

HAYASHI INSURANCE AGENCY

948 Industrial Avenue
Palo Alto, California 94303
License # 0B66891
Serving California for 23 Years

Phone 650/321-7637

August 14, 2018

Fax 650/321-4681

Sunset Oaks Homeowners Association
Attn: Ms. Kathy Buckley, Manager
675 Picasso Terrace
Sunnyvale CA 94087

RE: Proposal of D.I.C. (Difference in Conditions Insurance, incl. Earthquake)

Dear Ms. Buckley and Members of the Board,

We are pleased to offer the following Quotation with respect to Difference in Conditions, Including Earthquake Insurance Policy. The coverages and cost breakdown are as follows:

COMPANY: Underwriters at Lloyds of London

COVERAGE: DIC Including Earthquake, Excluding EQSL & Flood
Covering Buildings* including Foundations, and Building Ordinance
* Expanded Building definition is to include: Walls, Walkways, Driveways,
Patios, and All Other Paved Surfaces; Retaining Walls, Fences & Gates;
Underground Property; Pools, Spas; Light Poles & Signs

LOCATION: 675 Picasso Terrace, Sunnyvale, California and as per schedule of exact numerical addresses on file with the company.

POLICY PERIOD: ANNUAL POLICY (12 Months)

COVERAGE TERM: 09/21/2018 - 09/21/2019

TIV (Total Insurable Value): \$65,000,000

VALUATION: Property Damage - Replacement Cost

LIMIT(S): \$65,000,000. Per Occurrence (not to exceed statement of values) and in the Annual Aggregate As Respects to Peril of Earthquake

SUB-LIMIT

\$6,500,000 Combined Sub-limit for Demolition and Increased Cost of Construction (Full Limits for Building Ordinance for Coverage A)	
Valuable Papers	\$2,500
Debris Removal	25% of loss
Newly Acq - Real/30 Days	\$250,000
Newly Acq - Pers/30 Days	\$100,000
Outdoor Property (Named Perils)	\$1,000
except any one tree, shrub or plant	\$250
Personal Effects	\$2,500
Pollutant Cleanup & Removal	\$10,000
Property Off Premises	\$10,000
Fire Dept. Charges	\$1,000
Unintentional Errors & Omissions	\$25,000
Expanded Building Definition	\$500,000
Limited Mold Coverage	\$500,000/\$15,000
(Available upon Request)	

Sub-Limits are Part of and Do Not Increase within the Building Limit
*Foundations and Supports included within the Building Limit

DEDUCTIBLE(S):

Earthquake:
10% Per Unit of Insurance of Values at Time of Loss,
Subject to a minimum of \$25,000 Per Occurrence

AOP:
\$25,000 Per Occurrence

Percentage deductibles to be per occurrence, per unit.
Per Unit defined as:

- A. Each separate Building or Structure,
- B. The Contents of each separate Building or Structure,
- C. Property in the yard, or Open at each Scheduled Location,
- D. Business Income/Extra Expense in each Separate Building or Structure.

TERMS:

SECURITIES:

Certain Underwriters at Lloyds: 83.5%
United Specialty Insurance Company: 16.5%

TERM:

12 Months

COINS:

100% Waived upon receipt and approval of the signed App/SOV)

FORM:

Form ISO / AmRisc CP 00 17

AmPisc Property Endorsement AR PE 10 12

Statement of Values / Occurrence Limit of Liability Applies

168 Hour EQ Definition

WARRANT:

All Risk Underlying

No Soft Story or Tuck Under Parking

No Losses to covered Perils (last 5 years)

All Buildings with outstanding damages are excluded.

SUBJECT TO:

Signed TRIA (Needed to Bind)

Signed D-1 (Needed to Bind)

Signed SOV (Needed to Bind)

Signed Flood Notice (Needed to Bind)

Satisfactory Inspection

EXCLUSIONS:

Flood; All Buildings with Outstanding Damage; Ensuing Loss; All Risk Perils;
Electronic Data and Computer System Exclusion; Boiler & Machinery;
Asbestos/Contamination; Pollution; Terrorism; Terrorism Risk Insurance Act of
2002 (See Remarks), Other Exclusions and Limitations Per Form

REMARKS:

\$3,600 Additional Premium (plus Additional Taxes and Fees) for Certified Acts
of Terrorism as provided by the Terrorism Risk Insurance Program
Reauthorization Act as amended, excluding nuclear, biological and chemical
terrorism. TRIPRA Disclosure is attached. If TRIA is accepted, Proof of All Risk
Underlying insurance with coverage with TRIA is required.

Annual Premium:	\$	72,000.00
Broker Fee:	\$	1,900.00 (Fully retained at inception)
General Broker Fee:	\$	1,700.00 (Fully retained at inception)
CA Surplus lines tax	\$	2,160.00
CA Stamping fee	\$	144.00
Total Gross Amount	\$	77,904.00

35.00 % MIMIMUM RETAINED PREMIUM IN THE EVENT OF CANCELLATION. NO FLAT CANCELLATIONS.

Financing has been arranged for this premium.

Insurer has the right to cancel any binder or policy in accordance with the cancellation provisions of such binder. All fees for the full policy term will be fully earned.

We would like to take this opportunity to thank you for your business. It is a pleasure working with you and your fine association on your insurance needs. Please call our office should you have any questions.

Sincerely,



Naomi Hayashi, Broker
HAYASHI INSURANCE AGENCY

KLEITSCH INSURANCE AGENCY ~ SINCE 1993

Commercial Insurance Workers Compensation Bonds Auto Home Life Health Annuities