


ARCH INSURANCE COMPANY

Home Office:  
2345 Grand Blvd., Suite 900  
Kansas City, MO 64108-2685

Administrative Address:  
Harborside 3  
210 Hudson Street, Suite 300  
Jersey City, NJ 07311-1107  
Tel: (866) 413-5550

Policy Number: 6210108

1.	Named Insured and Address (No., Street, Town or City, County, State) Ontario Montclair School Employees Federal Credit Union 1520 N. Palmetto Avenue Ontario, CA 91762	
2.	Policy Period (Mo. Day Yr.) From: March 1, 2018 To: Until Terminated 12:01 A.M. Standard Time at the Address of the Named Insured as Stated Herein.	
AGENT'S NAME AND ADDRESS: Minitier Group 400 Hingham Street Rockland, MA 02370		
3.	LIMIT OF LIABILITY: The limit of the Company's liability shall be as stated in the policy conditions as respects COVERAGE "A", "B", and "C". The Limit of Liability for COVERAGE "D" is \$30,000.00 per Occurrence. The Deductible Limit is \$1,000.00.	
4.	(a) Rate of Premium Calculation: \$0.0426 Per \$1,000.00 of Monthly Outstanding Balance	
	(b) Audit Period: <u>X</u> Monthly <u>      </u> Quarterly <u>      </u> Semi-annually	
5.	The insurance afforded is only with respect to the following coverages which are specifically indicated as covered. The limit of the Company's liability for such coverage shall be as stated herein, subject to all the terms and conditions of this policy having reference thereto.	
	COVERAGES	PREMIUM
	A. All Risk Physical Damage Installment Loan Insurance	\$INCLUDED
	B. Instrument Non-Filing Insurance	\$INCLUDED
	C. Confiscation and Skip Insurance	\$INCLUDED
	D. Repossessed Vehicle Coverage	\$INCLUDED
	TOTAL PREMIUM	\$SEE RATE SCHEDULE
Endorsement Nos: AIC-BLSI-D2(5/99), AIC-BLSI-P(8/91), 05 ML0002 00 12 14, AIC-BLSI-E2(3/91), AIC-BLSI-E3(3/91), AIC-BLSI-E4(5/99), AIC-BLSI-E5(5/99), AIC-BLSI-E6(5/99) AIC-BLSI-E7(05/11), AIC-BLSI-E9(3/91), AIC-BLSI-E11(2/12) AIC-BLSI-E21 (5/99), AIC-BLSI-E33(05/08), AIC-BLSI-AMN(01/12), AIC-BLSI-AMN(7/93)CA, 00 PRP0072 00 01 06, 00 ML0065 00 06 07, AIC- BLSI-PRIVACY		
MINIMUM MONTHLY PREMIUM REQUIREMENT		\$
6.	Premium Computation - Deposit Premium	
This policy is made and accepted subject to the foregoing provisions and stipulations and those hereinafter stated, which are hereto made a part of this policy, together with such other provisions, stipulations and agreements as may be added hereto.		
Countersigned at		
This <u>18</u> day of <u>April</u> 20 <u>18</u> .		
		 Authorized Representative

AIC-BLSI-D2(5/99)

**ARCH  
INSURANCE COMPANY**

**2345 GRAND BOULEVARD, SUITE 900**

**KANSAS CITY, MO 64108-2685**

**BLANKET LENDERS SINGLE INTEREST  
INSURANCE POLICY**

## **ARCH INSURANCE COMPANY**

(A Stock Company)

In consideration of the payment of the premium, in reliance upon the statements in the Declarations made a part hereof and subject to all of the terms of this policy, agrees with the named insured as follows:

### **INSURING AGREEMENTS**

#### **COVERAGE A - ALL RISK PHYSICAL DAMAGE INSTALLMENT LOAN INSURANCE –**

To indemnify the named insured against all risks of physical loss or damage from any external cause to vehicles, except as hereinafter excluded, which the named insured holds as collateral for an installment or deferred payment loan under an instrument, as hereinafter defined.

**COVERAGE B - INSTRUMENT NON-FILING INSURANCE** - To indemnify the named insured against any direct loss which the named insured may sustain during the term of this policy by reason of having in good faith, and in the usual course of business, taken, received, made advances on, made loans against or extended credit upon an instrument as hereinafter defined, as security for a loan to a customer of the named insured or purchased from a dealer of the named insured, but only insofar as the named insured is damaged solely through being prevented from:

- (a) Obtaining possession of the vehicle represented by such instrument and/or retaining the proceeds thereof; and/or
- (b) Enforcing its rights under such instrument; Solely because the insured has UNINTENTIONALLY not recorded or filed the instrument with the proper Public Officer or Public Office, or has not had the proper Public Officer or Public Office show the insured's encumbrance thereon if the instrument be a Certificate of Title.

**COVERAGE C - CONFISCATION AND SKIP INSURANCE** - To indemnify the insured against any direct loss that the insured may sustain during the term of this policy.

- (a) By reason of the inability of the insured to locate neither the borrower, the vehicle, nor any obligee of the instrument; or
- (b) By reason of the Confiscation of the vehicle by a Public Officer or Public Office; But only in the event that the insured shall have in good faith and in the usual course of business taken, received, made advances on, made loans against, or extended credit upon an instrument, as security for a loan to a customer of the insured, or purchased such instrument from a customer of the insured.

**COVERAGE D - REPOSSESSED VEHICLES INSURANCE** - To indemnify the named insured for a period not to exceed sixty (60) days against all risk of physical loss or damage from any external cause to repossessed vehicles as hereinafter defined. Repossessed Vehicle Insurance will cover:

- (a) Repossessed vehicles that the named insured has possession of and exercises rights of ownership over; and/or
- (b) Vehicles while being repossessed by the named insured; or
- (c) While such repossessed vehicles are held by the named insured for sale but excluding:

- (1) Vehicles owned by the named insured for use in its business;
- (2) Vehicles rented or leased to others;
- (3) Vehicles sold by the named insured subject to any security interest of the named insured;  
or
- (4) Vehicles in the care, custody or control of sales agencies or dealers.

### **DEFINITIONS**

For the purpose of this insurance:

- (a) **Instrument** - "Instrument" shall be understood to mean a Lease, a Chattel Mortgage, a Security Agreement, a Conditional Bill of Sale, a Conditional Sales Contract, a Chattel Trust Deed, a Trust Deed, a Trust Receipt, a Deed of Trust or a Bill of Sale to Secure Debt, all creating or reserving a lien in Chattels which are held as Collateral for a loan made by the Named Insured.
- (b) **Vehicle** - "Vehicle" shall be defined as a vehicle of the private passenger type with a load capacity of no more than 2,000 pounds that can be licensed for use through the Motor Vehicle Commissioner or through the appropriate licensing authority of a State or territory or possession of the United States. However, "Vehicle" shall not include mobile homes.
- (c) **Repossessed Vehicles** - "Repossessed Vehicles" shall mean any vehicle, insured by this policy, of which the named insured has gained possession peacefully or through legal processes, by virtue of a legal right to such possession.
- (d) **Date of Loss** - The "Date of Loss" under Coverage A shall be the date on which the actual physical loss or damage occurred to the vehicle insured hereunder. If such date is undeterminable the "Date of Loss" shall be the date the vehicle is repossessed.

**Date of Loss** - The "Date of Loss" under Coverage B shall be the date on which the Named Insured was prevented from obtaining possession of the vehicle or property or retaining the proceeds thereof in enforcing its rights under the Security Instrument because another party had filed its lien on the vehicle or property insured hereunder which lien is superior to that of the named Insured.

The "Date of Loss" under Coverage C shall be the date that the first delinquency occurs.

The "Date of Loss" under Coverage D shall be the date on which the actual physical loss or damage occurred to the vehicle insured hereunder.

- (e) **Named Insured** - "Named Insured" shall mean the entity(ies) or organization named in Item 1. of the Declarations of this policy.

### **EXCLUSIONS**

This insurance shall not indemnify the named insured in respect of any loss or losses:

- (a) resulting from losses occurring prior to the effective date of this policy, or resulting from losses occurring after the end of the policy period, or resulting from losses for which the date of loss is not during the policy period;
- (b) resulting from instruments effected prior to the effective date of this policy;

- (c) resulting directly or indirectly from any dishonest, fraudulent or criminal act of any officer or employee of the named insured or of any dealer from which the named insured acquired the instrument or of any officer or employee of such dealer, or anyone acting in any capacity as agent for the named insured in obtaining a loan;
- (d) resulting from forgery, or use of an alias;
- (e) resulting from any lien, encumbrance or defect in title which existed at the time the loan was made by the named insured;
- (f) resulting from any instrument due and payable more than sixty (60) calendar months after the making thereof, even though at the date of loss the date of maturity of the instrument may be less than sixty (60) months;
- (g) under coverage A and D, caused by or resulting from wear and tear, gradual deterioration, obsolescence, rust, corrosion, latent defect, inherent vice, freezing or overheating;
- (h) under coverage A and D, caused by or resulting from any repairing or restoration or remodeling process, structural, mechanical or electrical breakdown or failure unless fire or other accident ensues and then only for the loss or damage by such ensuing fire or accident;
- (i) to vehicles held as collateral under any floor plan or field warehouse type of financing;
- (j) resulting from any loan made to a dealer, or his employees, whether or not property is held for resale;
- (k) on loans on any vehicle designed for racing or modified for use as a public livery vehicle;
- (l) resulting from the Named Insured's failure to initiate a professional attempt to repossess the security (vehicle) within one hundred and twenty (120) days after the account becomes delinquent;
- (m) under Coverage A, B and C to any loan made to a borrower who was responsible for a claim being paid under this Policy.
- (n) caused by or resulting from;
  - (1) Hostile or warlike action in time of peace or war, including action in hindering, combating or defending against an actual impending or expected attack;
    - (a) by any government or sovereign power (de jure or de facto), or by any authority maintaining or using military, naval or air forces; or
    - (b) by military, naval or air forces; or
    - (c) by an agent of any such government, power, authority or forces;
  - (2) any weapon of war employing atomic fission or radio-active force whether in time of peace or war;
  - (3) insurrection, rebellion, revolution, civil war, usurped power, or action taken by governmental authority in hindering, combating or defending against such an occurrence, seizure or destruction under quarantine or customs regulations, confiscation by order of any government or public authority, unless coverage C is provided and is so indicated in the Declarations, risks of contraband or illegal transportation or trade;
- (o) caused by or resulting from nuclear reaction or nuclear radiation or radioactive contamination all whether controlled or uncontrolled, and whether such loss be direct or indirect, proximate or remote, or be in whole or in part caused by, contributed to, or aggravated by the peril(s) insured against in this policy.

### **CONDITIONS**

(Unless otherwise noted, these conditions apply to all coverages)

1. **POLICY PERIOD, TERRITORY** - This policy shall be effective from the date of inception as shown on the Declarations and shall remain continuously in effect until terminated as hereinafter provided. This policy applies only to loss occurring during the policy period within the United States of America,

its territories or possessions, or Canada. There shall be no coverage under this policy when it is determined that the vehicle has been removed from the United States of America, its territories, or Canada.

2. **NOTICE OF LOSS - Coverage A, B & D** - The named insured shall as soon as practicable report to this Company or its agent every loss or damage which may become a claim under this policy and shall also file with the Company or its agent within ninety (90) days from date of loss, as herein defined, a detailed sworn proof of loss. Failure by the named insured to report the said loss or damage and to file such sworn proof of loss as herein before provided shall invalidate any claim under this policy for such loss.

**Coverage C** - Notice shall be filed as above within one hundred eighty (180) days from date of loss as herein defined.

3. **EXAMINATION UNDER OATH** - The named insured shall submit, and so far as is within its power, shall cause all other persons interested in the vehicle insured and members of the household and employees to submit to examinations under oath by any persons named by the Company, relative to any and all matters in connection with a claim and subscribe the same; and shall produce for examination all books of account, bills, invoices, and other vouchers or certified copies thereof if originals be lost, at such reasonable time and place as may be designated by the Company or its representatives, and shall permit extracts and copies thereof to be made.
4. **VALUATION** - Unless otherwise provided, this Company shall not be liable beyond the actual cash value of the vehicle at the date of loss and the loss or damage shall be ascertained or estimated according to such actual cash value with proper deduction for depreciation, however caused, and shall in no event exceed what it would then cost to repair or replace the same with material of like kind and quality.
5. **SETTLEMENT OF CLAIMS** - All adjusted claims shall be paid or made good to the named insured within sixty (60) days after presentation and acceptance of satisfactory proof of interest and loss at the office of this Company. No claim shall be paid hereunder if the named insured can collect the same from others.
6. **NO BENEFIT TO BAILEE** - This insurance shall in no way inure directly or indirectly to the benefit of any carrier, bailee, borrower or any other person or entity other than the named insured.
7. **SUBROGATION** - In the event of any payment under this policy the Company shall be subrogated to all the named insured's rights of recovery therefor against any person or organization and the named insured shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The named insured shall do nothing after loss to prejudice such rights.
8. **PARTS** - In case of loss or injury to any part of the insured vehicle consisting, when complete for sale or use, of several parts, this Company shall only be liable for the insured value of the part lost or damaged.
9. **DUTIES OF THE NAMED INSURED**

In the event of loss or damage the named insured shall:

- (a) make every professional effort at its own expense to recover and safeguard the vehicles, or any part thereof, insured under this policy, initiate suit or cooperate with the Company in the conduct of any suit and enforce any right of contribution or indemnity against any person or organization

who may be liable to the named insured because of loss to which this insurance applies but there shall be no abandonment to the Company.

(b) do all things a professional should do to avoid or diminish any loss covered under this policy.

(c) protect the vehicle from any further loss or damage; expenses incurred in affording such protection and any further loss or damage due to the named insured's failure to protect shall not be recoverable under this policy.

10. **SUIT AGAINST COMPANY** - No suit, action or proceeding for the recovery of any claim under this policy shall be sustainable in any court of law or equity unless the same be commenced within twelve (12) months next after discovery by the named insured of the occurrence which gives rise to the claim. Provided, however, that if by the laws of the State within which this policy is issued such limitation is invalid, then any such claim(s) shall be void unless such action, suit or proceeding be commenced within the shortest limit of time permitted by the laws of such State to be fixed herein.
11. **APPRAISAL** - If the named insured and the Company fail to agree as to the amount of loss, each shall, on the written demand of either, made within sixty (60) days after receipt of proof of loss by the Company, select a competent and disinterested appraiser, and the appraisal shall be made at a reasonable time and place. The appraisers shall first select a competent and disinterested umpire and, failing for fifteen (15) days to agree upon such umpire, then on the request of the named insured or the Company, such umpire shall be selected by a judge of a court of record in the State in which such appraisal is pending. The appraisers shall then appraise the loss, stating separately the actual cash value at the date of loss and the amount of loss, and failing to agree shall submit their differences to the umpire. An award in writing of any two shall determine the amount of loss. The named insured and the Company shall bear equally the expenses of the appraisal and umpire. The Company shall not be held to have waived any of its rights by any act relating to appraisal.
12. **CONFORMITY TO STATUTE** - Terms of this policy which are in conflict with the statutes of the State wherein this policy is issued are hereby amended to conform to such statutes.
13. **CHANGES** - Notice to any agent or knowledge possessed by any other person shall not effect a waiver or a change in any part of this policy or stop the Company from asserting any right under the terms of this policy, nor shall the terms of this policy be waived or changed, except by endorsement issued to form a part of this policy.
14. **DECLARATIONS** - By acceptance of this policy, the named insured agrees that the statements in the Declarations are its agreements and representations, that this policy is issued in reliance upon the truth of such representations and that this policy, together with any application(s) or representations in connection therewith, embodies all agreements existing between itself and the Company or any of its agents relating to this insurance.
15. **PRIMARY INSURANCE - COVERAGE A** - It is understood and agreed that the named insured will require all borrowers to agree to carry physical damage insurance with loss payable clause in favor of the named insured for such insurance and in such amounts as normally would be required had not this insurance been effected. Failure on the part of the borrower to provide such insurance shall not be deemed a violation of this policy provided the named insured has obtained written agreement from the borrower to carry insurance.

16. **IMPAIRMENT OF INTEREST** - Under no circumstances will any payment be made for a loss under this policy unless the interest of the named insured is impaired by reason of the borrower having defaulted in his obligation to the named insured.
17. **LOCATION OF VEHICLE - COVERAGE A** - As respects damage, it shall be necessary for the named insured to locate and to take title to the vehicle or be in a position to convey good title to the Company upon demand, before any loss shall be paid under this coverage.
18. **LOCATION OF VEHICLE - COVERAGE B** - There shall be no liability under this policy unless at the time claim is made the vehicle represented by the instrument has been located by the named insured or the person, persons, or corporation who has title to the vehicle has been located by the named insured and it definitely has been determined that such person, persons or corporation has claim or title lawfully superior to the lien held by the named insured. The Company shall not be liable for the expenses of the named insured in locating the person or vehicle or determining the status of title described above.
19. **LOCATION OF VEHICLE - COVERAGE C**
  - A. **"SKIP" LOSSES ONLY**

This policy shall not apply (1) unless every professional effort is made to (a) locate the vehicle represented by the instrument and (b) locate the person or obligee of the instrument, or (2) if the named insured is successful as respects (1) (a) or (1) (b) preceding. Expenses so incurred by the named insured shall not be recoverable under this policy. When, within one hundred eighty (180) days from the date of delinquency, the named insured determines that a "SKIP" has occurred within the meaning of this policy, as distinguished from a borrower who is merely delinquent in his obligation to the named insured, prompt written notice shall be given to the Company or its agent setting forth all circumstances concerning the loss and particularly the efforts that have been made pursuant to the paragraph above. The Company shall then have sixty (60) days in which to locate either the vehicle represented by the instrument or any obligee of the instrument. If the vehicle or any obligee of the instrument is located within the sixty day period, no payment shall be made under Coverage C except if the Company locates the vehicle represented by the instrument its maximum liability shall be 100% of the reasonable expense of locating and returning the vehicle to the office of the named insured, subject however to a maximum limit of liability to the Company of \$250.00 for this purpose.
  - B. **LOCATION OF VEHICLE - COVERAGE C (CONFISCATION LOSSES ONLY)** - Before the insured shall make claim under this policy, the insured must locate the vehicle and follow all necessary procedures to reclaim the vehicle. Underwriters shall not be liable for the expenses of the insured in locating the vehicle or in attempting to reclaim the vehicle.
20. **VEHICLES HELD AS COLLATERAL** - With regard to vehicles, as herein defined, held as collateral for loans, it is agreed that:
  - (a) The named insured will hold the Certificate of Title with its records until the loan has been satisfied;
  - (b) The named insured will file or record its lien with the Motor Vehicle Commissioner or with the appropriate authority of a State or territory or possession of the United States;



- (c) Unintentional error or omission in filing a lien with the Motor Vehicle Commissioner or appropriate authority of a State or territory or possession of The United States shall not violate this requirement.

21. **LIMITS OF LIABILITY**

A. This Company shall not be liable under this policy for an amount exceeding the following:

- (a) Cost of repair or replacement of the vehicle; or
- (b) The actual cash value of the vehicle at time of loss or damage, less salvage value, or
- (c) The amount of any impairment of the named insured's interest, as represented by his customer's unpaid balance not more than ninety (90) days past due less unearned interest, insurance, finance and other carrying charges, less salvage value. Such carrying charges shall not include penalties or other charges which may have been added to such unpaid balance after the inception date of contract or loan agreement.

B. This Company shall not be liable under this policy for more than the balance due the named insured under 21A less the amount due under all other valid insurance on the damaged or destroyed vehicle less salvage value.

C. This Company shall be liable under Coverage A for reasonable storage and towing charges assessed against the vehicle prior to repossession if there is a loss under Coverage A of this policy and not to exceed the salvage value of the vehicle.

D. Under Coverage A this Company shall be liable under this policy for mechanics liens, filed or unfilled, resulting from work performed which would have been covered under Coverage A of this policy not to exceed the lesser of the limits set forth under Condition 21A (b, c).

E. Under Coverage B the Company shall be liable for mechanics liens filed or unfilled, for charges assessed against the vehicle not to exceed the lesser of limits set forth under Condition 21A (b, c).

22. **PAYMENT OF LOSS** - The Company shall have the option of paying the loss in money or may repair or replace the vehicle or damaged part thereof with other of like kind and quality, with deduction for depreciation, or may return any stolen vehicle with payment of any resultant damage thereto at any time before the loss is paid or the vehicle is so replaced, or may take all or such part of the vehicle at the agreed or appraised value, but there shall be no abandonment to the Company.

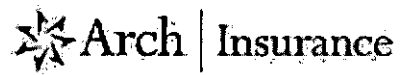
23. **OTHER INSURANCE** - Coverage under this policy is excess insurance over any other insurance or indemnity and shall not be treated as contributing with any other insurance or indemnity.

24. **ASSISTANCE AND COOPERATION OF THE NAMED INSURED** - The named insured shall use due diligence and do and concur in doing all things reasonable and practicable to avoid or diminish any loss covered under this insurance, failure to record or file an instrument with the proper Public Officer or Public Office shall not be considered as failure by the named insured to use due diligence.

25. **EXTENSION OF MATURITY** - The named insured may grant extensions of maturity without the consent of the Company as it may be deemed advisable in the regular course of business, without prejudice to the rights of the named insured hereunder, but in no event shall the total period of the loan including extensions, exceed sixty-two (62) calendar months in all, provided that this limitation shall not apply to any extension which involves any increase in the balance due before interest and carrying charges, it being agreed that such extension shall be considered a new loan and that premium thereon shall be paid accordingly.

It is further agreed that, if a loan made prior to the effective date of this policy shall be renegotiated subsequent hereto, such renegotiated loan shall be considered to be a new loan and premium thereon shall be paid accordingly.

26. **SETTLEMENT BY NAMED INSURED, INVALID** - Any settlement made by or for the named insured on any loan secured by an instrument in respect of which there is a claim under this insurance without written authority from the Company or its representatives to make such settlement, shall render this insurance void as to any loss in respect of that loan.
27. **INSPECTION OF NAMED INSURED'S RECORDS** - The Company or its representatives may at any reasonable time during business hours inspect the named insured's records for the purpose of determining the amount of premium due the Company under this insurance.
28. **CANCELLATION CLAUSE** - This policy may be cancelled by the named insured by surrender of the policy to the Company or its authorized agent or by mailing written notice to the Company stating therein the date cancellation shall be effected. This policy may be cancelled by the Company by mailing written notice to the named insured at the address shown in the policy written notice stating when not less than thirty (30) days thereafter such cancellation shall be effective; provided that, if the named insured fails to discharge when due any of its obligations in connection with the payment of premium for this policy or any installment thereof, whether payable directly to the Company or its agent or indirectly under any premium finance plan or extension of credit, this policy may be cancelled by the Company by mailing to such insured written notice stating when not less than ten (10) days thereafter such cancellation shall be effective. **The effective date of such cancellation stated in the notice shall become the end of the policy period.**
29. **REPORTS AND PREMIUM** - The insured agrees to keep accurate records of notes or instruments having collateral of a type covered herein as normally processed, purchased or made by the insured and shall render to the Company or its authorized representative, on forms provided by the Company, a statement of such transactions required for determination of premiums not later than the fifteenth (15) day of the month following the close of each Audit Period as specified in Item 4 of the Declarations. On this date the premium is due and payable.
- Premium for this policy shall be computed in accordance with the Company's rules, rates and rating plans applicable to the insurance afforded herein.
30. **MISREPRESENTATION AND FRAUD** - This policy shall be void if the named insured has concealed or misrepresented any material fact or circumstance concerning this insurance or the subject thereof or in case of any fraud, attempted fraud or false swearing by the named insured touching any matter relating to this insurance or the subject thereof, whether before or after a loss.



Signature Page

IN WITNESS WHEREOF, Arch Insurance Company has caused this policy to be executed and attested.

A handwritten signature in cursive script that reads "John Mentz".

---

John Mentz  
President

A handwritten signature in cursive script that reads "Patrick K. Nails".

---

Patrick K. Nails  
Secretary



**ARCH INSURANCE COMPANY**

**POLICY CHANGE ENDORSEMENT**

**This Endorsement forms a part of the policy numbered below**

If this form is issued concurrently with the policy, this Attaching Clause need not be completed.

INSURED

Ontario Montclair School Employees Federal Credit Union

     ADD'L PREMIUM   3/1/18   EFFECTIVE DATE   6210108   POLICY NUMBER

     RETURN PREMIUM    ENDT. NO.      TO SECTION(S)      OF THIS POLICY

**POLICY CHANGES**

**LENDERS COMPREHENSIVE SINGLE INTEREST**

**ASSUMPTION OF COVERAGE  
(Outstanding Loan Instruments)**

In consideration of the premium charged, it is agreed that:

Exclusion (b) is hereby deleted in its entirety and the policy is amended to extend coverage as follows:

- a.) By attachment of this endorsement the Company does hereby assume coverage, as provided in the policy, on outstanding loan instruments made by the named insured prior to March 1, 2018.
- b.) Nothing herein contained shall be construed as an assumption of any loss which has occurred prior to the effective date of the policy.

All other terms and conditions remain unchanged.

Total Additional or Return Premium                                     

Countersigned by     
Authorized Representative

**ARCH INSURANCE COMPANY**

**POLICY CHANGE ENDORSEMENT**

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INSURED

Ontario Montclair School Employees Federal Credit Union

\_\_\_ADD'L PREMIUM 3/1/2018 EFFECTIVE DATE 6210108 POLICY NUMBER

\_\_\_RETURN PREMIUM ENDT. NO. \_\_\_\_\_ TO SECTION(S) \_\_\_\_\_ OF THIS POLICY

**POLICY CHANGES**

**LENDERS COMPREHENSIVE SINGLE INTEREST**

**INCLUSION OF PERSONAL PROPERTY**

**(Chattels)**

It is agreed that the definition of vehicle is amended to include the following:

Personal property with loan proceeds of \$ 30,000.00 or less, loan maturity of 72 months at the time the loan is made, but such personal property shall not include animals, pets, birds, crops, aircraft, watercraft, outboard motors, recreational vehicles, mobile homes, jewelry, furs, notes, stocks, bonds and other similar intangible securities, nor any vehicle other than a four wheeled land motor vehicle of the private passenger type including walk-in type vans and pick up trucks with load capacity of no more than 2,000 pounds.

Rate: \$ Per 4(a) on AIC-BLSI-D2(5/99) per \$1,000.00 of Monthly Outstanding Balance

All other terms and conditions remain unchanged.

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Total Additional or Return Premium \_\_\_\_\_

, Countersigned by \_\_\_\_\_

Authorized Representative

**ARCH INSURANCE COMPANY**

**POLICY CHANGE ENDORSEMENT**

**This Endorsement forms a part of the policy numbered below**

If this form is issued concurrently with the policy, this Attaching Clause need not be completed.

INSURED

Ontario Montclair School Employees Federal Credit Union

\_\_\_ADD'L PREMIUM \_\_\_3/1/18 EFFECTIVE DATE \_\_\_6210108 POLICY NUMBER

\_\_\_RETURN PREMIUM ENDT. NO. \_\_\_ TO SECTION(S) \_\_\_ OF THIS POLICY

**POLICY CHANGES**

**LENDERS COMPREHENSIVE SINGLE INTEREST**

**INCLUSION OF WATERCRAFT**

It is agreed that the definition of vehicle is amended to include the following:

Watercraft with loan proceeds of \$ 30,000.00 or less, and a loan maturity of 72 months at the time the loan is made.

This coverage applies to all makes and models of watercraft including personal watercraft (i.e. wave runners, jet skis, etc.).

Rate: \$ Per 4(a) on AIC-BLSI-D2(5/99) per \$1,000.00 of Monthly Outstanding Balance

All other terms and conditions remain unchanged.

Total Additional or Return Premium \_\_\_\_\_

Countersigned by \_\_\_\_\_

Authorized Representative





## ARCH INSURANCE COMPANY

### POLICY CHANGE ENDORSEMENT

This Endorsement forms a part of the policy numbered below

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INSURED

Ontario Montclair School Employees Federal Credit Union

\_\_\_\_ADD'L PREMIUM \_\_\_\_ 3/1/18 EFFECTIVE DATE \_\_\_\_ 6210108 POLICY NUMBER

\_\_\_\_RETURN PREMIUM ENDT. NO. \_\_\_\_ TO SECTION(S) \_\_\_\_ OF THIS POLICY

### POLICY CHANGES

#### LENDERS COMPREHENSIVE SINGLE INTEREST

##### INCLUSION OF MOBILE HOME(S)

1. It is agreed that the definition of VEHICLE is amended to include the following:  
"MOBILE HOME(S)" - A manufactured trailer coach designed and equipped for permanent occupancy as a dwelling, to be used with or without a permanent foundation system and which is in excess of 8 feet in width or in excess of 40 feet in length. Coverage is limited to a MOBILE HOME(S) in which you have a mortgagee interest and MOBILE HOME(S) is listed on the DECLARATION PAGE (AIC-BLSI-D1). Coverage for MOBILE HOME(S) in relation to any INSTRUMENT including MOBILE HOME(S) specifically excludes ineligible collateral such as any real estate, real property, land or any permanent foundation including but not limited to a basement, crawl space, concrete pad or support structure which may be included in the INSTRUMENT.
2. It is agreed that the definition of ACTUAL CASH VALUE is added for MOBILE HOME(S) as follows:  
The ACTUAL CASH VALUE shall mean the retail value of the MOBILE HOME(S) as determined by the applicable NADA retail guide, if listed therein, with appropriate deductions for depreciation, or in the case of non-listed collateral, an amount as determined by commonly used loss adjustment techniques to determine retail value. The ACTUAL CASH VALUE will not exceed the proportionate loan balance after deduction of amounts relating to ineligible collateral as identified in the definition of MOBILE HOME(S).
3. Extension of Maturity - Policy Condition 25, is amended as follows for MOBILE HOME(S):  
The named insured may grant extensions of maturity without the consent of the Company as it may be deemed advisable in the regular course of business, without prejudice to the rights of the named insured hereunder, but in no event shall the total period of the loan including extensions, exceed 120 calendar months in all, provided that this limitation shall not apply to any extension which involves any increase in the balance due before interest and carrying charges, it being agreed that such extension shall be considered a new loan and that premium thereon shall be paid accordingly.

It is further agreed that, if a loan made prior to the effective date of this policy shall be renegotiated subsequent hereto, such renegotiated loan shall be considered to be a new loan and premium thereon shall be paid accordingly.

4. The following Exclusions are added to the policy for MOBILE HOME(S):

(p) Water Damage, meaning:

- a. flood, surface water, waves, tide water, overflow of a body of water, or spray from any of these, whether or not driven by wind.
- b. water which backs up through sewers or drains; or
- c. water below the surface of the ground, including water which exerts pressure on, or seeps or leaks through a building, sidewalk, driveway, foundation, swimming pool or other structure.

(q) Due to loss involving multiple collateral (excluding any ineligible collateral) unless you have repossessed all of the collateral included in any one **INSTRUMENT**, or the **BORROWER** has elected to surrender all such collateral and titles to you. This will not apply to an unrecovered theft of the entire collateral if you provide us with clear title to the missing collateral.

6. Rates and Coverages:

Mobile Homes with loan proceeds of \$30,000.00 at the time the loan is made  
(Loan maturity not to exceed 72 months)

Rate: \$ Per 4(a) on AIC-BLSI-D2(5/99) per \$1,000.00 of Monthly Outstanding Balance

Audit Period: Monthly

Nothing herein contained shall be held to vary, alter, waive, or extend any of the terms, conditions, agreements or limitations of said policy, other than as above stated.

All other terms and conditions remain unchanged.

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Total Additional or Return Premium \_\_\_\_\_

Countersigned by \_\_\_\_\_  
Authorized Representative

**ARCH INSURANCE COMPANY  
LENDERS COMPREHENSIVE SINGLE INTEREST  
RATE ENDORSEMENT**

If this form is issued concurrently with the policy, this Attaching Clause need not be completed.

INSURED

Ontario Montclair School Employees Federal Credit Union

ADD'L PREMIUM 3/1/18 EFFECTIVE DATE 6210108 POLICY NUMBER

RETURN PREMIUM ENDT. NO. TO SECTION(S) OF THIS POLICY

**POLICY CHANGES**

This schedule of rates applicable per loan is as follows when the policy is used in conjunction with a program which requires the charge be applied to each eligible loan:

COVERAGE		PREMIUM
A	- All Risk Physical Damage Coverage	INCLUDED
B	- Instrument Non-Filing Insurance	INCLUDED
C	- Skip or Confiscation	INCLUDED
D	- Repossessed Property Insurance	INCLUDED
TOTAL		\$0.0426/\$1,000.00 MOB

Types of Covered Collateral:

All other terms and conditions remain the same.

Total Additional or Return Premium

Countersigned by  
Authorized Representative

**If this form is issued concurrently with the policy, this Attaching Clause need not be completed.**

**Ontario Montclair School Employees Federal Credit Union**

\_\_\_\_RETURN PREMIUM    ENDT. NO. \_\_\_\_ TO SECTION(S) \_\_\_\_ OF THIS POLICY

## Page 1 of 1

ARCH INSURANCE COMPANY

LENDERS COMPREHENSIVE SINGLE INTEREST  
EXTENSION OF MATURITY ENDORSEMENT  
(Automobiles, Trucks and Vans Only)

If this form is issued concurrently with the policy, this Attaching Clause need not be completed.

INSURED

Ontario Montclair School Employees Federal Credit Union

ADD'L PREMIUM 3/1/18 EFFECTIVE DATE 6210108 POLICY NUMBER

RETURN PREMIUM ENDT. NO. TO SECTION(S) OF THIS POLICY

In consideration of the premiums charged and the mutual covenants contained in the policy, it is hereby understood and agreed that:

Exclusion (f) of the policy is amended to read as follows:

- (f) resulting from any Instrument due and payable more than 72 calendar months after the making thereof, even though at the date of loss the maturity date of the Instrument may be less than 72 months.

It is further understood that Condition 25 **EXTENSION OF MATURITY**, of the policy is amended to read as follows:

25. **EXTENSION OF MATURITY** – The Named Insured may grant extensions of maturity without the consent of the Company as it may be deemed advisable in the regular course of business, without prejudice to the rights of the Named Insured hereunder, but in no event shall the total period of the loan including extensions, exceed 84 calendar months in all, provided that this limitation shall not apply to any extension which involves any increase in the balance due before interest and carrying charges, it being agreed that such extension shall be considered a new loan and that premium thereon shall be paid accordingly.

All other terms and conditions remain unchanged.

Total Additional or Return Premium

Countersigned by

Authorized Representative

**ARCH INSURANCE COMPANY**

**LENDERS COMPREHENSIVE SINGLE INTEREST  
INCLUSION OF TRUCKS AND SPORT UTILITY VEHICLES**

If this form is issued concurrently with the policy, this Attaching Clause need not be completed.

INSURED

Ontario Montclair School Employees Federal Credit Union

\_\_\_\_ADD'L PREMIUM    3/1/18 EFFECTIVE DATE 6210108 POLICY NUMBER

\_\_\_\_RETURN PREMIUM    ENDT. NO. \_\_\_\_\_ TO SECTION(S) \_\_\_\_\_ OF THIS POLICY

**POLICY CHANGES**

In consideration of the premiums charged and the mutual covenants contained in the policy, it is hereby understood and agreed as follows:

It is agreed that the Definition of "Vehicle" is extended to include the following:

☒ All pick-up trucks including those with dual rear wheels.

☒ Sport Utility Vehicles intended for private passenger use.

All collateral designated above must have a loan/lease balance of \$100,000.00 or less and a loan/lease maturity of no greater than 72 months at the time the loan/lease is made.

The per loan/lease premium to be charged for collateral subject to this endorsement is:

Pick-Up Trucks: Rate: \$ Per 4(a) on AIC-BLSI-D2(5/99) per \$1,000.00 of Monthly Outstanding Balance

Sport Utility Vehicles: Rate: \$ Per 4(a) on AIC-BLSI-D2(5/99) per \$1,000.00 of Monthly Outstanding Balance

All Other Terms and Conditions Remain Unchanged.

Total Additional or Return Premium \_\_\_\_\_

Countersigned by \_\_\_\_\_

Authorized Representative

ARCH INSURANCE COMPANY

POLICY CHANGE ENDORSEMENT

This Endorsement forms a part of the policy numbered below.

If this form is issued concurrently with the policy, this Attaching Clause need not be completed.

INSURED

Ontario Montclair School Employees Federal Credit Union

ADD'L PREMIUM 3/1/2018 EFFECTIVE DATE 6210108 POLICY NUMBER

RETURN PREMIUM ENDT. NO. TO SECTION(S) OF THIS POLICY

POLICY CHANGES

LENDERS COMPREHENSIVE SINGLE INTEREST

AMENDATORY ENDORSEMENT

In consideration of the premiums charged and the mutual covenants contained in the policy, it is hereby understood and agreed as follows:

DEFINITIONS, (d), Date of Loss, is hereby revised to read as follows:

The "Date of Loss" under Coverage A shall be the date on which the actual physical loss or damage occurred to the **Vehicle** insured hereunder. If the **Named Insured** was unaware of the actual physical loss or damage, the "Date of Loss" shall be the date upon which the **Named Insured** became aware of the physical loss or damage. If such date is undeterminable the "Date of Loss" shall be the date the **Vehicle** is repossessed.

EXCLUSIONS, (M), is hereby revised to read as follows:

(m) under Coverage A, B and C to any loan made to a borrower who was responsible for a claim being paid under this policy; in the event the **Named Insured** has multiple **Instrument(s)** in force with the same borrower(s) at the time a claim is submitted for one or more of the **Instrument(s)**, coverage will be afforded under the policy for all current **Instrument(s)**. However, no future **Instrument(s)** to the same borrower(s) will be afforded coverage under this policy regardless if said **Instrument(s)** are considered a new loan, rollover loan or renewal loan.

CONDITIONS, 17, is hereby revised to read as follows:

17. **LOCATION OF VEHICLE - COVERAGE A** - As respects damage, it shall be necessary for the **Named Insured** to repossess all **Vehicle(s)** securing the **Instrument** and/or must meet the qualifications herein for coverage to apply.

CONDITIONS, 18, is hereby revised to read as follows:

18. **LOCATION OF VEHICLE - COVERAGE B** – There shall be no liability under this policy unless at the time claim is made all **Vehicle(s)** represented by the **Instrument** have been located by the **Named Insured** or the person, persons, or corporation who holds title(s) to the **Vehicle(s)** have been located by the **Named Insured** and it definitely has been determined that such person, persons, or corporation has claim(s) or title(s) lawfully superior to the lien(s) held by the **Named Insured**. The Company shall not be liable for the expenses of the **Named Insured** in locating the person(s) or **Vehicle(s)** or determining the status of title(s) described above. All **Vehicles** securing the **Instrument** must either be repossessed and/or must meet the qualifications herein for coverage to apply.

CONDITIONS, 19, B., is hereby revised to read as follows:

19. **LOCATION OF VEHICLE - COVERAGE C**

B. **LOCATION OF VEHICLE - COVERAGE C (CONFISCATION LOSSES ONLY)** - Before the **Named Insured** shall make claim under this policy, the **Named Insured** must accomplish repossession of the **Vehicle(s)** and follow all necessary procedures to reclaim the **Vehicle(s)** including the repossession of all **Vehicle(s)** securing the **Instrument** and/or must meet the qualifications herein before any loss shall be paid under this coverage. The Company shall not be liable for the expenses of the **Named Insured** in locating the **Vehicle(s)** or in attempting to reclaim the **Vehicle(s)**.

CONDITIONS, 21, is hereby revised to read as follows:

21. **LIMITS OF LIABILITY, F. is hereby added to read:**

F. Release of all collateral is prohibited. If one or more pieces of collateral are released or disposed of at any time prior to Notice of Loss per Condition 2 of the policy, the actual cash value as determined by the most recent N.A.D.A. retail evaluation (National Automobile Dealer Association or other applicable evaluation guide should the collateral not be referenced by N.A.D.A.) at loss for each collateral item will be deducted from loss settlement, based upon the proportionate share each piece of collateral relates to the outstanding balance at **Date of Loss**.

The proportionate share of any collateral that does not qualify as a **Vehicle** secured by an **Instrument** will be deducted from loss settlement.

All other terms and conditions remain unchanged.

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Total Additional or Return Premium \_\_\_\_\_

Countersigned by \_\_\_\_\_  
Authorized Representative



## **ARCH INSURANCE COMPANY**

### **CALIFORNIA AMENDATORY ENDORSEMENT #1**

#### **CONDITION 28 OF THE POLICY IS DELETED AND REPLACED AS FOLLOWS:**

**CANCELLATION CLAUSE:** The notice of cancellation shall be given at least 30 days prior to the effective date of the cancellation, except that in the case of cancellation for nonpayment of premiums or for fraud the notice shall be given no less than 10 days prior to the effective date of the cancellation. Notice of a proposed cancellation pursuant to subdivision (d) of Section 676.2 given prior to a finding of the commissioner shall satisfy the requirements of this section if it is given no less than 30 days prior to the effective date of the cancellation and if it states that cancellation will be effective only upon the approval of the commissioner.

#### **GROUND FOR CANCELLATION OF COMMERCIAL INSURANCE:**

After a policy has been in effect for more than 60 days, or if the policy is a renewal, effective immediately, no notice of cancellation shall be effective unless it complies with Sections 677.2 and it is based on the occurrence, after the effective date of the policy, of one or more of the following:

- (1) Nonpayment of premium, including payment due on a prior policy issued by the insurer and due during the current policy term covering the same risks.
- (2) A judgment by a court or an administrative tribunal that the named insured has violated any law of this state or of the United States having as one of its necessary elements an act, which materially increases any of the risks, insured against.
- (3) Discovery of fraud or material misrepresentation by either of the following:
  - (A) The insured or his or her representative in obtaining the insurance.
  - (B) The named insured or his or her representative in pursuing a claim under the policy.
- (4) Discovery of willful or grossly negligent acts or omission, or of any violations of state laws or regulations establishing safety standards, by the named insured or his or her representative, which materially increase any of the risks insured against.

**ARCH INSURANCE COMPANY**

**CALIFORNIA AMENDATORY ENDORSEMENT #1**

- (5) Failure by the named insured or his or her representative to implement reasonable loss control requirements which were agreed to by the insured as a condition of policy issuance or which were conditions precedent to the use by the insurer of a particular rate or rating plan, if the failure materially increases any of the risks insured against.
- (6) A determination by the commissioner that the loss of, or changes in, an insurer's reinsurance covering all or part of the risk would threaten the financial integrity or solvency of the insurer. A certification made under penalty of perjury to the commissioner by an officer of the insurer of the loss of, or change in, reinsurance and that the loss or change will threaten the financial integrity or solvency of the insurer if the cancellation of the policy is not permitted shall constitute such a determination unless disapproved by the commissioner within 30 days of the filing. There shall be no extensions to this 30-day period.
- (7) A determination by the commissioner that a continuation of the policy coverage would place the insurer in violation of the laws of this state or the state of its domicile or that the continuation of coverage would threaten the solvency of the insurer.
- (8) A change by the named insured or his or her representative in the activities or property of the commercial or industrial enterprise which results in a material added risk, a materially increased risk or a materially changed risk, unless the added, increased, or changed risk is included in the policy.
- (C) After a policy has been in effect for more than 60 days, or if the policy is a renewal, effective immediately upon renewal, no increase in the rate upon which the premium is based, reduction in limits, or change in the conditions of coverage shall be effective during the policy period unless a written notice is mailed or delivered to the named insured and the producer of record at the mailing address shown on the policy, at least 30 days prior to the effective date of the increase, reduction, or change. Subdivision (a) of Section 1013 of the Code of Civil Procedure is applicable if the notice is mailed. The notice shall state the effective date of, and the reasons for, the increase, reduction, or change.

## **ARCH INSURANCE COMPANY**

### **CALIFORNIA AMENDATORY ENDORSEMENT #1**

That increase, reduction, or change shall not be effective unless based upon one of the following reasons:

- (1) Discovery of willful or grossly negligent acts or omissions, or of any violations of state laws or regulations establishing safety standards by the named insured which materially increase any of the risks or hazards insured against.
  - (2) Failure by the named insured to implement reasonable loss control requirements which were agreed to by the insured as a condition of policy issuance or which were conditions precedent to the use by the insurer of a particular rate or rating plan, if the failure materially increases any of the risks insured against.
  - (3) A determination by the commissioner that loss of or changes in an insurer's reinsurance covering all or part of the risk covered by the policy would threaten the financial integrity or solvency of the insurer unless the change in the terms or conditions or rate upon which the premium is based is permitted.
  - (4) A change by the named insureds in the activities or property of the commercial or industrial risk, or a materially changed risk, unless the added, increased, or changed risk is included in the policy.
- (d) The administrative Procedure Act (Chapter 3.5 (commencing with Section 11340), Chapter 4 (commencing with Section 11370), and chapter 5 (commencing with Section 11500) of Title 2 of Division 3 of the Government Code) shall not apply to a determination pursuant to paragraph (6) or (7) of subdivision (b) or paragraph (3) of subdivision (c). The commissioner shall charge an insurer who requests a determination pursuant to paragraph (6) or (7) of subdivision (b) a fee sufficient to recover the costs of making the determination. If the commissioner does not act upon a request by an insurer to cancel or change a policy pursuant to those provisions within 30 days, the request shall be deemed to be approved.

**ARCH INSURANCE COMPANY**

**CALIFORNIA AMENDATORY ENDORSEMENT #1**

- (e) This section shall not prohibit an insurer from increasing a premium during the policy period, if the increase is calculated in accordance with the current rating manual of the insurer, and is justified by a physical change in the insured property or by a change in the activities of the commercial or industrial enterprise which materially increases any of the risks insured against.
- (f) This section shall not apply to a transfer of a policy without a change in its term or conditions or the rate upon which the premium is based between insurers, which are members of the same insurance group.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY**

**EXCLUSION OF TERRORISM INVOLVING  
NUCLEAR, BIOLOGICAL OR CHEMICAL TERRORISM**

This endorsement modifies insurance provided under the Policy.

- A. The following definition is added and applies under this endorsement whenever the term terrorism, is enclosed in quotation marks:

"Terrorism" means activities against persons, organizations or property of any nature:

1. that involve the following or preparation for the following:
  - a. use or threat of force or violence; or
  - b. commission or threat of a dangerous act; or
  - c. commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and
2. When:
  - a. the effect is to intimidate or coerce a government or a civilian population or any segment thereof, or to disrupt any segment of the economy; and/or
  - b. it appears that the intent is to intimidate or coerce a government or a civilian population, or to further a philosophical, political, ideological, religious, social or economic objective or to express (or express opposition to) a philosophical, political, ideological, religious, social or economic objective.

- B. The following exclusion is added:

**EXCLUSION OF TERRORISM INVOLVING NUCLEAR, BIOLOGICAL OR CHEMICAL  
TERRORISM**

We (the Company) will not pay for loss or damage caused directly or indirectly by "terrorism", including action in hindering or defending against an actual or expected incident of "terrorism". Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to such loss or damage. **But this exclusion applies only when one or more of the following are attributed to an incident of "terrorism":**

1. The "terrorism" is carried out by means of the dispersal or application of radioactive material, or through the use of a nuclear weapon or device that involves or produces a nuclear reaction, nuclear radiation or radioactive contamination; or
2. Radioactive material is released, and it appears that one purpose of the "terrorism" was to release such material; or
3. The "terrorism" involves the use, release, or escape of nuclear materials, or that directly or indirectly results in nuclear reaction, nuclear radiation or radioactive contamination; or
4. The "terrorism" is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
5. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the "terrorism" was to release such materials.

**C. Exception Covering Certain Fire Losses**

The following exception to the EXCLUSION OF TERRORISM INVOLVING NUCLEAR, BIOLOGICAL OR CHEMICAL TERRORISM may apply.

In certain states, statutes or regulations may require coverage for fire following an act of terrorism. In those states, if "terrorism" results in fire, we (the Company) will pay for the loss or damage caused by that fire, subject to all applicable policy provisions including the Limit of Insurance on the affected property. Such coverage for fire applies only to direct loss or damage by fire to insured property (Covered Property). Therefore, for example, the coverage does not apply to insurance provided under Business Interruption, Business Income and/or Extra Expense, Rental Value coverage, coverage forms or endorsements that apply to those coverage forms, or to the Legal Liability Coverage Form or the Leasehold Interest Coverage Form.

**D. Limitation of Amount of Coverage**

If this policy provides coverage that is excess insurance, coverage provided under this endorsement shall apply in excess of the stated attachment point in the policy and proportionally to the loss or damage based on the percentage shown in the Declarations, subject to applicable deductibles. In no event shall this coverage drop down, or apply unless and until loss or damage exceeding such attachment point is sustained, and then only for the proportion of such excess loss attributable to our participation. Should this clause conflict in any way with other drop-down or priority of payment clauses contained in this policy, this clause shall control as pertains to coverage provided by this policy.

**E. Application Of Other Exclusions**

1. When the EXCLUSION OF TERRORISM INVOLVING NUCLEAR, BIOLOGICAL OR CHEMICAL TERRORISM applies in accordance with the terms of B.1., B.2. or B.3., such exclusion applies without regard to the Nuclear Hazard Exclusion in this Coverage Form, Coverage Part or Policy.
2. The EXCLUSION OF TERRORISM INVOLVING NUCLEAR, BIOLOGICAL OR CHEMICAL TERRORISM contained in this Endorsement replaces any terrorism exclusion contained in this Coverage Form, Coverage Part or Policy.
3. The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss or damage which would otherwise be excluded under this Coverage Form, Coverage Part or Policy, such as losses excluded by the Nuclear Hazard Exclusion, War Exclusion, or the War And Military Action Exclusion.

All other terms and conditions of this Policy remain unchanged.

Endorsement Number: 00 PRP0072 00 01 06

Policy Number: 6210108

Named Insured: Ontario Montclair School Employees Federal Credit Union

This endorsement is effective on the inception date of this Policy unless otherwise stated herein:

Endorsement Effective Date: 3/1/2018

# **U.S. TREASURY DEPARTMENT'S OFFICE OF FOREIGN ASSETS CONTROL ("OFAC") ADVISORY NOTICE TO POLICYHOLDERS**

No coverage is provided by this Policyholder Notice nor can it be construed to replace any provisions of your policy. You should read your policy and review your Declarations page for complete information on the coverages you are provided.

This Notice provides information concerning possible impact on your insurance coverage due to directives issued by OFAC. **Please read this Notice carefully.**

The Office of Foreign Assets Control (OFAC) administers and enforces sanctions policy, based on Presidential declarations of "national emergency". OFAC has identified and listed numerous:

- Foreign agents;
- Front organizations;
- Terrorists;
- Terrorist organizations; and
- Narcotics traffickers;

as "Specially Designated Nationals and Blocked Persons". This list can be located on the United States Treasury's web site – <http://www.treas.gov/ofac>.

In accordance with OFAC regulations, if it is determined that you or any other insured, or any person or entity claiming the benefits of this insurance has violated U.S. sanctions law or is a Specially Designated National and Blocked Person, as identified by OFAC, this insurance will be considered a blocked or frozen contract and all provisions of this insurance are immediately subject to OFAC. When an insurance policy is considered to be such a blocked or frozen contract, no payments nor premium refunds may be made without authorization from OFAC. Other limitations on the premiums and payments also apply.

**ARCH INSURANCE COMPANY**  
**BLANKET LENDER'S SINGLE INTEREST**  
**PRIVACY PRACTICES DISCLOSURE NOTICE**

States have enacted legislation that regulates the use of nonpublic personal information maintained by financial services institutions. In the interest of complying with state law and in providing you with an affirmation of our commitment to maintaining the privacy of customer and claimant information we have prepared the following Privacy Practices Disclosure Notice.

This Privacy Practices Disclosure Notice outlines the privacy practices for Arch Insurance Company (2345 Grand Blvd., Suite 900 Kansas City, MO 64108”).

This Privacy Practices Disclosure Notice will notify you of:

- The categories of nonpublic personal information AIC collects from you or from a third party about you, borrowers or beneficiaries or claimants under your insurance coverage;
- How AIC uses the information;
- The categories of affiliates and non-affiliate third parties with whom AIC shares the information;
- The kind of security policies and procedures that are in place to protect the confidentiality and security of nonpublic personal information provided to AIC.

**1. NONPUBLIC PERSONAL INFORMATION COLLECTED**

We want you to conduct business with us knowing that we protect nonpublic personal information. AIC collects nonpublic personal information from you or from third parties about you, borrowers, beneficiaries or claimants under your insurance coverage as part of the insurance underwriting, claim, administration and servicing process. We collect nonpublic personal information from the following sources:

- Information that we receive from lenders regarding their borrowers. Such information may include loan number, borrower name and address, effective and maturity date of the loan, original and current loan balance, annual percentage rate, and specific information necessary to identify collateral.
- Information regarding the insurance covering loan collateral that we receive from borrowers that is contained on an insurance policy declarations page or supplemental materials. Such information includes, but may not be limited to, insurance policy number, insured name and address, insurance agent, insurance



policy effective and expiration dates, policy coverage information, premium charges and loss payee name and address.

- In the process of handling claims we may access information about previous claims or accidents, medical information related to claims, information about the circumstances of an accident, the names of witnesses and other contact information, and the current location of the borrower. We may also obtain a copy of the sales contract, the loan application, loan history information and credit bureau information. Such information may be received from the lender, the insurance agent, an index bureau, a consumer reporting agency, a state motor vehicle department or an investigative firm.

## **2. HOW THE INFORMATION IS USED**

The information is used to: assure that required insurance is maintained on loan collateral, rate and bill certificates, administer claims, and to answer questions or concerns about insurance products and services. We also use the information for account administration, reporting, investigating, or preventing fraud or material misrepresentation, processing premium billing payments, processing insurance claims, participating in insurance research projects, or as otherwise required or permitted by Federal or State law.

AIC maintains paper copies or electronic archives of the information provided by you or by a third party for processing and administering the verification of required insurance on loan collateral, administration of certificates or handling of claims made under your policy and for improving our products and services. This information is kept internal to AIC except when needed to verify the information provided, to service your policy or claim or as required or permitted by law. The information is not available to the general public. AIC retains the information collected when a claim is filed under your policy for as long as required by law or regulation, or as long as the claim is open and thereafter for a period set by the appropriate Underwriting or Claims' records retention policies of AIC and/or any other regulatory agency.

## **3. SHARING INFORMATION GATHERED**

We do not disclose nonpublic personal information about you or beneficiaries or claimants under your insurance policy to anyone, except as permitted by law. We may share information about you, your borrowers, or claimants under your insurance policy, as permitted or required by law, in the normal business of conducting insurance operations, such as providing you with an insurance quote, processing, servicing, administering and enforcing your insurance policy and your claims and otherwise carrying out the purposes for which the information was disclosed.

We are permitted by law to share information with, for example:

- A third party, if it is reasonably necessary to enable the party to perform services for us, such as claims investigations, appraisals, or the detection of fraud or material misrepresentations;
- Any of our affiliated companies who provide services to you;
- Insurance regulatory authorities, reporting agencies, or if applicable involuntary market administrators;
- State Motor Vehicle Department to obtain a report of any accidents or convictions;
- Law enforcement agencies or other governmental authorities to protect our interest or to report illegal activities;
- Persons or organizations conducting insurance actuarial or research studies, subject to appropriate confidentiality agreements; and,
- As otherwise permitted or required by law.

We do not sell any customer or policyholder information to mailing list companies or mass marketing companies. We treat our policyholder and borrower information as confidential.

#### **4. SECURITY POLICIES AND PROCEDURES**

We restrict access to nonpublic personal information about you or beneficiaries and claimants under your insurance policy to those employees who need to know that information to provide products or services to you. We maintain physical, electronic, and procedural safeguards that comply with state and federal regulations to guard your nonpublic personal information.

AIC also uses a wide variety of data protection procedures, computer hardware and software tools to guard system and data privacy and integrity. AIC's computer systems are also protected by additional measures such as network routers and firewalls intended to prevent unauthorized access.