SIU L.L.C.
A member of QBE

CA Insurance License Number: 0C79819

DATE: Tuesday, April 22, 2014
TO: **Chip Stewart**
Crump Insurance Service - San Francisco, CA
FAX NO.: 415-986-5004

SUBMISSION #: 135685 **QUOTE #:** 2 ***THIS QUOTE IS VALID FOR 30 DAYS***

Quote

COMPANY: QBE Specialty Insurance Company (AM Best Rating: A XV Non-Admitted)
TERM: 1 Year
PERILS: Difference in Conditions including EQ excl FL
POLICY LIMIT: $7,936,520.
PROPERTY: Real Property, (as per schedule of values on file with company), Furniture, Fixtures, Equipment, Machinery, Combined Business Interruption and Extra Expense
DEDUCTIBLE: **EQ:** **P/D:** 15%/Unit
T/E: 15%/Unit
Subject to $25,000 Minimum/Occurrence
FL: Not Covered
AOP: $25,000

Loc #	Address	City	State	Zip	FL	CL	D/I%	VAL
1	164 CULEBRA LN	MOSS BEACH	CA	94038	N/A	N/A	N/A	RC

TOTAL VALUES: $7,936,520
FORMS: DIC - Commercial Form
CONDITIONS: 25% Minimum Earned Premium, If the Insured cancels, earned premiums shall be computed on a Short Rate basis (Pro-Rata less 10%) or 25% Minimum Earned, whichever is greater, Acceptable Inspection Report (Provide Name and Phone Number of Inspection Contact at time of Binding), No Soft Floor Exposure on pre-1980 construction., Time Element Values at 100% of Annual Exposure, Wholesale Broker is Responsible for All Surplus Lines Filings, TRIA Coverage is subject to coverage also being purchased on the All Risk Underlying**, Subject to no other QBE participation (EXPIRING or IN CONJUNCTION WITH).**
NOTE: If no dates are shown for the policy term, the TRIA premium shown is an ANNUAL amount. If a term is shown, the TRIA premium has been PRO-RATED to Expire on 12/31/14 in conjuction with the Federal Program. The signed TRIA form must be returned at the time of binding. If the Insured elects to reject TRIA and the signed form is not received within 30 days of binding, we will issue an ADDITIONAL PREMIUM endorsement adding the coverage
EXCLUSIONS: Per QBE Commercial Earthquake Form, Flood, Cyber Risk, Mold

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TO: **Chip Stewart**
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RE: **Pillar Ridge Mobile Home Park**
SUBMISSION #: 135685 **QUOTE #:** 2 ***THIS QUOTE IS VALID FOR 30 DAYS***

PREMIUM:

State	TIV	Premium	TRIA	Insp Fee	Pol Fee	SLA%	SLA$	STPG%	STPG$
CA	7,936,520	36,100	361	250.00	150.00				
Home State: CA									
CA	7,936,520	36,100	361	250.00	150.00	3	1,105.83	0.2	73.72
CA	7,936,520	36,100	N/A	250.00	150.00	3	1,095.00	0.2	73.00

		INCLUDING TRIA
HOME STATE:	**CA**	
TERRORISM PREMIUM (TRIA):	**NOT COVERED**	**$361.00**
ALL OTHER PREMIUM:	**$36,100.00**	**$36,100.00**
POLICY FEE:	**$150.00**	**$150.00**
INSPECTION FEE:	**$250.00**	**$250.00**
SUB TOTAL:	**$36,500.00**	**$36,861.00**
SURPLUS LINES TAXES:	**$1,095.00**	**$1,105.83**
STAMPING FEE:	**$73.00**	**$73.72**
ACCOUNT TOTAL:	**$37,668.00**	**$38,040.55**

COMMENTS: WE CAN'T OFFER FLOOD COVERAGE DUE TO PROXIMITY TO BODY OF WATER.
WE CAN'T INCLUDE BUILDING ORDINANCE COVERAGE DUE TO AGE OF THE BUILDING.
PREMIUM FOR OPTION WITH 20% DED: $31,500 + FEES

ABBREVIATIONS: AA=Agreed Amount, ACV=Actual Cash Value, Add'l=Additional, ALE=Additional Living Expense, ALS=Actual Loss Sustained, AOL=Any Other Location, AOP=All Other Perils, B/O=Building Ordinance, BLDG ORD=Building Ordinance, CL=Contingent Liability, D&I=Demolition and Increased Cost of Construction, Demo=Demolition, EM=Earth Movement, EQ=Earthquake, EQSL=Earthquake Sprinkler Leakage, F/Z=Flood Zone, FL=Flood, Loc=Locations, FRC=Functional Replacement Cost, GRC=Green Replacement Cost, ICC=Increased Cost of Construction, N/A=Not Applicable, NFIP=National Flood Insurance Program, P/D=Property Damage, P/O=Part Of, PP=Personal Property, RC=Replacement Cost, RP=Real Property, SIR=Self Insured Retention, SK=Stock, SLA=Surplus Line Association, SP=Selling Price, STPG=Stamping Fee, T/E=Time Element, VAL=Valuation, VAR=Values at Risk, VARTOL=Values at Risk at Time of Loss, X/S=Excess

Notice - Offer of Terrorism Insurance Coverage

You are hereby notified that under the Terrorism Risk Insurance Act, as amended, that you have a right to purchase insurance coverage for losses resulting from acts of terrorism, *as defined in Section 102(1) of the Act:* The term "act of terrorism" means any act that is certified by the Secretary of the Treasury---in concurrence with the Secretary of State,
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.

Your quote/policy includes the following premium for terrorism coverage:

TERRORISM PREMIUM: $361.00

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 85% 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 ABOVE AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS THAT MAY BE COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS A $100 BILLION CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT AS WELL AS INSURERS' LIABILITY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM WHEN THE AMOUNT OF SUCH LOSSES IN ANY ONE CALENDAR YEAR EXCEEDS $100 BILLION. IF THE AGGREGATE INSURED LOSSES FOR ALL INSURERS EXCEED $100 BILLION, YOUR COVERAGE MAY BE REDUCED.

SELECTION OR REJECTION OF TERRORISM INSURANCE COVERAGE

You must accept or reject this offer of terrorism coverage by (1) checking the "accept" or "reject" option below, (2) signing this form, (3) returning this form to your insurance agent and (4) if accepted, paying the premium for terrorism coverage shown above. **No policy will be issued without the acceptance or rejection of terrorism coverage and the return of this document.**

_____ I hereby **accept** the offer of coverage for certified acts of terrorism for the premium shown above.

_____ I hereby **reject** the offer of terrorism coverage. I understand that I will have no coverage for losses resulting from certified acts of terrorism.

_____	QBE Specialty Insurance Company
Policyholder/Applicant's Signature	Insurance Company
_____	135685 - 2
Print Name	Policy / Quote Number
_____	
Date	