

MEMORANDUM OF COVERAGE (PROPERTY)

In consideration of the premiums paid and the covenants in this Memorandum, ABAG and the Member Entity agree as follows:

I. Excess Insurance

ABAG shall purchase a policy or policies of property insurance including endorsements naming each Member Entity participating in the Property Program as a Named Insured (collectively, the "Excess Policy"). Such policy or policies and all endorsements is/are attached as Exhibit A-1 through A-2 and incorporated into this Memorandum:

Insurer	Policy Type	Policy No.

II. Pooled Coverage

ABAG shall pay to the Member Entity and to any person insured under the Excess Policy for any loss arising out of any one occurrence (which, but for the amount of the loss, would be covered under the Excess Policy) the portion of such loss which exceeds the deductible set forth in § III up to the point at which such loss is covered under the Excess Policy. The coverage period and property covered are the same as the Excess Policy.

III. Pooled Coverage Limits

ABAG shall pay all losses and damages within the Pooled Coverage described in § II which exceeds the individual self-insured retentions of the Member Entities ("Deductible") set forth below:

Vehicle loss or damage	-	\$5,000 per occurrence
All other	-	\$5,000 per occurrence

ABAG's liability under this Section and Section II shall not exceed the self-insured retention under the Excess Policy or the limit(s) under the aggregate stop loss or deductible endorsement portion of the Excess Policy.

IV. Procedures

For all losses within the Pooled Coverage, ABAG shall have all the rights and obligations of the "insurer," the "company" and cognate terms as set forth in the Excess Policy. For all losses exceeding the Pooled Coverage, ABAG shall be responsible for coordinating claims adjusting, loss payments, subrogation and other processes, procedures, and the rights and obligations of ABAG and the issuer(s) of the Excess Policy with respect to ABAG and the issuer(s) of the Excess Policy. Each Member Entity shall have the rights and obligations of the "insured" and cognate terms as set forth in the Excess Policy.

V. Definitions

All capitalized terms shall have the meanings ascribed to them in the Revised Coverage Agreement and the Excess Policy.

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