



RISK DETAILS

UMR: B1230

POLICY NUMBER: B1230

TYPE: Mortgage Payment Protection Insurance

NAME OF ASSURED: Independent Cities Financial Authority (ICFA)

ADDRESS OF ASSURED: PO Box 6740, Lancaster, CA 93539-6740

PERIOD OF INSURANCE: From: 1 October 2016
To: 30 September 2021
Both days inclusive at the address of the Assured stated above.

RISK AND SUM INSURED HEREUNDER:

Mortgage Payment Protection Insurance will provide coverage for delinquent lease payments in respect of properties covered hereunder regardless of the reason for the delinquency.

Coverage hereunder will be limited to 12 (twelve) monthly lease payments in respect of each property bound under this Insurance.

Notwithstanding the above, cover hereon shall be further limited to being no more than the Premiums payable and received hereunder. At no stage can claims hereunder exceed more than the Premiums paid to the Company.

DEDUCTIBLES: None

SITUATION: The Southern California counties of Los Angeles (MSA Code 31080), San Bernardino (MSA Code 40140), and San Diego (MSA Code 41740) and the Cities of Alhambra, Apple Valley, Azusa, Baldwin Park, Barstow, Brea, Bell, Bellflower, Capitola, Carpinteria, Carson, Chino, Claremont, Colton, Commerce, Compton, Covina, Downey, Duarte, El Monte, Fairfield, Fontana, Fresno, Gardena, Garden Grove, Glendale, Glendora, Hawaiian Gardens, Hawthorne, Hermosa Beach, Huntington Park, Indio, Inglewood, La Habra, La Puente, Lakewood, Lancaster, Lawndale, Long Beach, Los Angeles, Lynwood, Monrovia, Montclair, Montebello, Monterey Park, Morgan Hill, Norwalk, Oceanside, Palm Springs, Palmdale, Paramount, Pico Rivera, Planada Community Service District, Pomona, Rancho Cucamonga, Rialto, Riverside, Rohnert Park, Salinas, San Bernardino, San Fernando, San Juan Capistrano, San Marcos, Santa Clarita, Santa Rosa, Signal Hill, South Gate, Vernon, Vista, West Covina, Whittier, and Yucaipa.



CONDITIONS:

- 1) Where the terms “Insured” and “Assured” appear herein they shall be deemed to be read as synonymous terms.
- 2) Where the terms “Underwriters” and “Insurers” appear herein they shall be deemed to be read as synonymous terms.
- 3) Service of Suit Clause (USA) – NMA 1998 naming Foley & Lardner LLP, 555 California Street, Suite 1700, San Francisco, CA 94104-1520

EXPRESS WARRANTIES: None

CONDITIONS PRECEDENT: None

NOTICES: LSW1147D – California Surplus Lines Notice

CHOICE OF LAW & JURISDICTION: This Insurance shall be governed by and construed in accordance with the law of the state of California and to the exclusive jurisdiction of the courts of the USA subject to the provisions of the NMA1998

PREMIUM: Premium shall be calculated at a rate of 4.5% upon the full value of the properties insured hereunder.
The Assured will supply monthly bordereaux detailing the actual values at risk.
Premiums are payable no later than 60 days after the expiry of the month that they fall due.

PREMIUM PAYMENT TERMS: 60 Days Premium Payment Clause – PPC 5 (TOR) 4/86 (DIRECT) as attached

PROFIT COMMISSION: A Profit Commission is payable to the Assured after 24 months from inception of this Contract in respect of each Policy year hereunder. Profit shall be calculated as being:

- All Premiums
- Less all paid and settled claims

100% of the resulting Profit shall be paid to the Assured as a Profit Commission.

COMMUTATION: Upon the Assured receiving payment of a Profit Commission for any given Contract Year, such year shall be considered to be closed and cannot be re-opened and no further claims can be payable in respect of the closed Contract Year hereon.

TAXES PAYABLE BY (RE) INSURED AND ADMINISTERED BY INSURERS: None

RECORDING, TRANSMITTING & STORING INFORMATION: Where Broker maintains risk and claim data/information/documents Broker may hold data/information/documents electronically



**INSURER
CONTRACT
DOCUMENTATION:**

INFORMATION

Properties to be acquired	325
Average purchase price	\$307,692.31
Minimum required investment - 3.50%*	\$10,769.23
Average first mortgage amount	\$296,923.08
First mortgage term (months)	360
First mortgage rate (par+1.50%)	5.500%
Average monthly first mortgage principle/interest	\$1,685.90

* (funded with mortgage loan premium proceeds from Sponsor, per Handbook 4000.1, page 247)

Seller's Contribution**	\$18,461.54
Home warranty (0.315%; \$485.00/year)	\$969.23
Title policy (1.185%)	\$3,646.15
Mortgage payment protection insurance*** (single payment premium - 4.50%)	\$13,846.15
Discount point(s) - 0.00%	\$0.00
	\$18,461.54

** (maximum 6.00% of purchase price)

*** (allowable per Handbook 4000.1, page 255)

All other Information as held on file with Thompson Heath & Bond Limited.