



HAMILTON COVE HOMEOWNERS ASSOCIATION

Norris J. Bishton, Jr.
President
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November 27, 2018

To all Owners

The State Legislature has dictated that homeowner associations provide members with numerous detailed reports no later than 30 days before the beginning of the year. Attached hereto is the report. This replaces the Disclosure Letter sent in prior years.

2019 PRO FORMA BUDGET

The 2019 Pro Forma Budget calls for a monthly assessment of **\$890. This is \$100 a month less than last year and it reduces annual revenue by \$222,000.** Class III monthly dues are reduced from \$725 to \$650. The lost revenue will be made up by reducing the contribution to the Reserves, as will be discussed below, and, hopefully, by a positive carryover from this year. The Board of Directors will review the budget at the board meeting after the annual meeting and make a final decision. The following are comments on the proposed budget:

- General Insurance is a moving target. The recent fires will affect rates. How soon is anyone's guess? In anticipation, the budget for next year has been increased to \$355,000 from \$330,000.
- The labor pool on Catalina Island is very small. Increased tourism has put pressure on the labor pool. Our wages have to be comparable to what other employers are offering. **Good employees are being hired away by offers of substantially higher wages.** We have been able to reduce costs by employing skilled individuals. We need to keep them.
- Electrical rates have gone up. We are over budget this year and this item has to be increased.
- Hot dry weather has made it necessary to use more water this year. Through October we used 127% of the amount used in the prior year and we are over budget as a result. Bad news. Edison will get a rate increase next year. Bart, Martin and I have been working with a group of stakeholders on the issue. However, because ratepayers are using less water than projected, Edison cannot

collect its approved Revenue Requirement. The projected increase is 22%. We have raised the budget amount as a result.

RESERVES

As of October 31, 2018, the Reserves were \$979,236, still substantially below the recommended Reserves of \$2,053,529. However we anticipate ending the year with approximately \$1,340,000 in Reserves or 65% of the recommended Reserves. This is a substantial improvement from 2015 when the Association's Reserves were \$287,781. The improved position was achieved by:

- The increased assessment in 2015 to \$1050 with \$450,000 going to Reserves
- Budgeting \$350,000 for Reserves in 2016, 2017 and 2018
- Adding the carryover in 2016 to the Reserves
- Sale of Unit 1/62
- Reduce spending from Reserves this year. The only major expenditure from Reserves so far this year was the continuing upgrade of the fire alarm systems.

The 2019 Pro Forma Budget reduces the amount contributed to Reserves from \$350,000 to \$240,000.

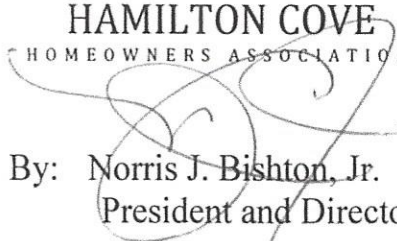
The full Reserve Study and the Association's monthly compiled financial statements are available on the Association's web site www.hchoacatalina.org.

ANNUAL MEETING 2018

The 2018 Annual Meeting is scheduled for Saturday December 1st at 2:00 pm in the Clubhouse. The Polls open at noon. The Christmas Party is that evening at 6:30 PM. I hope as many members will attend both the meeting and the party as possible.

I want to again extend my thanks to Kathy, Manny and the rest of the staff for the fine job they have done during the year, and to my fellow Board members.

Very truly yours,

HAMILTON COVE
HOMEOWNERS ASSOCIATION

By: Norris J. Bishton, Jr.
President and Director

NJB:kp
Encl.

2018
HAMILTON COVE HOMEOWNERS ASSOCIATION
ANNUAL BUDGET REPORT INDEX

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ANNUAL BUDGET REPORT				
PRO FORMA OPERATING BUDGET				
2019				
				CLASS III
	Description		185	3
Acct No	Monthly Assessment		\$890	\$650
INCOME				
4000	Assessment		\$1,975,800	\$23,400
4002	Earthquake Ins Assessment			
4007	Sublease Rent (MLL)			
4010	Late Fees and Interest		\$2,000	
4015	Preferred Mooring Fees		\$27,400	
4025	Transfer Fees			
4150	Vending Machines			
4035	Full size vehicle parking fee		\$5,700	
4040	Second Cart Parking fee		\$7,000	
4045	Rack Storage Fee		\$1,200	
4050	Boat Storage Fee		\$6,000	
4055	Class III Assessment		\$23,400	
4150	Interest			
4175	Rental Income		\$0	
4176	Verizon Lease		\$19,000	
4177	Massage Room Fees		\$300	
4200	Refunds			
4875	Prior Year Carryover		\$250,000	
4950	Other Income			
TOTAL INCOME			\$2,317,800	\$23,400
EXPENSE				
7050	Appraisals			
7070	Auto Expense		\$18,000	\$287
7110	Bank Charges			
7160	Education and Travel			
7165	Contingencies		\$10,000	\$160
7170	Contributions		\$100	\$2
7180	Computer Support		\$1,800	\$29
7250	Dues and Subscriptions		\$350	\$6
7292	Fees/Penalties			
7294	Freight		\$4,000	\$64
7295	Functions And Meetings		\$7,000	\$112
7296	Golf Course etc. supplies		\$500	\$8
7329	Insurance Earthquake			
7330	Insurance, general		\$355,000	\$1,250

7331	Insurance, group health		\$145,000	\$1,000
7332	Insurance, workers comp.		\$85,000	\$1,356
7334	Janitorial Supplies		\$18,000	\$287
7335	Internet Site		\$3,000	\$48
7340	Landscaping/Groundskeeping			
	Plumbing	\$1,000		
	Electrical	\$1,000		
	Tools	\$1,500		
	Plants	\$2,000		
	Grounds Upkeep	\$5,000		
	Equipment Upkeep	\$1,500		
	Tree Trimming Expense	\$8,000		
	Other			
	Total	\$20,000	\$20,000	\$319
7390	Legal and Professional			
	Accounting	\$12,000		
7390	Legal and Professional	\$2,000		
	Legal Transfer			
	Legal Collection			
	Total	\$14,000	\$14,000	\$223
7395	Lift Station			
7397	Mooring Fees		\$75,000	\$1,197
7470	Office		\$2,500	\$40
7480	Outside Services			
7489	Pest Control		\$10,000	
7490	Pier and Dock		\$25,000	\$399
7530	Postage		\$1,000	\$16
7540	Reproduction and copying		\$4,000	\$64
7550	Recreation Expense			
7560	Reserve Study			
7609	Inspections			
7610	Repairs and Maintenance			
	Appliances	\$2,000		
	Boat Storage			
	Buildings	\$26,000		
	Davit			
	Drywall	\$1,000		
	Elevator	\$3,000		
	Equipment	\$2,000		
	Fencing			
	Fire Equipment			
	Hardware Tools	\$6,000		
	Mooring Maintenance	\$12,000		
	Gate			
	Piano	\$200		

	Plumbing	\$800		
	Pool	\$20,000		
	Road			
	Security System	\$2,000		
	Sewage Lines	\$4,000		
	Signage	\$1,000		
	Total	\$80,000	\$80,000	\$64
7630	Fire Alarm System		\$30,000	\$479
7635	Supplies			
	Paint	\$37,000		
	Plumbing	\$2,000		
	Electrical	\$3,000		
	Washer/Dryer	\$3,000		
	Maintenance	\$5,000		
	Other			
	Total	\$210,000	\$42,000	\$670
7650	Licences and Permits		\$1,500	\$24
7661	Taxes			
7670	Transportaion			
7682	Trees			
7690	Payroll Taxes		\$71,550	\$1,000
7692	Payroll Acct Fee		\$11,000	\$176
7695	Payroll			
	Administrative	\$148,000		
	Maintenance	\$199,000		
	Painting	\$124,000		
	Security	\$164,000		
	Landscaping	\$160,000		
	Bonus			
	Other			
	Total	\$795,000	\$795,000	\$12,686
7701	Property Taxes		\$12,000	\$191
7750	State Taxes		\$1,000	\$16
7770	Telephone		\$55,000	\$109
7780	Uniforms		\$5,000	\$80
7810	Utlities			
	Hazardous Waste Removal	\$3,000		
	Trash Removal	\$14,000		
	Electricity	\$85,000		
7810	Water	\$70,000		
	Other			
	Total	\$172,000	\$172,000	\$1,000
7990	Miscellaneous			

8000	Transfer to Reserves		\$240,000	
8025	MLL Payment			
9500	Provision Fed Tax		\$2,500	\$40
	TOTAL EXPENSES		\$2,317,800	\$23,400
	NET INCOME		\$0	\$0

RESERVE SUMMARY, RESERVE FUNDING PLAN, RESERVE FUNDING MECHANISM AND PROCEDURES FOR CALCULATING RESERVES

Section 5570 (b)(2) of the Civil Code permits an association to disregard reserving for “major components with an estimated life of more than 30 years...so long as the decision is revealed in the reserve study report and reported in the Assessment and Reserve Funding Disclosure Summary. **The Association does not reserve for replacement of the buildings, the fresh water system, the salt water system, the sewer system and the roads having determined that they have an estimated life of more than 30 years.** In certain instances, funds to maintain aspects of these major components are reserved for. Otherwise, funds to maintain these major components are included in the Operating Budget.

As of 1/1/15 the Association’s Reserves were \$287,781.02. As of 10/31/18 the Reserves were \$979,236.76. The 2019 Budget provides that \$240,000 will be added to the Reserves during the year.

The Membership Disclosure Summary follows:



ADVANCED RESERVE SOLUTIONS, INC.

Membership Disclosure Summary



**Mail this information
to the membership
in your annual budget mailing**

California Civil Code requires CIDs to include an "Assessment and Reserve Funding Disclosure Summary." This summary is included herein along with directions for use. This summary was designed to meet the legal requirements for membership disclosure in the State of California. Note, this page need not be distributed.

Hamilton Cove Homeowners Association
Assessment and Reserve Funding Disclosure Summary
For the fiscal year ending 12/31/18
("Disclosure Summary")

**The notes at the end of this Disclosure Summary should
be read in conjunction with the information provided.**

(1) The regular assessment for the 2018 fiscal year per ownership interest is \$ \$990 per month.

Note: If assessments vary by the size or type of ownership interest, the assessment applicable to this ownership interest may be found on page ____ of the attached report.

(2) Additional regular or special assessments that have already been scheduled to be imposed or charged, regardless of the purpose, if they have been approved by the association's Board of Directors (the "Board") and/or members:

Date assessment will be due:	Amount per ownership interest per month or year (If assessments are variable, see note immediately below):	Purpose of the assessment:
N.A.		

Total: _____

Note: If assessments vary by the size or type of ownership interest, the assessment applicable to this ownership interest may be found on page ____ of the attached report.

(3) Based upon the most recent reserve study, dated October 4, 2017, and other information available to the Board of Directors, will currently projected reserve account balances be sufficient at the end of each year to meet the association's obligation for repair and/or replacement of major components during the next 30 years?

Yes X No _____

(4) If the answer to #3 is "no," what additional assessments or other contributions to reserves would be necessary to ensure that sufficient reserve funds will be available each year during the next 30 years that have not been approved by the Board or the members?

Approximate date assessment will be due:	Amount per ownership interest per month or year:
N.A.	

Total: _____

Hamilton Cove Homeowners Association
Assessment and Reserve Funding Disclosure Summary
For the fiscal year ending 12/31/18
 ("Disclosure Summary")

(5) All major components are included in the reserve study and are included in its calculations. However, the following major assets are excluded from the reserve study calculations for the following reasons:

Major asset:	Reason this major asset was not included:
Painting*	Covered by operating budget
Railing – Wood Deck*	Covered by operating budget
Lighting*	Covered by operating budget
Various Beach Area Components*	Covered by operating budget
Various Clubhouse Components*	Covered by operating budget
Various Pool Area Components*	Covered by operating budget
Various Tennis Area Components*	Covered by operating budget
Various Bldg 10 Components*	Covered by operating budget
Decks – Sealing/Recoating	Covered by operating budget
Golf Course Stream Pump	Covered by operating budget
Irrigation Controllers	Covered by operating budget
Guardhouse	Covered by operating budget
Monument Sign	Covered by operating budget

* See full reserve study for detailed list of "unfunded" components

(6) Based on the method of calculation in paragraph (4) of subdivision (b) of Section 5570, the estimated amount required in the reserve fund at the end of the current fiscal year is **\$2,053,530**, based in whole or in part on the last reserve study or update prepared by Advanced Reserve Solutions, Inc. as of 1/1/18. The projected reserve fund cash balance at the end of the current fiscal year is **\$942,855**, resulting in reserves being **46%** funded at this date. The current deficiency in the reserve fund represents **\$6,004** per ownership interest.

(7) Based on the method of calculation in paragraph (4) of subdivision (b) of Section 5570 of the Civil Code, a reserve funding plan has been developed – see the attached projections. The assumed long-term before-tax interest rate earned on reserve funds is **1%** per year and the assumed long-term inflation rate applied to major component repair and replacement costs is **2%** per year. Full reserve study available upon request.

NOTES:

(A) The financial representations set forth in this summary are based on the best estimates of the preparer and the Board at that time. The estimates are subject to change.
 (B) For the purposes of understanding this Disclosure Summary: (1) "Estimated remaining useful life" means the time reasonably calculated to remain before a major component will require replacement. (2) "Major component" has the meaning used in Section 55530. Components with an estimated remaining useful life of more than 30 years may be included in the study as a capital asset or disregarded from the reserve calculation, so long as the decision is revealed in the reserve study report and reported in the Assessment and Reserve Funding Disclosure Summary. (3) The form set out in subdivision (a) shall accompany each annual budget report or summary thereof that is delivered pursuant to Section 5300. The form may be supplemented or modified to clarify the information delivered, so long as the minimum information set out in subdivision (a) is provided. (4) For the purpose of the report and summary, the amount of reserves needed to be accumulated for a component at a given time shall be computed as the current cost of replacement or repair multiplied by the number of years the component has been in service divided by the useful life of the component. This shall not be construed to require the Board to fund reserves in accordance with this calculation. (5) Based on reserve studies or the occurrence of one or more unanticipated events, the Board could increase regular assessments and/or levy special assessments, consistent with the provisions of the CC&Rs and applicable law, to fund additional reserves as it deems necessary. For example, the information contained in this Disclosure Summary includes (i) estimates of replacement value and life expectancies of the components and (ii) assumptions regarding future events. Estimates are projections of a future event based on information currently available and are not necessarily indicative of the actual future outcome. The longer the time period between the estimate and the estimated event, the more likely the possibility of error and/or discrepancy. For example, some assumptions inevitably will not materialize and unanticipated events and circumstances may occur subsequent to the preparation of this Disclosure Summary. Therefore, the actual replacement cost and remaining life may vary from this report and summary and the variation may be significant. Additionally, inflation and other economic events may impact this report and summary, particularly over an extended period of time (such as thirty (30) years) and those events could have a significant and negative impact on the accuracy of this Disclosure Summary and, further, the funds available to meet the association's obligation for repair and/or replacement of major components during their estimated useful life.

Hamilton Cove Homeowners Association

Executive Summary Directed Cash Flow Calculation Method

Client Information:

Account Number	04007
Version Number	1
Analysis Date	10/04/2017
Fiscal Year	1/1/2018 to 12/31/2018
Number of Units	185
Phasing	4 of 4

Global Parameters:

Inflation Rate	2.00 %
Annual Contribution Increase	2.00 %
Investment Rate	1.00 %
Taxes on Investments	30.00 %
Contingency	5.00 %

Community Profile:

For budgeting purposes, we have used the following dates for aging the original components throughout these areas of the community:

Phase 1, Clubhouse, Pool Area.....	January 1985
Phase 2-3.....	January 1988
Phase 4.....	January 1991
Guardhouse, Beach Area, Tennis, Croquet.....	January 1990

Based on the size and nature of several of the components included in this analysis, the association has determined to maintain these items using its operating and or reserve contingency funds. These items have been included in this analysis for inventory purposes, however funding for these components has been excluded at this time. Should the association determine to resume reserve funding to any of these components, this analysis may be revised.

ARS visual inspections: September 28, 2017, October 30, 2014, April 7, 2011, September 10, 2007, May 26, 2004; April 10, 2001; October 13, 1999 & November 6, 1997

Adequacy of Reserves as of January 1, 2018:

Anticipated Reserve Balance	\$942,855.00
Fully Funded Reserve Balance	\$2,053,529.82
Percent Funded	45.91%

Recommended Funding for the 2018 Fiscal Year:	Annual	Monthly	Per Unit
			Per Month
Member Contribution	\$350,004	\$29,167.00	\$157.66
Interest Contribution	\$2,915	\$242.94	\$1.31
Total Contribution	\$352,919	\$29,409.94	\$158.97

Hamilton Cove Homeowners Association
Membership Disclosure Summary
Sorted by Category

Major Reserve Components	Current Cost	Assigned Reserves	Remaining Life Range	Useful Life Range
010 Streets	\$374,532	\$48,057	0-4	4-30
020 Roofs	\$29,887	\$39,887	0	16
030 Painting	\$62,000	\$0	2	4
040 Fencing	\$126,923	\$0	3-7	12-37
050 Lighting	\$0	\$0	n.a.	n.a.
060 Recreation	\$822,038	\$163,534	0-23	3-40
095 Building 10	\$28,380	\$0	7-19	30-37
100 Decks	\$60,000	\$60,000	0	2
105 Equipment	\$396,750	\$123,959	0-19	6-35
130 Irrigation/Motors	\$225,000	\$121,000	0-12	2-22
140 Grounds	\$52,900	\$52,079	0-1	3-34
150 Termite Control	\$449,280	\$289,440	0-8	15
Contingency	n.a.	\$44,898	n.a.	n.a.
Total	\$2,627,690	\$942,855	0-23	2-40

Hamilton Cove Homeowners Association

Projections

Directed Cash Flow Calculation Method

Fiscal Year	Beginning Balance	Member Contribution	Interest Contribution	Expenditures	Ending Balance	Fully Funded Ending Balance	Percent Funded
2018	\$942,855	\$350,004	\$2,915	\$687,938	\$607,836	\$1,581,363	38%
2019	\$607,836	\$351,054	\$3,012	\$339,666	\$622,236	\$1,481,385	42%
2020	\$622,236	\$352,107	\$3,403	\$298,829	\$678,917	\$1,428,640	48%
2021	\$678,917	\$353,163	\$5,066	\$119,250	\$917,896	\$1,575,571	58%
2022	\$917,896	\$354,223	\$3,387	\$597,748	\$677,758	\$1,224,874	55%
2023	\$677,758	\$355,286	\$5,529	\$53,001	\$985,571	\$1,455,748	68%
2024	\$985,571	\$356,352	\$5,526	\$361,791	\$985,658	\$1,367,448	72%
2025	\$985,658	\$357,421	\$7,162	\$129,424	\$1,220,817	\$1,532,285	80%
2026	\$1,220,817	\$358,493	\$6,619	\$442,392	\$1,143,537	\$1,370,754	83%
2027	\$1,143,537	\$359,568	\$8,705	\$68,498	\$1,443,312	\$1,612,067	90%
2028	\$1,443,312	\$360,647	\$9,810	\$211,439	\$1,602,330	\$1,710,863	94%
2029	\$1,602,330	\$361,729	\$11,899	\$73,452	\$1,902,506	\$1,965,281	97%
2030	\$1,902,506	\$362,814	\$10,861	\$521,947	\$1,754,234	\$1,750,429	100%
2031	\$1,754,234	\$363,903	\$12,431	\$150,576	\$1,979,992	\$1,935,117	102%
2032	\$1,979,992	\$364,994	\$13,038	\$290,523	\$2,067,502	\$1,979,837	104%
2033	\$2,067,502	\$366,089	\$12,437	\$464,109	\$1,981,918	\$1,845,885	107%
2034	\$1,981,918	\$367,188	\$12,978	\$301,957	\$2,060,127	\$1,889,392	109%
2035	\$2,060,127	\$368,289	\$14,904	\$106,448	\$2,336,872	\$2,149,761	109%
2036	\$2,336,872	\$369,394	\$15,403	\$312,515	\$2,409,155	\$2,201,373	109%
2037	\$2,409,155	\$370,502	\$17,243	\$123,417	\$2,673,482	\$2,463,409	109%
2038	\$2,673,482	\$371,614	\$17,724	\$319,763	\$2,743,057	\$2,527,406	109%
2039	\$2,743,057	\$372,728	\$19,989	\$67,296	\$3,068,478	\$2,870,221	107%
2040	\$3,068,478	\$373,847	\$20,078	\$380,466	\$3,081,938	\$2,891,776	107%
2041	\$3,081,938	\$374,968	\$17,662	\$738,474	\$2,736,095	\$2,537,770	108%
2042	\$2,736,095	\$376,093	\$14,058	\$906,438	\$2,219,807	\$2,004,377	111%
2043	\$2,219,807	\$377,221	\$15,562	\$176,474	\$2,436,117	\$2,249,843	108%
2044	\$2,436,117	\$378,353	\$15,601	\$387,689	\$2,442,382	\$2,281,897	107%
2045	\$2,442,382	\$379,488	\$17,842	\$75,402	\$2,764,311	\$2,657,099	104%
2046	\$2,764,311	\$380,627	\$18,643	\$283,843	\$2,879,737	\$2,824,774	102%
2047	\$2,879,737	\$381,768	\$19,859	\$226,545	\$3,054,820	\$3,065,541	100%

NOTE: In some cases, the projected Ending Balance may exceed the Fully Funded Ending Balance in years following high Expenditures. This is a result of the provision for contingency in this analysis, which in these projections is never expended. The contingency is continually adjusted according to need and any excess is redistributed among all components included.

MAJOR COMPONENT REPAIRS

The Board has not determined to defer maintenance of any major component.

ANTICIPATED SPECIAL ASSESSMENTS

The Association does not anticipate any special assessments in the coming year.

OUTSTANDING LOANS

The Association has one outstanding loan with Mutual Bank of Omaha. It was incurred when the Association acquired fee ownership of the Project. Initially, 119 Owners exercised their options to acquire a fee interest in their Units. 66 Owners did not. The Association borrowed \$3,201,814.04 in January 2010 in order to make up that portion of the purchase price represented by the 66 Owners who did not exercise their option—the Master Land Loan (“MLL”). The MLL amortizes over fifteen years at an interest rate of 6.25%. The loan was secured by the Association’s interest in the 66 Units. In lieu of rent, the 66 Owners are required to pay their pro rata portion of the MLL monthly payment, \$419.67. 41 of the 66 Owners have elected to pay off their pro rata share of the MLL, leaving 24 Owners participating in the MLL as of 10/31/18. The principal balance of the MLL as of that date is \$607,980.06.

INSURANCE SUMMARY

The Association’s Insurance Summary follows:

Hessler Insurance Solutions

An Affiliate of Professional Insurance Associates, Inc.

License Number: 0G30638

Hamilton Cove Homeowners Association

Policy Year 2018-2019

This summary of the association's policies of insurance provides only certain information, as required by subdivision (f) of Section 1365 of the Civil Code, and should not be considered a substitute for the complete policy terms and conditions contained in the actual policies of insurance. Any association member may, upon request and provision of reasonable notice, review the association's insurance policies and, upon request and payment of reasonable duplication charges, obtain copies of those policies. Although the association maintains the policies of insurance specified in this summary, the association's policies of insurance may not cover your property, including personal property or, real property improvements to or around your dwelling, or personal injuries or other losses that occur within or around your dwelling. Even if a loss is covered, you may nevertheless be responsible for paying all or a portion of any deductible that applies. Association members should consult with their individual insurance broker or agent for appropriate additional charges.

PROPERTY ADDRESS: 1-81 Camino De Flores; 45-89 Gaviota; 36-97 Playa Azul Avalon, CA 90704

PROPERTY COVERAGE:

INSURANCE COMPANY:	Chubb Group of Insurance Companies
POLICY TYPE AND NUMBER:	Commercial Property #D38055781002
POLICY TERM:	3/22/18 TO 3/22/19
DEDUCTIBLE:	\$ 25,000 Deductible
Policy Limits:	\$ 10,000,000 Primary Limit on Buildings \$ 5,000,000 Building Ordinance Part B & C (Sublimit) \$ 1,600,000 Business Income (Sublimit)

EXCESS PROPERTY COVERAGE:

INSURANCE COMPANY:	Arch Specialty Insurance Company
POLICY TYPE AND NUMBER:	Excess Commercial Property #ESP7301101-04
POLICY TERM:	3/22/18 TO 3/22/19
DEDUCTIBLE:	as per primary Deductible
Policy Limits:	\$ 30,000,000 Excess of \$10,000,000

EXCESS PROPERTY COVERAGE:

INSURANCE COMPANY:	Evanston Insurance Company
POLICY TYPE AND NUMBER:	Excess Commercial Property #MKLV14XP010125
POLICY TERM:	3/22/18 TO 3/22/19
DEDUCTIBLE:	as per primary Deductible
Policy Limits:	\$ 41,091,104 Excess of \$40,000,000

GENERAL LIABILITY COVERAGE:

INSURANCE COMPANY: Capitol Specialty Insurance Corporation
POLICY TYPE AND NUMBER: Commercial General Liability #CS01342618-09
POLICY TERM: 3/22/18 TO 3/22/19
DEDUCTIBLE: \$ 1,000 Deductible Bodily Injury, Property Damage & EMB - Per Claim
Policy Limits: \$ 1,000,000 Per Occurrence & \$ 2,000,000 In the Aggregate

COMMERCIAL AUTO COVERAGE:

INSURANCE COMPANY: Nationwide Mutual Insurance Company
POLICY TYPE AND NUMBER: Business Auto Policy # ACP3008133143
POLICY TERM: 3/22/18 TO 3/22/19
DEDUCTIBLE: \$ 500 Deductible for Comprehensive and Collision Coverage Only
Policy Limits: \$ 1,000,000 Auto Liability

COMMERCIAL UMB COVERAGE:

INSURANCE COMPANY: National Surety Corp.
POLICY TYPE AND NUMBER: Commercial Umbrella Policy#SUO00032238777-20444
POLICY TERM: 3/22/18 TO 3/22/19
DEDUCTIBLE: \$ 10,000 Self-Insured Retention
Policy Limits: \$ 15,000,000

COMMERCIAL D&O COVERAGE:

INSURANCE COMPANY: Continental Casualty Company
POLICY TYPE AND NUMBER: Director's & Officer's with EPLI Policy # 618721150
POLICY TERM: 3/22/18 TO 3/22/19
DEDUCTIBLE: \$ 5,000 Self-Insured Retention
Policy Limits: \$ 1,000,000 / \$1,000,000

COMMERCIAL CRIME COVERAGE:

INSURANCE COMPANY: Continental Casualty Company
POLICY TYPE AND NUMBER: Fidelity - Crime Policy # 618721150
POLICY TERM: 3/22/18 TO 3/22/19
LIMITS/DEDUCTIBLES:
Employee Dishonesty Limit: \$ 1,000,000 with a \$ 10,000 Deductible
Computer Fraud/Wire Transfer Limit: \$ 1,000,000 with a \$ 10,000 Deductible
Theft Limit: \$ 25,000 with a \$ 0 Deductible

Earthquake & Flood Policies; (COMMERCIAL DIC COVERAGE):

INSURANCE COMPANY: Insurance Company of the West
POLICY TYPE AND NUMBER: DIC – Earthquake & Flood Policy - #XHO 5011598 05
POLICY TERM: 2/17/18 TO 2/17/19
DEDUCTIBLE: 5% Deductible
Primary Policy Limits: \$ 50,000,000