



**ISU Insurance Services
Atwood Agency**

Independently Owned & Operated

Offices Coast to Coast
"Our Knowledge is Your Best Insurance"

January 4, 2011

County of El Dorado
Attn: Ms Janet Parnell
330 Fair Lane
Placerville, CA 95667

RE: County of El Dorado Airports
Renewal Policy # AAPN00982271 008
Policy Period: 02/05/11 to 02/05/12

Dear Ms Parnell:

The airport liability renewal is once again offered from Ace Property and Casualty Insurance Company, rated A+XV by A.M. Best and A+ by S & P.

The renewal premium is \$16,177.00 which is a 2% increase over last year's policy.

The only change in coverage this year is the medical expense limit which was increased from \$1,000 to \$3,000 at no additional expense.

Coverage is still excluded for war, hi-jacking, noise pollution and radioactive contamination per the AAP201/202 (11-99) endorsement. However, once again the company will offer extended coverage for war, hi-jacking, and other coverages as well as Terrorist Risk Insurance Act (TRIA) coverage, if requested.

The rates for these coverages can be found on page 2 of the proposal. The additional annual TRIA premium is \$1,618.00, and the additional annual war premium is \$1,618.00. If you elect both coverages, the additional annual premium is \$2,022.00.

Please review the attached proposal, sign the acceptance or rejection of terrorism insurance coverage. This signed disclosure must be returned to me along with your desire to renew coverage prior to the effective date of 2/5/11.

Sincerely,

Don Erickson
President



ace group

TO: Don Erickson
 ISU Insurance Services-Atwood Agency
 Placerville, CA
FAX: 530-626-2533

DATE: January 3, 2011
FROM: Catherine Boribalburibhand
RISK ID: 27606

AIRPORT OWNERS AND OPERATORS LIABILITY QUOTATION
 With
ACE PROPERTY AND CASUALTY INSURANCE COMPANY
 (A+ S&P, A+ XV Best)

In accordance with your request, we are pleased to provide the following quotation:

If this quotation is bound, our binder will be the only document that binds us, except the policy itself. Any other document purporting to be a binder, whether issued by an insurance agent, broker, or producer or any other person or entity, is not effective as such and does not bind us.

NAMED INSURED: County of El Dorado

NAMED INSURED'S ADDRESS: c/o Risk Management
 330 Fair Lane
 Placerville, CA 95667

PERIOD: From: February 5, 2011 To: February 5, 2012
 both days at 12.01 a.m. Local Time at the address of the Named Insured.

INTEREST: The Insured's legal liability, to which this policy applies, arising out of the Insured's Airport operations at the following airport location(s):

- PVF Placerville Airport, Placerville, CA
- E36 Georgetown Airport, Georgetown, CA

SUM INSURED: **\$15,000,000** each occurrence/offense in respect of Bodily Injury, Personal and Advertising Injury and Property Damage combined, subject to the following limitations:

Products-Completed Operations Annual Aggregate Limit	\$15,000,000
Personal Injury and Advertising Injury Annual Aggregate limit	\$15,000,000
Malpractice Annual Aggregate Limit	\$15,000,000
Extended Coverage - War, Hi-jacking and Other Perils Annual Aggregate Limit.	Not Insured
Fire Damage Limit Any One Fire	\$50,000
Medical Expense Limit Any One Person	\$3,000
Hangarkeepers not "in flight" Limit Any One occurrence	\$15,000,000
Hangarkeepers not "in flight" Limit Any One Aircraft	\$15,000,000
Non-Owned Aircraft Liability.	\$15,000,000

DEDUCTIBLE Nil each occurrence or offense, but not to exceed Nil annual aggregate.

CONDITIONS: Policy form: AAP 201/202 (11/99) which includes, inter alia, the following exclusion clauses:
War, Hi-jacking and Other Perils Exclusion Clause;
Noise, Pollution and Other Perils Exclusion Clause;

The policy is also subject to the following:

30 days notice of cancellation, non-renewal or reduction in coverage by Insurer, but
10 days notice for non-payment of premium. This provision does not override the Automatic
Termination review or cancellation provisions of endorsements AAP 203 or AAP 237.

AAP 204	(11-03)	Amendment of Noise and Pollution and Other Perils Exclusion
AAP 220	(11/99)	Immunity Waiver Endorsement
AAP 234	(11/99)	Airport Limited Enhanced Coverage Endorsement
AAP 236	(11-04)	Limited Additional Insured Designated Person or Organization Endorsement <i>In favor of:</i> EPIC Aviation, LLC dba Air BP Aviation Service
AAP 237	(11/99)	Nuclear Risks Exclusion Clause
AAP 248	(11/99)	Volunteers Endorsement
AAP 256	(11/99)	Date Recognition Exclusion Endorsement
AAP 255	(03-08)	Date Recognition Limited Coverage Endorsement
AAP 273	(11-03)	Pollution Endorsement
AAP 275	(02-08)	Limited Terrorism Coverage Endorsement
AAP 277	(01-06)	Silica and Silica-Related Dust Exclusion
ALL-21101	(11-06)	Trade or Economic Sanctions Endorsement
AAP 306	(03-08)	Infringement of Copyright, Patent, Trademark or Trade Secret Endorsement
AAP 307	(03-08)	Amendment to Supplementary Payments (Court Cost) Endorsement
AAP CA	(03/00)	California Changes - Cancellation and Nonrenewal

ANNUAL GL
PREMIUM: \$16,177

ANNUAL TRIA
PREMIUM: \$1,618

ANNUAL WAR
PREMIUM: \$1,618

ANNUAL
WAR + TRIA
PREMIUM: \$2,022

Please note that you do not have authority to bind the above insurance. Please contact us if you wish to bind this Insurance. We look forward to receiving your instructions and thank you for your inquiry

On behalf of ACE USA



By _____
Catherine Boribalburibhand
Authorized Representative



ace group

**POLICYHOLDER DISCLOSURE
NOTICE OF TERRORISM INSURANCE COVERAGE**

You are 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.

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 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 terrorism coverage for a prospective premium of \$1,618

_____ I hereby decline to purchase terrorism coverage for certified acts of terrorism. I understand that I will have no coverage for losses resulting from certified acts of terrorism.

Policyholder/Applicant's Signature

ACE PROPERTY AND CASUALTY INSURANCE COMPANY

County of El Dorado

Print Name

Policy Number

Date