



Chesapeake Insurance Services, Inc.

15501 San Fernando Mission Blvd Ste.300 • Mission Hills, CA 91345
(818) 898-1043 Phone * (818)898-1643 Fax * Lic#0799383

Renewal of: XHO 2161850 13

RE: Reef Gate West Association, Inc - c/o TSG Property Management

POLICY PERIOD: 01/15/20 to 01/15/21

We are pleased to present the following quotation :

INSURER: Insurance Company of the West (A.M. Best rating A, XII)

Coverage: - See Attached.

Limit: - See Attached.

Deductibles: - See Attached.

Forms: - See Attached.

Note: Any form(s) are available for review upon written request!

Terrorism: **Certified Acts of Terrorism coverage is available for an additional premium! Insured must either accept or reject this coverage. The premium is not included in the total premium shown below, but must be added to it for a total premium if this coverage is to be accepted.**

Terms: **TO BIND WE REQUIRE:**

- Written request to bind;
- Signed Terrorism Notice form (accepting or rejecting TRIA);
- Signed D-1 (California Surplus Lines Notice)
- SL-2 (California Diligent Search Affidavit);

WITH 5 DAYS OF BINDING WE REQUIRE:

- Deposit Premium;
- Premium Finance Agreement (if applicable);
- Signed (insured & broker) original application;
- Hard copy loss runs (currently valued) for period of ??;

Rates: -See Attached.

NOTE: Be advised that there may be a short rate cancellation penalty of up to 10%, or greater, applied to this policy if insured requests cancellation of their policy prior to the expiration date. Specific terms are contained in the policy.

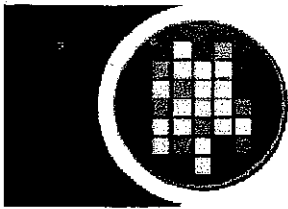
25% minimum retained premium in the event of cancellation.

PREMIUM: \$ 14,860.00
600.00 Broker Fee - Fully retained at inception.
\$ 15,460.00 Total

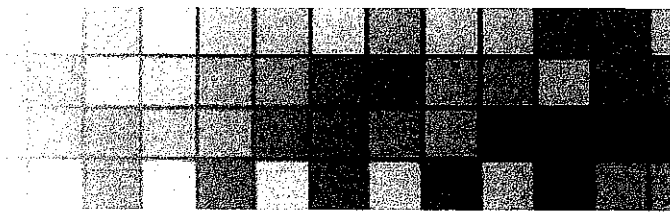
25% MINIMUM RETAINED PREMIUM IN THE EVENT OF CANCELLATION. NO FLAT CANCELLATIONS.

Insured's Signature: John Sullivan, PRESIDENT Date: 1/04/20

* This proposal is meant as an outline of coverage only. Refer to the policy for all terms,



Risk Insurance Brokers



Quote

December 19, 2019
Dennis Byrne
M.J. Hall & Company
Re: Reef Gate West Association, Inc. c/o TSG Property Management
Expiring Policy Number(s): XHO 2161850 13 ICW

We are pleased to offer this quote for coverage with Insurance Company of the West, A LICENSED, ADMITTED CARRIER.

Please review carefully. This quote outlines the coverages, limits of insurance, forms and conditions offered by Risk Insurance Brokers. This quote does not indicate all exclusions, terms, and conditions. Coverages, terms and conditions offered herein may be different than those requested in your submission. Any policy coverages, limits of insurance, policy endorsements, coverage specifications or other terms and conditions that you have requested that are not included in this quote have not been agreed to by Risk Insurance Brokers.

This quote is valid until January 15, 2020.

Policy Period Annual

Location(s) Covered 423 Avenida Granada, A, San Clemente, CA 92672
423 Avenida Granada, B, San Clemente, CA 92672
423 Avenida Granada, C, San Clemente, CA 92672

Limits Limit of Insurance, any one loss occurrence: \$16,202,850

In no event will our liability exceed this limit for any one loss occurrence, regardless of the number of coverages, causes of loss or locations involved, and regardless of any additional coverages provided under this policy.

Limit of Insurance, as respects Earthquake: \$16,202,850

Limit of Insurance, as respects Flood: Not Covered

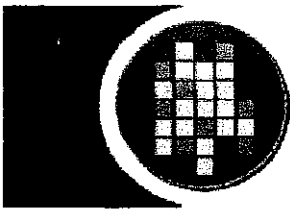
Limit of Insurance, All Other Covered Perils: \$16,202,850

This policy will not pay more than the Limit of Insurance for the Causes of Loss listed above during the Policy Period, regardless of the number of loss occurrences.

Sublimits Building Ordinance Coverage A + B + C Sublimit \$1,573,425

Underground Utilities \$393,356



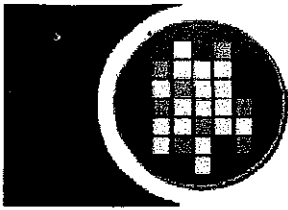


Risk Insurance Brokers

Quote

Reef Gate West Association, Inc. c/o TSG Property Management

Coverage	Building, Contents, Time Element, Homeowners Association Fees, Ordinance or Law Coverage
Causes of Loss	DIC Including EQ
Valuation	100% Replacement Cost (RC) Time Element: Actual Loss Sustained
Deductibles	Earthquake: 10.00% of the scheduled values per unit, subject to \$50,000 minimum per occurrence. All Other Perils: \$25,000 per occurrence.
Premium	\$14,860 Based on TIV of \$16,202,850 \$2,102 Additional Premium 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. Please forward to applicant.
Minimum Retained Premium	25%



Quote

Reef Gate West Association, Inc. c/o TSG Property Management

The following terms and conditions apply to all options presented in this quote.

Forms Difference In Conditions Coverage UND 1211
 Homeowners Association Coverage Extension UND 1217
 Ordinance Or Law Coverage UND 1227
 State Changes

Conditions Warrant all risk underlying policy.
 Warrant no soft story/tuck-under parking.
 Mid-term cancellations requested by the insured will be calculated with short-rate penalty.
 Warrant no prior losses to covered perils in last 5 years, unless previously reported.
 New locations added or existing locations deleted mid-term will be subject to risk modeling and
 additional or returned premium will be calculated per the modeling results, not necessarily the
 account rate.
 Quote cannot be bound without underwriter's consent.
 If TRIPRA coverage is requested by this insured for properties and causes of loss covered by this
 policy, this insured must also purchase TRIPRA coverage on the All Risk policy covering the same
 properties.

**POLICYHOLDER DISCLOSURE
NOTICE OF TERRORISM
INSURANCE COVERAGE**

You are hereby notified that under the Terrorism Risk Insurance Act, as amended ("TRIA"), 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 or acts that are 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 participants 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. Any coverage you purchase for "acts of terrorism" shall expire at 12:00 midnight December 31, 2020, the date on which the TRIA Program is scheduled to terminate, or the expiry date of the policy whichever occurs first, and shall not cover any losses or events which arise after the earlier of these dates.

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% THROUGH 2015; 84% BEGINNING ON JANUARY 1, 2016; 83% BEGINNING ON JANUARY 1, 2017; 82% BEGINNING ON JANUARY 1, 2018; 81% BEGINNING ON JANUARY 1, 2019 and 80% BEGINNING ON JANUARY 1, 2020, 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.

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.

Acceptance or Rejection of Terrorism Insurance Coverage

	I hereby elect to purchase coverage for acts of terrorism for the prospective premium displayed separately on the binder.
*	I hereby reject coverage for certified acts of terrorism. I understand that I will have no coverage for losses arising from any certified acts of terrorism.

<p><i>REEFGATE WEST ASSOCIATION</i> <i>John W. Sullivan, PRESIDENT</i></p>	<p>Insurance Company of the West, A LICENSED, ADMITTED CARRIER</p>
<p>Policyholder's/Applicant's Signature</p>	<p>Insurance Company</p>

<p><i>JOHN W. SULLIVAN</i></p>	<p>Reef Gate West Association, Inc. c/o TSG Property Management</p>
<p>Print Name</p>	<p>Named Insured</p>

1/04/20
Date

PRIOR CARRIER INFORMATION (continued)

AGENCY CUSTOMER ID: 00000510

YEAR	CATEGORY	GENERAL LIABILITY	AUTOMOBILE	PROPERTY	OTHER
	CARRIER				
	POLICY NUMBER				
	PREMIUM	\$	\$	\$	\$
	EFFECTIVE DATE				
	EXPIRATION DATE				
	CARRIER				
	POLICY NUMBER				
	PREMIUM	\$	\$	\$	\$
	EFFECTIVE DATE				
	EXPIRATION DATE				

LOSS HISTORY Check if none (Attach Loss Summary for Additional Loss Information)

ENTER ALL CLAIMS OR LOSSES (REGARDLESS OF FAULT AND WHETHER OR NOT INSURED) OR OCCURRENCES THAT MAY GIVE RISE TO CLAIMS FOR THE LAST _____ YEARS						TOTAL LOSSES: \$	
DATE OF OCCURRENCE	LINE	TYPE / DESCRIPTION OF OCCURRENCE OR CLAIM	DATE OF CLAIM	AMOUNT PAID	AMOUNT RESERVED	SUBROGATION Y/N	CLAIM OPEN Y/N

SIGNATURE

Copy of the Notice of Information Practices (Privacy) has been given to the applicant. (Not required in all states, contact your agent or broker for your state's requirements.)

PERSONAL INFORMATION ABOUT YOU, INCLUDING INFORMATION FROM A CREDIT OR OTHER INVESTIGATIVE REPORT, MAY BE COLLECTED FROM PERSONS OTHER THAN YOU IN CONNECTION WITH THIS APPLICATION FOR INSURANCE AND SUBSEQUENT AMENDMENTS AND RENEWALS. SUCH INFORMATION AS WELL AS OTHER PERSONAL AND PRIVILEGED INFORMATION COLLECTED BY US OR OUR AGENTS MAY IN CERTAIN CIRCUMSTANCES BE DISCLOSED TO THIRD PARTIES WITHOUT YOUR AUTHORIZATION. CREDIT SCORING INFORMATION MAY BE USED TO HELP DETERMINE EITHER YOUR ELIGIBILITY FOR INSURANCE OR THE PREMIUM YOU WILL BE CHARGED. WE MAY USE A THIRD PARTY IN CONNECTION WITH THE DEVELOPMENT OF YOUR SCORE. YOU MAY HAVE THE RIGHT TO REVIEW YOUR PERSONAL INFORMATION IN OUR FILES AND REQUEST CORRECTION OF ANY INACCURACIES. YOU MAY ALSO HAVE THE RIGHT TO REQUEST IN WRITING THAT WE CONSIDER EXTRAORDINARY LIFE CIRCUMSTANCES IN CONNECTION WITH THE DEVELOPMENT OF YOUR CREDIT SCORE. THESE RIGHTS MAY BE LIMITED IN SOME STATES. PLEASE CONTACT YOUR AGENT OR BROKER TO LEARN HOW THESE RIGHTS MAY APPLY IN YOUR STATE OR FOR INSTRUCTIONS ON HOW TO SUBMIT A REQUEST TO US FOR A MORE DETAILED DESCRIPTION OF YOUR RIGHTS AND OUR PRACTICES REGARDING PERSONAL INFORMATION. (Not applicable in AZ, CA, DE, KS, MA, MN, ND, NY, OR, VA, or WV. Specific ACORD 38s are available for applicants in these states.) (Applicant's Initials): _____

Applicable in AL, AR, DC, LA, MD, NM, RI and WV: Any person who knowingly (or willfully)* presents a false or fraudulent claim for payment of a loss or benefit or knowingly (or willfully)* presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison. *Applies in MD Only.

Applicable in CO: It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado Division of Insurance within the Department of Regulatory Agencies.

Applicable in FL and OK: Any person who knowingly and with intent to injure, defraud, or deceive any insurer files a statement of claim or an application containing any false, incomplete, or misleading information is guilty of a felony (of the third degree)*. *Applies in FL Only.

Applicable in KS: Any person who, knowingly and with intent to defraud, presents, causes to be presented or prepares with knowledge or belief that it will be presented to or by an insurer, purported insurer, broker or any agent thereof, any written statement as part of, or in support of, an application for the issuance of, or the rating of an insurance policy for personal or commercial insurance, or a claim for payment or other benefit pursuant to an insurance policy for commercial or personal insurance which such person knows to contain materially false information concerning any fact material thereto; or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act.

Applicable in KY, NY, OH and PA: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties (not to exceed five thousand dollars and the stated value of the claim for each such violation)*. *Applies in NY Only.

Applicable in ME, TN, VA and WA: It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties (may)* include imprisonment, fines and denial of insurance benefits. *Applies in ME Only.

Applicable in NJ: Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.

Applicable in OR: Any person who knowingly and with intent to defraud or solicit another to defraud the insurer by submitting an application containing a false statement as to any material fact may be violating state law.

Applicable in PR: Any person who knowingly and with the intention of defrauding presents false information in an insurance application, or presents, helps, or causes the presentation of a fraudulent claim for the payment of a loss or any other benefit, or presents more than one claim for the same damage or loss, shall incur a felony and, upon conviction, shall be sanctioned for each violation by a fine of not less than five thousand dollars (\$5,000) and not more than ten thousand dollars (\$10,000), or a fixed term of imprisonment for three (3) years, or both penalties. Should aggravating circumstances [be] present, the penalty thus established may be increased to a maximum of five (5) years, if extenuating circumstances are present, it may be reduced to a minimum of two (2) years.

THE UNDERSIGNED IS AN AUTHORIZED REPRESENTATIVE OF THE APPLICANT AND REPRESENTS THAT REASONABLE INQUIRY HAS BEEN MADE TO OBTAIN THE ANSWERS TO QUESTIONS ON THIS APPLICATION. HE/SHE REPRESENTS THAT THE ANSWERS ARE TRUE, CORRECT AND COMPLETE TO THE BEST OF HIS/HER KNOWLEDGE.

PRODUCER'S SIGNATURE	PRODUCER'S NAME (Please Print) Doug Kreuzberger/JHO	STATE PRODUCER LICENSE NO (Required in Florida)
APPLICANT'S SIGNATURE <i>Schwarz, Sullivan, PRESIDENT</i>	DATE 1/04/20	NATIONAL PRODUCER NUMBER

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Any person who knowingly (or willfully)* presents a false or fraudulent claim for payment of a loss or benefit or knowingly (or willfully)* presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison. *Applies in MD Only.

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It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado Division of Insurance within the Department of Regulatory Agencies.

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Applicable in KS

Any person who, knowingly and with intent to defraud, presents, causes to be presented or prepares with knowledge or belief that it will be presented to or by an insurer, purported insurer, broker or any agent thereof, any written statement as part of, or in support of, an application for the issuance of, or the rating of an insurance policy for personal or commercial insurance, or a claim for payment or other benefit pursuant to an insurance policy for commercial or personal insurance which such person knows to contain materially false information concerning any fact material thereto; or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act.

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Any person who knowingly and with intent to defraud or solicit another to defraud the insurer by submitting an application containing a false statement as to any material fact may be violating state law.

Applicable in PR

Any person who knowingly and with the intention of defrauding presents false information in an insurance application, or presents, helps, or causes the presentation of a fraudulent claim for the payment of a loss or any other benefit, or presents more than one claim for the same damage or loss, shall incur a felony and, upon conviction, shall be sanctioned for each violation by a fine of not less than five thousand dollars (\$5,000) and not more than ten thousand dollars (\$10,000), or a fixed term of imprisonment for three (3) years, or both penalties. Should aggravating circumstances [be] present, the penalty thus established may be increased to a maximum of five (5) years, if extenuating circumstances are present, it may be reduced to a minimum of two (2) years.

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PRODUCER'S SIGNATURE	PRODUCER'S NAME (Please Print) Doug Kreuzberger/JHO	STATE PRODUCER LICENSE NO (Required in Florida)
APPLICANT'S SIGNATURE <i>John M. Sullivan, President</i>	DATE 1/04/20	NATIONAL PRODUCER NUMBER