

**CITY OF RICHMOND
CONTRACT AMENDMENT**

Department:	City Project Manager:
City Project Manager E-mail:	City Project Manager Phone No:
Vendor No:	Contract No:
Description of Services:	
Amendment No. ___ modifies the (check all that apply):	
<input type="checkbox"/> Term <input type="checkbox"/> Payment Limit <input type="checkbox"/> Service Plan	
<i>Complete the Amendment History page if this Amendment is the 2nd or subsequent amendment.</i>	

The parties to this Contract Amendment do mutually agree and promise as follows:

- Parties. The parties to this Contract Amendment are the City of Richmond, a public body corporate and politic, and the following named Contractor:

Contractor Name: _____

Street Address: _____

City, State, Zip Code: _____

Contact Person: _____

Telephone: _____

Email: _____

Business License No: _____

- A California: corporation, limited liability corporation, general partnership,
 limited partnership, individual, non-profit corporation,
 individual dba as [specify:] _____
 other [specify:] _____

- Purpose. This Contract Amendment is being entered into to amend the following Contract between City and Contractor (list terms in effect on the date of initial Contract approval):

City Council Approval Date/City Manager Execution Date: _____

Effective Date: _____; Termination Date: _____

Payment Limit: _____.

- [check box if applicable]** The Contract was previously amended, as described in the amendment history attached to this Contract Amendment, and the terms and conditions of any amendments shall be deemed to be a part of the Contract.

- Contract Provisions. The parties hereto agree to continue to abide by those terms and conditions of the Contract, including any amendments thereto, which are unaffected by this Contract Amendment, and which shall remain in full force and effect.

4. Amendment Provisions. This Contract Amendment is subject to the Amendment Provisions attached hereto, which are incorporated herein by reference, and which control over any conflicting provisions of the Contract.
5. City of Richmond Business License Active Status Maintained. Pursuant to Municipal Code Section 7.04.030, the Contractor must maintain its City of Richmond business license for this Contract Amendment to be deemed to be in effect.
6. Insurance Coverage Updated and Maintained. Pursuant to the Contract, the Contractor shall provide the City with updated insurance certificates, and the Contractor shall maintain insurance coverage, for this Contract Amendment to be deemed to be in effect.
7. Authority; Counterparts; Signatures. Each of the signatories hereto represents and warrants that he or she has the authority to execute this Contract Amendment for the Party on whose behalf he or she is executing this Contract Amendment. This Contract Amendment may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The Parties may rely on electronic or scanned signatures as originals. Delivery of an executed signature page of this Contract Amendment by electronic format (including pdf) shall be the same as delivery of an original executed signature page.

CITY OF RICHMOND,
a municipal corporation

By: _____

Title: _____

Date Signed: _____

I hereby certify that this Amendment has been approved by the City Council or executed by the City Manager.

By: _____
City Clerk

Approved as to form:

By: _____
City Attorney

[CONTRACTOR NAME]

(*If applicable, the Corporation Chairperson of the Board, President, or Vice-President should sign below.)

By: _____

Title: _____

Date Signed: _____

(*If applicable, the Corporation Chief Financial Officer or Assistant Treasurer, or Secretary or Assistant Secretary should sign below.)

By: _____

Title: _____

*(NOTE: Pursuant to California Corporations Code Section 313, if Contractor is a corporation or nonprofit organization, this Contract (1) should be signed by the Chairperson of the Board, President or Vice-President and the Chief Financial Officer or Assistant Treasurer, or Secretary or Assistant Secretary; (2) should have both signatures conform to designated representative groups pursuant to Corporations Code Section 313.)

AMENDMENT PROVISIONS (AMENDMENT HISTORY)

If no prior amendments, skip to next page.

The **first** Contract Amendment was approved by City Council or executed by the City Manager on _____ for one or more of the following provisions (check those that apply):

- Increased contract payment limit by \$ _____ for a payment limit not to exceed \$ _____
- Term Amendment (insert new termination date): _____
- Service Plan

The **second** Contract Amendment was approved by City Council or executed by the City Manager on _____ for one or more of the following provisions (check those that apply):

- Increased contract payment limit by \$ _____ for a payment limit not to exceed \$ _____
- Term Amendment (insert new termination date): _____
- Service Plan

The **third** Contract Amendment was approved by City Council or executed by the City Manager on _____ for one or more of the following provisions (check those that apply):

- Increased contract payment limit by \$ _____ for a payment limit not to exceed \$ _____
- Term Amendment (insert new termination date): _____
- Service Plan

The **fourth** Contract Amendment was approved by City Council or executed by the City Manager on _____ for one or more of the following provisions (check those that apply):

- Increased contract payment limit by \$ _____ for a payment limit not to exceed \$ _____
- Term Amendment (insert new termination date): _____
- Service Plan

The **fifth** Contract Amendment was approved by City Council or executed by the City Manager on _____ for one or more of the following provisions (check those that apply):

- Increased contract payment limit by \$ _____ for a payment limit not to exceed \$ _____
- Term Amendment (insert new termination date): _____
- Service Plan

The **sixth** Contract Amendment was approved by City Council or executed by the City Manager on _____ for one or more of the following provisions (check those that apply):

- Increased contract payment limit by \$ _____ for a payment limit not to exceed \$ _____
- Term Amendment (insert new termination date): _____
- Service Plan

AMENDMENT PROVISIONS (TERM, PAYMENT LIMIT AND/OR SERVICE PLAN)

Check all that apply:

TERM

Paragraph 2 (Term) of the Contract is hereby amended to extend the Contract term. Paragraph 2 of the Contract is amended to read as follows:

"2. Term. The effective date of this Contract is

_____.
(Insert Contract Effective Date)

and it terminates

_____.
(Insert new Contract termination date)

unless sooner terminated as provided herein."

PAYMENT
LIMIT

Paragraph 3 (Payment Limit) of the Contract is hereby amended to increase the payment limit by \$_____. Paragraph 3 of the Contract is amended to read as follows:

"3. Payment Limit. City's total payments to Contractor under this Contract shall not exceed \$_____ including expenses."

"The City shall not pay for services that exceed the Contract Payment Limit without the prior written approval of the City Council or executed by the City Manager if the total Contract amount does not exceed \$10,000 or without the prior approval of the City Council if the total Contract amount is over \$10,000."

SERVICE
PLAN

The Service Plan (Exhibit A) of the Contract is hereby amended to include the following tasks and/or services:

(Insert description of additional tasks/services. Use additional pages if necessary.)

City of Richmond - Insurance Requirements - Type 2: Professional Services

In all instances where CONTRACTOR or its representatives will provide professional services (*architects, engineers, construction management, counselors, medical professionals, hospitals, clinics, attorneys, consultants, accountants, etc.*) to the City of Richmond (City), the City requires the following MINIMUM insurance requirements and limits.

CONTRACTOR shall procure and maintain for the duration of the contract, agreement, or other order for work, services or supplies, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder and the results of that work by the CONTRACTOR, its agents, representatives, employees or subcontractors. **Maintenance of proper insurance coverage is a material element of the contract. Failure to maintain or renew coverage or to provide evidence of renewal may be treated by the City as a material breach of contract.**

CONTRACTOR agrees that in the event of loss due to any of the perils for which it has agreed to provide Commercial General Liability insurance, CONTRACTOR shall look solely to its insurance for recovery. CONTRACTOR hereby grants to CITY, on behalf of any insurer providing Commercial General Liability insurance to either CONTRACTOR or CITY with respect to the services of CONSULTANT herein, a waiver of any right to subrogation which any such insurer of said CONTRACTOR may acquire against the CITY by virtue of the payment of any loss under such insurance.

Original, signed certificates and original, separate policy endorsements, naming the City as an additional insured for general liability coverage, as well as a waiver of subrogation for Workers' Compensation insurance, shall be received and approved by the City **before any work may begin**. However, failure to do so shall not operate as a waiver of these insurance requirements.

City reserves the right to modify or require additional coverages for specific risk exposures depending on scope of CONTRACTORS work.

Minimum coverage is detailed below. The policy limits of coverage shall be made available to the full limits of the policy. The minimum limits stated herein shall not serve to reduce the policy limits of coverage of CONTRACTOR.

Minimum Scope of Insurance – the following forms shall be provided and coverage shall be at least as broad as the following:

1. Insurance Services Office Commercial General Liability coverage (ISO Occurrence Form CG 0001), and including coverage for bodily and personal injury, property damage, and products and completed operations (if applicable).
2. Insurance Services Office Automobile Liability coverage (ISO Form CA 0001, Code 1, Any Auto).
3. Original and Separate Additional Insured Endorsement for General Liability (ISO Form CG 20 10 11/85 or its equivalent) with primary and non-contributory language.
4. Workers' Compensation Insurance as required by the State of California including Employer's Liability coverage.
5. Original and Separate Waiver of Subrogation for Workers' Compensation insurance.
6. Professional Liability or Errors & Omissions Liability Insurance appropriate to the CONTRACTOR's profession (if required.)

Required Coverage	Minimum Limits
Workers' Compensation and Employers' Liability	Statutory limits as required by the State of California including \$1 million Employers' Liability per accident, per employee for bodily injury or disease. If CONTRACTOR is self-insured, provide a certificate of Permission to Self-Insure, signed by the California Department of Industrial Relations and Self-Insurance. If contractor is a sole proprietor (has no employees) than contractor must sign "Contractor Release of Liability" found at: http://www.ci.richmond.ca.us/index.aspx?nid=61 .
General Liability <i>(primary and excess limits combined)</i>	\$2,000,000 per occurrence for bodily injury, personal injury and property damage. If the policy includes a general aggregate, either the general aggregate shall apply separately to this project, service or location or the minimum required aggregate limit shall be twice the per occurrence limit (\$4 million aggregate limit) . Policy shall be endorsed to name the City of Richmond as an additional insured per the conditions detailed below.

<h2 style="margin: 0;">City of Richmond - Insurance Requirements - Type 2: Professional Services</h2>

Automobile Liability	\$1,000,000 per occurrence for bodily injury and property damage.	
Professional Liability or Errors & Omissions Liability – <i>Required for all professionals including architects, engineers, consultants, construction management, counselors, medical professionals, hospitals, clinics, attorneys and accountants, & other consultants as may be required by the City.</i>	PROJECT COST	REQUIRED LIMIT
	\$0 - \$1 million	\$1 million p/o
	\$1 million - \$5 million	\$2 million p/o
	Over \$5 million	\$5 million p/o

Required Policy Conditions	
Additional Insured Endorsement	Applicable to General Liability coverage. The City of Richmond, its officers, officials, employees, agents and volunteers are to be named as additional insureds for all liability arising out of the operations by or on behalf of the named insured including bodily injury, deaths and property damage or destruction arising in any respect directly or indirectly in the performance of this contract. <i>ISO form CG 20 10 (11/85) or its equivalent is required. If the Contractor is supplying their product or providing a service then the endorsement <u>must not</u> exclude products and completed operations coverage. If it does, then CG 20 37 (10/01) is also required. SAMPLE Endorsements can be found at http://www.ci.richmond.ca.us/index.aspx?nid=61.</i>
Primary and Noncontributory	The contractor's insurance coverage must be primary coverage as it pertains to the City, its officers, officials, employees, agents and volunteers. Any insurance or self insurance maintained by the City is wholly separate from the insurance of the contractor and in no way relieves the contractor from its responsibility to provide insurance.
Waiver of Subrogation Endorsement Form	Contractor's insurer will provide a Waiver of Subrogation in favor of the City for Workers' Compensation Insurance during the life of this contract. SAMPLE Endorsements can be found at http://www.ci.richmond.ca.us/index.aspx?nid=61 .
Deductibles and Self-Insured Retentions	Any deductible or self-insured retention must be declared to and approved by the City. At the option of the City either the insurer shall reduce or eliminate such deductibles or self-insured retention as respects the City or the CONTRACTOR shall procure a financial guarantee in an amount equal to the deductible or self-insured retention guaranteeing payment of losses and related investigations, claims administration and defense expenses. Contractor is responsible for satisfaction of the deductible and/or self-insured retention for each loss.
A. M. Best Rating	A: VII or Better. If the A.M. Best Rating falls below the required rating, CONTRACTOR must replace coverage immediately and provide notice to City.

Umbrella/Excess Liability Policies

If an Umbrella or Excess Liability Policy is used to meet the liability limits, coverage shall be as broad as specified for underlying coverage's and cover those insured in the underlying policies.

City of Richmond - Insurance Requirements - Type 2: Professional Services

Claims-Made Policies

If any insurance policy is written on a claims-made form: 1) the retroactive date must be shown, and must be before the date of the contract or the beginning of contract work. 2) Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of the contract of work. 3) If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a retroactive date prior to the contract effective date, the Contractor must purchase an extended period coverage for a minimum of five (5) years after completion of contract work.

Subcontractors

CONTRACTOR shall include all subcontractors as insured under its policies or shall furnish to the City for review and approval, separate certificates and endorsements for each subcontractor. All coverage for subcontractors shall be subject to all of the requirements stated herein.

CONTRACTOR agrees to defend and indemnify the City of Richmond for any damage resulting to it from failure of either CONTRACTOR or any subcontractor to take out or maintain the required insurance policies. The fact that insurance is obtained by CONTRACTOR, and/or CONTRACTOR's subcontractors, will not be deemed to release or diminish the liability of CONTRACTOR, including, without limitation, liability under the indemnity provisions of this contract. Damages recoverable by CITY from CONTRACTOR or any third party will not be limited by the amount of the required insurance coverage.

Verification of Coverage

All original certificates and endorsements shall be received and approved by the City before work may begin. The City of Richmond reserves the right to require complete, certified copies of all required insurance policies including endorsements affecting the coverage at any time.

Original insurance certificates and required policy endorsements shall be mailed or delivered to the Designated Project Manager for the City of Richmond.

Insurance certificates and endorsements may be faxed to the Designated Project Manager. However, CONTRACTOR must mail the original certificates and endorsements to Designated Project Manager once faxed.

Continuous Coverage

CONTRACTOR shall maintain the required insurance for the life of the contract. Should the CONTRACTOR cease to have insurance as required during this time, all work by the CONTRACTOR pursuant to this agreement shall cease until insurance acceptable to the City is provided. In the event that CONTRACTOR fails to comply with the City's insurance requirements, the City may take such action as it deems necessary to protect the City's interests. Such action may include but is not limited to termination of the contract, withholding of payments, or other actions as the City deems appropriate.

If services or the scope of work extend beyond the expiration dates of the required insurance policies initially approved by the City, CONTRACTOR must provide updated certificates and endorsements indicating that the required coverage, terms and conditions are still in place. **Renewal certificates and updated endorsements shall be mailed to the Designated Project Manager.**

Cancellation

CONTRACTOR shall ensure that coverage shall not be cancelled, reduced or otherwise materially changed except after thirty (30) days' prior written notice has been given to the City.

Reporting Requirements

Any failure to comply with reporting or other provisions of the policies including breaches of warranties shall not affect coverage provided to the City, its officers, officials, employees or volunteers.

Consistent with Public Policy

The insuring provisions, insofar as they may be judged to be against public policy shall be void and unenforceable only to the minimum extent necessary so that the remaining terms and provisions herein may be consistent with public policy and thus enforceable.



ADDITIONAL REMARKS SCHEDULE

AGENCY Christensen Group, Inc.		NAMED INSURED Charleston Mobility LLC 433 Bishop St NW Unit #B1 Atlanta, GA 30318 Fulton	
POLICY NUMBER SEE PAGE 1		EFFECTIVE DATE: SEE PAGE 1	
CARRIER SEE PAGE 1	NAIC CODE SEE P 1		

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,
FORM NUMBER: ACORD 25 FORM TITLE: Certificate of Liability Insurance

SLT Wording

This contract is registered and delivered as a surplus line coverage under the Surplus Line Insurance Law, O.C.G.A. Chapter 33-5.



Submission #: 1300321-1

Subject: Binder
Insurance Company: Great American Risk Solutions Surplus Lines Insurance Company (Non-admitted)
Rated A+ by A.M. Best
Named Insured: Ride Today US LLC
Mailing Address: 433 Bishop St NW Ste B1
Atlanta, GA 30318-4354
Policy Term: **September 18, 2025 to September 18, 2026**
Policy Number: **XS F405960**
Coverage: Excess Liability Claims-Made - EXS

Retro Date: **Inception**

Limits: \$2,000,000 Each Occurrence
\$2,000,000 Aggregate Limit (Where Applicable)

In Excess of Primary Limits

Primary Limits: **Commercial General Liability**
Controlling Underlying Insurance
Howden

Each Occurrence	\$1,000,000
General Aggregate	\$2,000,000
Products & Completed Operations Aggregate	\$2,000,000
Personal & Advertising Injury	\$1,000,000

Premium: **Premium Excluding TRIPRA**
Premium for TRIPRA
Premium Total

Rate: **Flat Charge**

Terms and Conditions

Policy Form: Georgia Surplus Lines Notification - [GASN \(05/20\)](#)
[Specimen Packet](#) Commercial Excess Policy Declarations - [EXS6000 \(06/19\)](#)
Forms and Endorsements Schedule - [UMX6002 \(06/19\)](#)
Commercial Excess Policy - [EXS0001 \(06/19\)](#)
Amendment - Limits of Insurance - Defense Within Limits - Following Form -
[RSX7444 \(04/25\)](#)
Amendment - Supplementary Payments-Defense Costs-Right to Reimbursement -
[RSX7398 \(07/23\)](#)

Amendment of Condition - Maintenance of Underlying Insurance - [EXS4022 \(06/19\)](#)
Excess Follow Form Endorsement - Claims-Made - [RSX7426 \(05/24\)](#)
General Service of Suit Endorsement - [RSM7122 \(01/25\)](#)
Global Sanction Endorsement - [IL7324 \(07/21\)](#)
In Witness Clause - [IL7268 \(09/09\)](#)
Named Insured - [RSM7115 \(06/22\)](#)
Non-Drop Down for Loss Not Covered - [RSX7441 \(12/23\)](#)
Schedule of Underlying Insurance - [UMX6003 \(06/19\)](#)
Additional Insureds - [RSX7434 \(11/23\)](#)
Anti-Stacking - [RSX7430 \(11/23\)](#)
Limitation of Coverage to Designated Premises, Project or Operation - [RSX7276 \(10/22\)](#)
Premises:
Dock to dock bike sharing
Access or Disclosure of Confidential or Personal Material or Information -
Exclusion - [EXS2001 \(12/23\)](#)
Aircraft Products and Grounding Liability Exclusion - [UMX2005 \(06/19\)](#)
Biometric Liability - Exclusion - [EXS2119 \(02/24\)](#)
Care, Custody or Control - Real or Personal Property - Exclusion - [EXS2013 \(06/19\)](#)
Cyber Incident - Exclusion - [UMX2116 \(12/23\)](#)
Exclusion - Abuse or Molestation - [RSX7264 \(11/23\)](#)
Exclusion - Aircraft Liability Including Unmanned Aircraft - [RSX7293 \(11/22\)](#)
Exclusion - Assault, Battery or Assault and Battery - [RSX7253 \(08/22\)](#)
Exclusion - Auto Liability - [RSX7413 \(06/23\)](#)
Exclusion - Claims or Suits Alleging Infringement of Intellectual Property or Unfair
Competition - [RSX7395 \(07/23\)](#)
Exclusion - Cross Suits Liability - Any Named Insured Against Any Other Named
Insured and Any Additional Insured Against Any Other Additional Insured -
[RSX7252 \(11/24\)](#)
Exclusion - Designated Operations, Products, or Work - [RSX7530 \(02/25\)](#)
Description of Operation(s), Product(s), or Work:
e-bikes altered or manufactured to exceed 28mph with pedal or throttle assist
Exclusion - Electronic Data - [EXS8017 \(10/23\)](#)
Exclusion - Employers Liability - [RSX7263 \(08/22\)](#)
Exclusion - Employment Related Practices - [RSX7331 \(01/23\)](#)
Exclusion - ERISA - [RSX7247 \(07/22\)](#)
Exclusion - Firearms or Weapons - [RSX7329 \(02/24\)](#)
Exclusion - Human Trafficking - [RSX7299 \(11/22\)](#)
Exclusion - Installation - [RSX7287 \(10/22\)](#)
Exclusion - Metal Gas, Fume and Metal By-Product - [RSX7275 \(10/22\)](#)
Exclusion - Monitoring Services and Operations - [RSX7517 \(10/24\)](#)
Exclusion - New York Construction or Contracting Operations - [RSX7266 \(06/22\)](#)
Exclusion - Perfluoroalkyl or Polyfluoroalkyl Substances (PFAS) - [RSX7339 \(03/23\)](#)
Exclusion - Pre-Existing Damage - [RSX7267 \(07/22\)](#)
Exclusion - Professional Liability Errors and Omissions - [RSX7268 \(07/22\)](#)
Exclusion - Recording and Distribution of Material or Information in Violation of
Statutes or Common Law - [RSX7407 \(05/23\)](#)
Exclusion - Wildfire - [RSX7352 \(01/23\)](#)
Liability Arising Out of Lead - Exclusion - [EXS2051 \(06/19\)](#)
Nuclear, Biological, or Chemical Exclusion - [UMX2058 \(06/19\)](#)
Organic Pathogens - Exclusion - [EXS2062 \(06/19\)](#)
Silica or Related Dust - Exclusion - [EXS2072 \(06/19\)](#)
Uninsured/Underinsured Motorists - Exclusion - [EXS2065 \(06/19\)](#)
Violation of Law Addressing Data Privacy - Exclusion - [UMX2117 \(12/23\)](#)
War Liability - Exclusion - [EXS2066 \(06/19\)](#)
Certified Acts of Terrorism - Exclusion - [UMX1017 \(06/19\)](#)

Subjectivities:

- We require the Completed Surplus Lines Filing Confirmation for taxation or fee purposes in: AL, FL, GA, IA, KS, LA, MA, MI, MS, MO, MT, NH, NJ, NY, NC, OK, RI, SC, SD, TN.
 - We require the Surplus Lines State Notification to the Insured to be completed and/or signed when required as attached to the policy
 - Flat cancellations are not permitted on any binders
 - Binders are subject to the minimum retained premium
 - Primary carrier(s) must have 'A VI' or better A.M. Best Rating
 - Underlying policies must have defense costs in addition to the limits of liability
 - Subject to conditions outlined in proposal
 - Copies of all underlying policies to be received within 90 days
 - Premiums are Deposit Premiums
 - Minimum Premiums are 100% of the Advance Premium
 - Minimum Retained Premium: 25%
 - Subject to no known loss letter for past five years or number of years in business if less than five.
 - Subject to no known loss letter for past five years or number of years in business if less than five.
-
- This binder is for informational purposes only. The actual coverages, terms and conditions offered herein may be more restrictive than those requested on your application.
 - We cannot schedule workers compensation and employers liability policies as underlying policies on umbrella or excess liability policies for Professional Employment Organizations (PEOs)

PLEASE READ THIS CAREFULLY.

GEORGIA SURPLUS LINES NOTIFICATION

THIS CONTRACT IS REGISTERED AND DELIVERED AS A SURPLUS LINES COVERAGE UNDER THE SURPLUS LINES INSURANCE LAW. O.C.G.A. CHAPTER 33-5.

FREQUENTLY ASKED QUESTIONS ABOUT YOUR SURPLUS LINES POLICY

Your broker has placed the insurance you requested in the "surplus lines market" with one or more surplus lines insurers. By definition, such surplus lines insurers are not licensed in the state, but this does not mean that the transaction is not regulated. The surplus lines market is an insurance marketplace that is established for the purpose of insuring unique or hard to place risks. Some of the rules that apply to surplus lines insurance policies and surplus lines insurance companies differ from those that govern coverage obtained from insurance companies licensed in your state. In order for you to better understand the surplus lines market and the rights you have in a surplus lines transaction, the following material is provided.

Please read this brochure carefully, and should you have any questions after reading the material, do not hesitate to ask your broker. If you wish further information, please contact the Regulatory Services Division, Room 604 West Tower, 2 Martin Luther King, Jr. Drive, Atlanta, Georgia 30334 or (404) 656-2074 or toll free at (800) 656-2298 (request Regulatory Services Division).

WHAT IS A SURPLUS LINES POLICY?

A surplus lines policy is a policy placed with an insurer that is not licensed (or 'admitted') in this state, but is nonetheless eligible to provide insurance on property or liability insurance protection to citizens of this state through specially licensed agents or brokers known as surplus lines brokers.

WHY AM I GETTING COVERAGE FROM A SURPLUS LINES INSURER?

Your agent or broker may have been unable to obtain the coverage you requested from insurance companies licensed in this state, but was able to obtain coverage from an eligible surplus lines insurance company. The reason for your agent or broker's action is that the risk or property for which you sought coverage may be unique or have certain risk characteristics that caused licensed insurers to decline to write the policy. In circumstances where licensed insurers will not write the risk, your broker is authorized by state law or regulation to obtain the coverage from a 'surplus lines' insurer.

SINCE THE SURPLUS LINES INSURER IS UNLICENSED, IS THE TRANSACTION UNREGULATED?

Surplus lines transactions are regulated by state law that require that surplus lines policies be procured only by specially licensed brokers. These are called surplus lines brokers and they are authorized to transact business with certain unlicensed insurers that meet financial and other eligibility standards set by the state. These insurers are known as surplus lines insurers. Your agent may have worked with a licensed surplus lines broker in securing your policy. Alternatively, your agent may hold a surplus lines broker's license.

IS MY SURPLUS LINES POLICY COVERED BY THE STATE GUARANTY OR INSOLVENCY FUND?

No. There is no guaranty fund for coverage for surplus lines policies. The guaranty fund, which provides payments in the event that your insurance company becomes insolvent, only covers policies of licensed insurers.

**HOW IS THE RATE OR PRICE OF A SURPLUS LINES
POLICY DETERMINED?**

The rate or premium charged for a surplus lines policy is determined by the surplus lines insurer. As unlicensed insurers, surplus lines insurers do not file their rates or premiums with the state for review or approval.

**DOES THE GEORGIA DEPARTMENT OF INSURANCE
REVIEW OR APPROVE THE TERMS AND
CONDITIONS OF THIS POLICY?**

Pursuant to O.C.G.A. section 33-5-21.1, policies of surplus lines insurers are not reviewed or approved by the Georgia Department of Insurance.

CAN MY POLICY BE RENEWED OR EXTENDED?

Your surplus lines policy may or may not be renewed or extended when the policy expires. An extension of the policy coverage will be dependent upon the continued unavailability of the policy coverage from insurers licensed in this state and the willingness of the surplus lines insurer to continue to accept the risk. Since a surplus lines policy is generally not subject to the same notice requirements as a policy issued by a licensed insurer, notice of a premium increase for a new policy term or the company's intent not to extend the policy at the same terms and conditions might not be provided until close to the date the policy expires. Therefore, you should keep in contact with your agent or broker, particularly as the expiration of the policy term nears, to ascertain the status of the policy and to assure continuity of coverage.

Jake Malter

NAME OF BROKER OR AUTHORIZED REPRESENTATIVE