ALIEN) INSURERS, THE INSURER SHOULD BE LICENSED BY A COUNTRY OUTSIDE OF THE UNITED STATES AND SHOULD BE ON THE NAIC'S INTERNATIONAL INSURERS DEPARTMENT (IID) LISTING OF APPROVED NONADMITTED NON-UNITED STATES INSURERS. ASK YOUR AGENT, BROKER, OR "SURPLUS LINE" BROKER TO OBTAIN MORE INFORMATION ABOUT THAT INSURER.**
- 7. CALIFORNIA MAINTAINS A LIST OF APPROVED SURPLUS LINE INSURERS. ASK YOUR AGENT OR BROKER IF THE INSURER IS ON THAT LIST, OR VIEW THAT LIST AT THE WEB SITE OF THE CALIFORNIA DEPARTMENT OF INSURANCE: [WWW.INSURANCE.CA.GOV](http://WWW.INSURANCE.CA.GOV).**
- 8. IF YOU, AS THE APPLICANT, REQUIRED THAT THE INSURANCE POLICY YOU HAVE PURCHASED BE BOUND IMMEDIATELY, EITHER BECAUSE EXISTING COVERAGE WAS GOING TO LAPSE WITHIN TWO BUSINESS DAYS OR BECAUSE YOU WERE REQUIRED TO HAVE COVERAGE WITHIN TWO BUSINESS DAYS, AND YOU DID NOT RECEIVE THIS DISCLOSURE FORM AND A REQUEST FOR YOUR SIGNATURE UNTIL AFTER COVERAGE BECAME EFFECTIVE, YOU HAVE THE RIGHT TO CANCEL THIS POLICY WITHIN FIVE DAYS OF RECEIVING THIS DISCLOSURE. IF YOU CANCEL COVERAGE, THE PREMIUM WILL BE PRORATED AND ANY BROKER'S FEE CHARGED FOR THIS INSURANCE WILL BE RETURNED TO YOU.**

**Date:** \_\_\_\_\_

**Insured:** \_\_\_\_\_

**Signature Required**



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**POLICYHOLDER DISCLOSURE STATEMENT UNDER THE TERRORISM  
RISK INSURANCE ACT OF 2002 AS AMENDED BY THE TERRORISM RISK  
INSURANCE PROGRAM REAUTHORIZATION ACT OF 2007 AND AS  
FURTHER AMENDED BY THE TERRORISM RISK INSURANCE PROGRAM  
REAUTHORIZATION ACT OF 2015**

Coverage for acts of terrorism is included in your policy. You are hereby notified that under the Terrorism Risk Insurance Act of 2002, as amended by the Terrorism Risk Insurance Program Reauthorization act of 2007, and as further amended by the Terrorism Risk Insurance Program Reauthorization Act of 2015, you have coverage for losses resulting from acts of terrorism, as defined in section 102(1) of the Terrorism Risk Insurance Act of 2002, as amended by the Terrorism Risk Insurance Program Reauthorization Act of 2015. The term "act of terrorism" means any act that is certified by the Secretary of the Treasury—in consultation with the Secretary of Homeland Security, and the Attorney General of the United States—to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

YOU SHOULD KNOW THAT WHERE COVERAGE IS PROVIDED BY THIS POLICY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM, SUCH LOSSES MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. HOWEVER, YOUR POLICY MAY CONTAIN OTHER EXCLUSIONS WHICH MIGHT AFFECT YOUR COVERAGE, SUCH AS AN EXCLUSION FOR NUCLEAR EVENTS. UNDER THE FORMULA, THE UNITED STATES GOVERNMENT GENERALLY REIMBURSES A SPECIFIC PERCENTAGE OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURANCE COMPANY PROVIDING THE COVERAGE. THE PREMIUM CHARGED FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS THAT MAY BE COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

The portion of your annual premium that is attributable to coverage for acts of terrorism is \$ 0.00 , and does not include any charges for the portion of losses covered by the United States Government under the Act.

I ACKNOWLEDGE THAT I HAVE BEEN NOTIFIED THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS A SPECIFIC CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT AS WELL AS INSURER'S LIABILITY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM WHEN THE AMOUNT OF SUCH LOSSES IN ANY ONE CALENDAR YEAR EXCEEDS THE CAP. IF THE AGGREGATE INSURED LOSSES FOR ALL INSURERS EXCEED THE CAP, YOUR COVERAGE MAY BE REDUCED. I HAVE ALSO BEEN NOTIFIED OF THE PORTION OF MY PREMIUM ATTRIBUTABLE TO SUCH COVERAGE.

\_\_\_\_\_  
Policyholder/Applicant's Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Date

Name of Insurer: Ironshore Specialty Insurance Company

Policy Number: T/B/D

**Signature Required**