



Commercial Insurance Protection

CLAIM NOTICE

Mail notices to: RSUI Group, Inc.
945 East Paces Ferry Rd.
Suite 1800
Atlanta, GA 30326-1160

Fax notices to: (404) 231-3755
Attn: Claims Department

E-mail notices to: reportclaims@rsui.com

COMMON POLICY DECLARATIONS



COMPANY NAME: Landmark American Insurance Company

BRANCH ADDRESS: 945 East Paces Ferry Road, Suite 1800, Atlanta, GA 30326-1160

POLICY NO.: LHD924328 RENEWAL OF: LHD918145

NAMED INSURED AND MAILING ADDRESS:

Summit Owners Association Inc
(Name Incomplete - as per Primary Policy)
8743 Thomas Drive
Panama City Beach, FL 32408

PRODUCER:

POLICY PERIOD: From 5/1/2022 To 5/1/2023 12:01 A.M. Standard Time at your Mailing Address above.

IN RETURN FOR THE PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL THE TERMS OF THIS POLICY, WE AGREE WITH YOU TO PROVIDE THE INSURANCE AS STATED IN THIS POLICY.

SURPLUS LINES INSURERS' POLICY RATES AND FORMS ARE NOT APPROVED BY ANY FLORIDA REGULATORY AGENCY.

THIS POLICY CONTAINS A SEPARATE DEDUCTIBLE FOR HURRICANE OR WIND LOSSES, WHICH MAY RESULT IN HIGH OUT-OF-POCKET EXPENSES TO YOU.

THIS POLICY CONTAINS A CO-PAY PROVISION THAT MAY RESULT IN HIGH OUT-OF-POCKET EXPENSES TO YOU.

IMPORTANT NOTICE

IMPORTANT INFORMATION TO FLORIDA POLICYHOLDERS

KEEP THIS NOTICE WITH YOUR INSURANCE PAPERS

QUESTIONS ABOUT YOUR INSURANCE? - If you have any inquiries, need to obtain coverage information or need assistance in resolving complaints, please do not hesitate to contact your insurance company or agent.

FOR COMMERCIAL INSURANCE CONTACT:

RSUI Group, Inc.
 945 East Paces Ferry Road
 Suite 1800
 Atlanta, GA 30326

Call Collect (404) 231-2366

Surplus Lines Agent's Name: <u>Susan Brown Flemming</u>		
Surplus Lines Agent's Address: <u>1227 S. Patrick Drive</u> <u>Satellite Beach, FL 32937</u>		
Surplus Lines Agent's License #: <u>A085932</u>		
Producing Agent's Name: <u>James Cottingham</u>		
Producing Agent's Address: <u>7522 Front Beach Rd 2nd Floor</u> <u>Panama City FL 32407</u>		
This insurance is issued pursuant to the Florida Surplus Lines Law. Persons insured by surplus lines carriers do not have the protection of the Florida Insurance Guaranty Act to the extent of any right of recovery for the obligation of an insolvent unlicensed insurer.		
Premium: <u>\$144,248.00</u>	Tax: <u>\$7,221.00</u>	Service Fee: <u>\$86.61</u>
EMPA Surcharge: <u>\$4.00</u>	Broker Fee: <u>\$100.00</u>	
Inspection Fee: <u>\$0.00</u>	Policy Fee: <u>\$0.00</u>	
Surplus Lines Agent's Countersignature: <u><i>Susan Flemming</i></u>		

SURPLUS LINES INSURERS' POLICY RATES AND FORMS ARE NOT APPROVED BY ANY FLORIDA REGULATORY AGENCY.

Policy Number: LHD924328
Insurer: Landmark American Insurance Company
Named Insured: Summit Owners Association Inc

NOTICE - REJECTION OF TERRORISM COVERAGE

Coverage has been "rejected" by the Insured for all acts of terrorism including but not limited to "certified acts of terrorism" under the federal Terrorism Risk Insurance Act.

**State Fraud Statements
Fraud Statements – Signature Required for New York Only**

ARKANSAS, LOUISIANA, RHODE ISLAND, TEXAS AND WEST VIRGINIA FRAUD STATEMENT

Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

ALASKA FRAUD STATEMENT

A person who knowingly and with intent to injure, defraud, or deceive an insurance company files a claim containing false, incomplete, or misleading information may be prosecuted under state law.

ALABAMA FRAUD STATEMENT

Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or who knowingly presents false information in an application for insurance is guilty of a crime and may be subject to restitution fines or confinement in prison, or any combination thereof.

ARIZONA FRAUD STATEMENT

For your protection Arizona law requires the following statement to appear on this form. Any person who knowingly presents a false or fraudulent claim for payment of a loss is subject to criminal and civil penalties.

CALIFORNIA FRAUD STATEMENT

For your protection, California law requires that you be made aware of the following: Any person who knowingly presents false or fraudulent information to obtain or amend insurance coverage or to make a claim for the payment of a loss is guilty of a crime and may be subject to fines and confinement in state prison.

COLORADO FRAUD STATEMENT

It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance, and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado division of insurance within the department of regulatory agencies.

DELAWARE FRAUD STATEMENT

Any person who knowingly, and with intent to injure, defraud or deceive any insurer, files a statement of claim containing any false, incomplete or misleading information is guilty of a felony.

DISTRICT OF COLUMBIA FRAUD STATEMENT

WARNING: It is a crime to provide false, or misleading information to an insurer for the purpose of defrauding the insurer or any other person. Penalties include imprisonment and/or fines. In addition, an insurer may deny insurance benefits if false information materially related to a claim was provided by the applicant.

FLORIDA FRAUD STATEMENT

Any person who knowingly and with intent to injure, defraud or deceive any insurer, files a statement of claim or an application containing any false, incomplete, or misleading information is guilty of a felony of the third degree.

HAWAII FRAUD STATEMENT

For your protection, Hawaii law requires you to be informed that any person who presents a fraudulent claim for payment of a loss or benefit is guilty of a crime punishable by fines or imprisonment, or both.

IDAHO FRAUD STATEMENT

Any person who knowingly, and with intent to defraud or deceive any insurance company, files a statement of claim containing any false, incomplete or misleading information is guilty of a felony.

INDIANA FRAUD STATEMENT

Any person who knowingly and with intent to defraud an insurer files a statement of claim containing any false, incomplete, or misleading information commits a felony.

KANSAS FRAUD STATEMENT

An act committed by any person who, knowingly and with intent to defraud, presents, causes to be presented or prepares with knowledge or belief that it will be presented to or by an insurer, purported insurer, broker or any agent thereof, any written, electronic, electronic impulse, facsimile, magnetic, oral, or telephonic communication or statement as part of, or in support of, an application for the issuance of, or the rating of an insurance policy for personal or commercial insurance, or a claim for payment or other benefit pursuant to an insurance policy for commercial or personal insurance which such person knows to contain materially false information concerning any fact material thereto; or conceals, for the purpose of misleading, information concerning any fact material thereto.

KENTUCKY FRAUD STATEMENT

Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance containing any materially false information or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime.

MAINE FRAUD STATEMENT

It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties may include imprisonment, fines or a denial of insurance benefits.

MARYLAND FRAUD STATEMENT

Any person who knowingly or willfully presents a false or fraudulent claim for payment of a loss or benefit or who knowingly or willfully presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

MINNESOTA FRAUD STATEMENT

Any person who files a claim with intent to defraud or helps commit a fraud against an insurer is guilty of a crime.

NEW HAMPSHIRE FRAUD STATEMENT

Any person who, with a purpose to injure, defraud or deceive any insurance company, files a statement of claim containing any false, incomplete or misleading information is subject to prosecution and punishment for insurance fraud, as provided in RSA 638:20.

NEW JERSEY FRAUD STATEMENT

Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.

NEW MEXICO FRAUD STATEMENT

Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to civil fines and criminal penalties.

OHIO FRAUD STATEMENT

Any person who, with intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud.

OKLAHOMA FRAUD STATEMENT

WARNING: Any person who knowingly and with intent to injure, defraud, or deceive any insurer, makes any claim for the proceeds of an insurance policy containing any false, incomplete or misleading information is guilty of a felony.

OREGON FRAUD STATEMENT

Any person who knowingly files a claim containing a false or deceptive statement for payment of a loss or benefit or knowingly presents materially false information in an application for insurance may be guilty of a crime and may be subject to fines and confinement in prison.

PENNSYLVANIA FRAUD STATEMENT

Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

PUERTO RICO FRAUD STATEMENT

Any person who knowingly and with the intention of defrauding presents false information in an insurance application, or presents, helps, or causes the presentation of a fraudulent claim for the payment of a loss or any other benefit, or presents more than one claim for the same damage or loss, shall incur a felony and, upon conviction, shall be sanctioned for each violation by a fine of not less than five thousand dollars (\$5,000) and not more than ten thousand dollars (\$10,000), or a fixed term of imprisonment for three (3) years, or both penalties. Should aggravating circumstances be present, the penalty thus established may be increased to a maximum of five (5) years, if extenuating circumstances are present, it may be reduced to a minimum of two (2) years.

TENNESSEE, VIRGINIA, AND WASHINGTON FRAUD STATEMENT

It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits.

SIGNATURE REQUIRED

NEW YORK FRAUD STATEMENT

Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime, and shall also be subject to a civil penalty not to exceed five thousand dollars and the stated value of the claim for each such violation.

Insured/Applicant/Claimant

By (Authorized Representative)

Title

Date

IMPORTANT NOTICE

FLORIDA SURPLUS LINES DISCLOSURE NOTICE

THIS INSURANCE IS ISSUED PURSUANT TO THE FLORIDA SURPLUS LINES LAW. PERSONS INSURED BY SURPLUS LINES CARRIERS DO NOT HAVE THE PROTECTION OF THE FLORIDA INSURANCE GUARANTY ACT TO THE EXTENT OF ANY RIGHT OF RECOVERY FOR THE OBLIGATION OF AN INSOLVENT UNLICENSED INSURER.

This Endorsement Changes The Policy. Please Read It Carefully.

SCHEDULE OF POLICY ATTACHMENTS AND FORMS

<u>Form Number</u>	<u>Form Title</u>
RSG 94062 1009	Excess Physical Damage Schedule
RSG 91002 1116	Excess Physical Damage Coverage Form
RSG 93041 0110	Florida Changes - Cancellation and Nonrenewal
RSG 94011 0407	Service Of Suit
RSG 94060 0515	Scheduled Limit Of Liability
RSG 94095 0512	Minimum Earned Premium (Insureds with Coastal Property)
RSG 94109 0721	Protective Safeguards
RSG 94134 0320	Limitations on Coverage for Roof Surfacing
RSG 94147 0220	Appraisal Clause Amendment
RSG 96004 0210	Exclusion And Limited Additional Coverage For Fungus
RSG 96013 1003	Asbestos Exclusion
RSG 96014 0504	Exclusion of Pathogenic or Poisonous Biological or Chemical Materials
RSG 96062 0715	Earth Movement Sprinkler Leakage Exclusion
RSG 96063 0216	Exclusion - Pre - Existing Damage
RSG 96064 0817	Exclusion of Terrorism - Exception Covering Certain Fire Losses
RSG 96066 0821	Cyber, Electronic Data and Systems Exclusion
RSG 96069 0221	Exclusion - Post Loss Assignments
IL 0017 1198	Common Policy Conditions

6. Primary Limits and Underlying Excess Limits: \$10,000,000 per occurrence

7. Limit Insured: \$17,500,000 per occurrence, subject to conditions of the Scheduled Limit of Liability form

**Sublimits:*

**Sublimits are part of, not in addition to, the Limit Insured.*

8. Notification of Claims to: RSUI Group, Inc.
945 East Paces Ferry Road
Suite 1800
Atlanta, GA 30326
Attn: Claims Department

EXCESS PHYSICAL DAMAGE COVERAGE FORM

Notwithstanding any provision(s) contained within the primary or underlying policies to the contrary, this policy is amended as follows:

1. INSURING CLAUSE:

Subject to the limitations, terms and conditions contained in this Policy or added hereto, the Company agrees to indemnify the Insured named in the Excess Physical Damage Schedule ("Schedule") herein in respect of direct physical **loss** or damage to the property described in the Schedule while located or contained as described in the Schedule, occurring during the period stated in the Schedule and caused by any of such perils as are set forth in Item 3 of the Schedule, and which are also covered by and defined in the policy(ies) specified in the Schedule and issued by the "Primary Insurer(s)" stated therein.

2. LIMIT:

Provided always that liability attaches to the Company only after any self-insured retention, any primary and underlying deductibles have been applied, and the primary and underlying excess insurer(s) have paid or have admitted liability for the full amount of their respective **ultimate net loss** liability as set forth in Item 6 of the Schedule and designated "Primary and Underlying Excess Limit(s)" and then the limits of the Company's liability shall be those set forth in Item 7 of the Schedule under the designation "Limit Insured" and the Company shall be liable to pay the **ultimate net loss** up to the full amount of such "Limit Insured."

The maximum recovery in any one occurrence for any coverage(s) or peril(s) subject to a sublimit shall be that sublimit provided by the primary and/or underlying excess policy(ies) and in no event shall the Company be liable for any amounts over the sublimit contained within the primary and/or underlying excess policy(ies) for the coverage(s) or peril(s) to which that sublimit applies.

In the event that any perils against which this Policy insures are subject to an aggregate limit in the primary and/or underlying excess policy(ies), liability attaches to the Company only in the event that:

- (a) The **Ultimate Net Loss** exceeds the "Primary and Underlying Excess Limit(s)" as a result of **loss** or damage arising out of a single occurrence; or
- (b) Item 6 of the Schedule specifies that the "Primary and Underlying Excess Limit(s)" apply on an aggregate basis for the peril which caused the loss or damage.

3. DEFINITIONS:

- (a) **Loss:** The word **Loss** shall mean a loss or series of losses arising out of one event or occurrence.
- (b) **Ultimate Net Loss:** The words **Ultimate Net Loss** shall mean the loss sustained by the Insured as a result of the happening of the perils covered by this Policy after making deductions for all salvages, recoveries, self-insured retentions and other valid and collectible insurance [other than recoveries under the policy(ies) of the primary and underlying excess insurer(s)].
- (c) **Earth Movement**
 - 1) **Earthquake**, including any earth sinking, rising or shifting related to such event;
 - 2) Landslide, including any earth sinking, rising or shifting related to such event;
 - 3) Mine subsidence, meaning subsidence of a man-made mine, whether or not mining activity has ceased;
 - 4) Earth sinking (other than sinkhole collapse), rising or shifting including soil conditions which cause settling, cracking or other disarrangement of foundations or other parts of realty. Soil conditions include contraction, expansion, freezing, thawing, erosion, improperly compacted soil and the action of water under the ground surface.
 - 5) Volcanic eruption, meaning the eruption, explosion or effusion of a volcano.

(d) **Earthquake**

- 1) Quaking, vibratory or undulating movement of a portion of the earth's crust, produced by tectonic or underground volcanic forces or by breaking, shaking, trembling or shifting of rock beneath the earth's crust. This definition of Earthquake does not include subsidence, landslide, rock slide, mudflow, earth rising, earth sinking, earth shifting or settling; unless, as a direct result of such Earthquake.

Earthquake shock shall be defined as the sum total of all the Insured's losses attributable directly from the peril of Earthquake sustained during any period of seventy two (72) consecutive hours by reason of one Earthquake shock or a series of Earthquake shocks.

- 2) Volcanic eruption, meaning the eruption, explosion or effusion of a volcano. All volcanic eruptions that occur within any one hundred sixty eight (168) hour period will constitute a single occurrence.

(e) **Flood**

- 1) Flood, surface water, rising waters, waves, tides, tidal waves, storm surge, overflow of any body of water or their spray, all whether driven by wind or not;
- 2) Mudslide or mudflow;
- 3) Water that backs up or overflows from any sewer or drain;
- 4) Water that seeps, leaks or flows from below the surface of the ground;
- 5) The rising, overflowing or breaking of boundaries of natural or man-made bodies of water;
- 6) The release of water held by a dam, levee or dike or by a water or flood control device;
- 7) The release of water caused by the Acts, Errors or Omissions by you or others in the design, specifications, workmanship, repair, construction, or renovation of all or any part of a water or flood control device, levee, dam or dike;
- 8) Inundation of normally dry land by natural or man-made causes;
- 9) Water inundation from any cause whatsoever.

However, **Flood** does not include the accidental discharge or leakage of water as the direct result of the breaking apart or cracking of a plumbing, heating, air conditioning or other system or appliance.

4. PRIORITY OF PAYMENTS / APPLICATION OF RECOVERIES:

There is no recovery under this excess policy as respects the coverage(s) or peril(s) which are sublimited within the primary and/or underlying excess policies to amounts less than or equal to the amount set forth in Item 6 of the Schedule, nor for those coverages excluded in this excess policy; however, the Company recognizes that the primary and underlying excess policy limits can be eroded or exhausted, wholly or partially, by application of said sublimits.

All salvages, recoveries or payments recovered or received subsequent to a loss settlement under this Policy shall be applied as if recovered or received prior to such settlement and all necessary adjustments shall then be made between the Insured and the Company; provided always that nothing in this Policy shall be construed to mean that losses under this Policy are not recoverable until the Insured's **ultimate net loss** has been fully ascertained.

5. DROP DOWN CLAUSE:

In the event of reduction or exhaustion of the underlying aggregate limit(s) provided for **Flood** and/or **Earthquake**, such insurance if afforded by this Policy shall apply in excess of such reduced underlying limit(s), or if such limit is exhausted, shall apply as underlying insurance, notwithstanding anything to the contrary in the terms and conditions of this Policy. Sublimited coverages provided in the primary or underlying excess policies may contribute to the exhaustion of the underlying aggregate limit(s) provided for **Flood** and/or **Earthquake**; however, this excess layer will not drop down over or expand those sublimited amounts.

In the event of exhaustion of the underlying aggregate limit(s) provided for **Flood** and/or **Earthquake**, the deductible applicable to coverage if provided by this Policy for such peril(s) shall be the same as the deductible(s) stated in the primary policy.

In no event, shall this Company be liable for more than the "Limit Insured" as set forth in Item 7 of the Schedule.

6. MAINTENANCE OF PRIMARY INSURANCE:

In respect of the perils hereby insured against, this Policy follows the form of and is subject to the same warranties, terms and conditions (except as regards the premium, the amount and limits of liability other than the deductible or self-insurance provision where applicable, and the renewal agreement, if any; and EXCEPT AS OTHERWISE PROVIDED HEREIN) as are contained in or as may be added to the policy(ies) of the primary insurer(s) prior to the happening of a loss for which claim is made hereunder, and should any alteration be made in the premium for the policy(ies) of the primary insurer(s), then the premium hereon shall be adjusted accordingly.

It is a condition of this Policy that the policy(ies) of the primary insurer(s) and underlying excess insurer(s) shall be maintained in full effect during the currency of this Policy except for any reduction or exhaustion of the aggregate limits contained therein solely by payment of losses during the Policy year.

7. CANCELLATION:

This insurance may be cancelled by the Insured at any time by written notice or by surrender of this Policy.

This insurance may also be cancelled by or on behalf of the Company by delivering to the Insured or by mailing to the Insured, by registered, certified or other first class mail, at the Insured's address as shown on this insurance, written notice stating when, not less than 30 days (10 for non-payment of premium) thereafter, the cancellation shall be effective.

The mailing of such notice as aforesaid shall be sufficient proof of notice and this insurance shall terminate at the date and hour specified in such notice.

If this insurance shall be cancelled by the Insured, the Company shall retain the customary short rate proportion of the premium hereon except that if this insurance is on an adjustable basis, the Company shall receive the earned premium hereon or the customary short rate proportion of any minimum premium stipulated herein, whichever is the greater.

If this insurance shall be cancelled by or on behalf of the Company, the Company shall retain the pro rata proportion of the premium hereon, except that if this insurance is on an adjustable basis, the Company shall receive the earned premium hereon or the pro rata proportion of any minimum stipulated therein, whichever is greater.

Payment or tender of any unearned premium by the Company shall not be a condition precedent to the effectiveness of cancellation, but such payment shall be made as soon as practicable.

If the period of limitation relating to the giving of notice is prohibited or made void by any law controlling the construction thereof, such period shall be deemed to be amended so as to be equal to the minimum period of limitation permitted by such law.

8. NOTIFICATION OF CLAIMS:

The Insured, upon knowledge of any occurrence likely to give rise to a claim hereunder, shall give immediate written notice thereof to the person(s) or firm named for the purpose in the schedule.

9. EXCLUSIONS:

(a) Pollution

Notwithstanding any provision to contrary in any underlying policy whether primary or excess, this Policy does not cover loss or damage caused directly or indirectly by or resulting from release, discharge or dispersal of contaminants or pollutants or the cost of cleaning up polluting and contaminating substances. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

(b) Perils Excluded in Item 3 of the Schedule

Notwithstanding any provision to the contrary in any underlying policy whether primary or excess, this Policy does not cover loss or damage caused directly or indirectly by the perils which are specifically excluded in Item 3 of the Schedule. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

This Endorsement Changes The Policy. Please Read It Carefully.

FLORIDA CHANGES – CANCELLATION AND NONRENEWAL

The following conditions are added and supersede any provisions to the contrary:

A. CANCELLATION

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. Cancellation For Policies In Effect 90 Days Or Less

If this policy has been in effect for 90 days or less, we may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation, accompanied by the specific reasons for cancellation, at least:

- (1) 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
- (2) 20 days before the effective date of cancellation if we cancel for any other reason, except we may cancel immediately if there has been:
 - (a) A material misstatement or misrepresentation; or
 - (b) A failure to comply with underwriting requirements established by the insurer.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.
7. Cancellation For Policies In Effect For More Than 90 Days

If this policy has been in effect for more than 90 days, we will mail or deliver to the first Named Insured written notice of cancellation, accompanied by the specific reasons for cancellation, at least:

- (1) 10 days before the effective date of cancellation if cancellation is for nonpayment of premium; or
- (2) 45 days before the effective date of cancellation for any other reason.

B. NONRENEWAL

1. If we decide not to renew this policy we will mail or deliver to the first Named Insured written notice of nonrenewal, accompanied by the specific reason for nonrenewal, at least 45 days prior to the expiration of the policy.
2. Any notice of nonrenewal will be mailed or delivered to the first Named Insured's last mailing address known to us. If notice is mailed, proof of mailing will be sufficient proof of notice.

Policy No.: LHD924328 **Effective:** 5/1/2022

This Endorsement Changes The Policy. Please Read It Carefully.

SERVICE OF SUIT

It is agreed that in the event of the failure of this Company to pay any amount claimed to be due hereunder, this Company, at the request of the Insured, will submit to the jurisdiction of any Court of Competent Jurisdiction within the United States. Nothing in this condition constitutes or should be understood to constitute a waiver of the Company's rights to commence an action in any Court of competent jurisdiction in the United States, to remove an action to a United States District Court or seek a transfer of a case to another Court as permitted by the laws of the United States or of any state in the United States, moreover, this endorsement is not an agreement that the law of a particular jurisdiction applies to any dispute under the policy. It is further agreed that service of process in such suit may be made upon the highest one in authority bearing the title "Commissioner", "Director" or "Superintendent" of Insurance of the state or commonwealth wherein the property covered by this policy is located, and that in any suit instituted against it upon this contract this Company will abide by the final decision of such Court or any Appellate Court in the event of an appeal. The one in authority bearing the title "Commissioner", "Director" or "Superintendent" of Insurance of the state or commonwealth wherein the property covered by this policy is located is hereby authorized and directed to accept service of process on behalf of this Company in any such suit and/or upon the Insured's request to give a written undertaking to the Insured that they will enter a general appearance upon this Company's behalf in the event such a suit shall be instituted.

This Endorsement Changes The Policy. Please Read It Carefully.

SCHEDULED LIMIT OF LIABILITY

This endorsement modifies insurance provided under the following:

ALL COVERAGE PARTS

It is understood and agreed that the following special terms and conditions apply to this policy:

1. In the event of loss hereunder, liability of the Company shall be limited to the least of the following liability limitation measures in any one "occurrence":
 - a. The actual adjusted amount of the loss, less applicable deductibles and primary and underlying excess limits; or
 - b. 100% of the individually stated value for each scheduled item of coverage insured at the location which had the loss as shown on the latest Statement of Values on file with this Company, less applicable deductibles and primary and underlying excess limits; or
 - c. The Limit of Liability as shown on the Declarations page of this policy or as endorsed to this policy, if, after the application of the limits in a. or b. above to each scheduled item of coverage which had the loss, the total exceeds such Limit of Liability.

If no value is shown for a scheduled item then there is no coverage for that item. Where the loss or "occurrence" involves more than one insured location or scheduled item of coverage, the liability of the Company for each individually scheduled item of coverage shall be measured separately and on a per scheduled item basis. Nothing herein requires the Company to utilize the same liability limitation measure for all insured scheduled items or insured locations involved in any one "occurrence". The liability limitation measure to be used by the Company shall be the measure providing the least amount of coverage for each scheduled item individually. The Company may have no liability after applying the liability limitation measures, applicable deductibles and primary and underlying excess limits.

2. Coverage under this policy is provided only at the locations listed on the latest Statement of Values on file with this Company or as endorsed on to this policy.
3. The premium for this policy is based upon the Statement of Values on file with this Company or attached to this policy.

The term "occurrence", where used in this policy, shall mean any one loss, disaster, casualty or series of losses, disasters, or casualties arising from one event.

When the term "occurrence" applies to a loss or series of losses from the perils of tornado, cyclone, named storm, hurricane, windstorm, hail, flood, earthquake, volcanic eruption, riot, riot attending a strike, civil commotion and vandalism and malicious mischief, one event shall be construed to be all losses arising during a continuous period of 72 hours. When filing a proof of loss the insured may elect the moment at which the 72 hour period shall be deemed to have commenced, which shall not be earlier than the first loss to occur at any covered location.

Example:

The limits shown in the example below apply for this example only and do not reflect the limits in this policy. The example also assumes there is no coinsurance penalty or other limits involved:

<u>Location 1</u>	
Scheduled value – Building	\$100,000
Actual adjusted amount of loss – Building	\$25,000
Scheduled value – Rents	\$50,000
Actual adjusted amount of loss – Rents	\$75,000

<u>Location 2</u>	
Scheduled value – Building	\$200,000
Actual adjusted amount of loss – Building	\$205,000

Policy No.: LHD924328 Effective: 5/1/2022

Scheduled value – Rents	\$75,000
Actual adjusted amount of loss – Rents	\$25,000
Limit of Liability on Declarations page	\$1,000,000 per occurrence

In this example, the total liability of the Company for the Occurrence is limited to \$300,000 less applicable deductible(s) and primary and underlying excess limits. This is because:

1. The liability of the Company on each scheduled item of coverage is limited as follows:
 - a. Location 1 Building is limited to \$25,000 because the actual adjusted amount of the loss is less than the scheduled value for that item,
 - b. Location 1 Rents is limited to \$50,000 because the scheduled value is less than the actual adjusted amount of the loss for that item,
 - c. Location 2 Building is limited to \$200,000 because the scheduled value is less than the actual adjusted amount of the loss for that item, and
 - d. Location 2 Rents is limited to \$25,000 because the actual adjusted amount of the loss is less than the scheduled value for that item; and
2. The total of the liability limitation measures on each scheduled item of coverage ($\$25,000 + \$50,000 + \$200,000 + \$25,000 = \$300,000$) less applicable deductibles is less than the policy's Limit of Liability (in this example) of \$1,000,000 per occurrence.

This Endorsement Changes The Policy. Please Read It Carefully.

MINIMUM EARNED PREMIUM (Insureds with Coastal Property)

This endorsement modifies insurance provided under the following:

ALL COVERAGE PARTS

This endorsement replaces any cancellation provision in regards to refund or return premium calculations if we cancel the policy for non-payment of premium or the First Named Insured cancels or removes a location(s) or coverage(s) from the policy.

If we cancel this policy for non-payment of premium, the First Named Insured cancels, removes a location(s) or removes coverage(s) from this policy, the minimum premium earned for this policy, if cancelled, or for the removed location(s) or coverage(s), will be based on the Schedule below.

SCHEDULE

Minimum Earned Premium: of the Total Premium excluding Terrorism shown on the COMMON POLICY DECLARATIONS or the Location Premium for the removed location(s), **if coverage for the policy or the removed location(s) was in effect at any time during the period from June 1st to November 30th.**

of the Total Premium excluding Terrorism shown on the COMMON POLICY DECLARATIONS or the Location Premium for the removed location(s), **NOT in effect at any time during the period from June 1st to November 30th.**

This Endorsement Changes The Policy. Please Read It Carefully.

PROTECTIVE SAFEGUARDS

This endorsement modifies insurance provided under the following:

ALL COVERAGE PARTS

SCHEDULE*

Prem. No.	Bldg. No.	Protective Safeguard(s)	Applicable Cause(s) of Loss**
1	All	P-1	(1)

Describe any "P-9":

Additional requirements, if any, for engagement of any automatic system listed in this Schedule (other than the requirements of Paragraph A.1.):

*** Information required to complete this Schedule, if not shown on this endorsement, will be shown in the Declarations.**

**** For each Protective Safeguard listed in this Schedule, enter the number(s) corresponding to the Applicable Cause(s) of Loss to which that Protective Safeguard applies.**

Applicable Cause(s) of Loss:

- (1) Fire
- (2) Theft or attempted theft, including any loss or damage which results from theft or attempted theft
- (3) Vandalism
- (4) Water Damage
- (5) Sprinkler Leakage
- (6) Named Storm
- (7) Windstorm
- (8) Other (Specify Above)

A. PROTECTIVE SAFEGUARDS

1. As a condition of this insurance, you are required to:
 - a. Maintain the protective safeguards listed in the Schedule, and over which you have control, in complete working order;
 - b. Actively engage and maintain in the "on" position at all times any automatic fire alarm or other automatic system listed in the Schedule;

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- c. Actively engage any automatic burglary alarm or other automatic system listed in the Schedule and maintain it in the "on" position during all non-work hours and whenever the premises are unoccupied;
- d. Actively engage any automatic system, or parts thereof, in accordance with any other requirements, if any, indicated in the Schedule; and
- e. Notify us if you know of any suspension of or impairment in any protective safeguard listed in the Schedule.

However:

- (1) If part of an Automatic Sprinkler System or Automatic Commercial Cooking Exhaust And Extinguishing System is shut off due to breakage, leakage, freezing conditions or opening of sprinkler heads, notification to us will not be necessary if you can restore full protection within 48 hours.
 - (2) If there is a suspension of or impairment in an Automatic Burglary Alarm, notification to us will not be necessary if you:
 - (a) Can restore full protection within 48 hours of the suspension or impairment;
 - (b) Provide at least one watchperson or other means of surveillance at the premises during all non-work hours and whenever the premises are otherwise unoccupied; and
 - (c) Provide at least one watchperson or other means of surveillance during work hours if the Schedule requires that the premises or part thereof be protected during work hours.
2. The protective safeguards to which this endorsement applies are identified by the following symbols:

"P-1" Automatic Sprinkler System, including related supervisory services.

"P-2" Automatic Sprinkler System connected to a Central Station

Automatic Sprinkler System means:

- a. Any automatic fire protective or extinguishing system, including connected:
 - (1) Sprinklers and discharge nozzles;
 - (2) Ducts, pipes, valves and fittings;
 - (3) Tanks, their component parts and supports; and
 - (4) Pumps and private fire protection mains.
- b. When supplied from an automatic fire protective system:
 - (1) Non-automatic fire protective systems; and
 - (2) Hydrants, standpipes and outlets.

"P-3" Automatic Commercial Cooking Exhaust And Extinguishing System installed on cooking appliances and having the following components:

- a. Hood;
- b. Grease removal device;
- c. Duct system; and
- d. Wet chemical fire extinguishing equipment.

"P-4" Automatic Fire Alarm, protecting the entire building, that is:

- a. Connected to a central station; or
- b. Reporting to a public or private fire alarm station.

"P-5" Automatic Burglary Alarm, protecting the entire building, that signals to:

- a. An outside central station; or
- b. A police station.

"P-6" Automatic Burglary Alarm, protecting the entire building, that has a loud sounding gong or siren on the outside of the building.

"P-7" Security Service, with a recording system or watch clock, making hourly rounds covering the entire building, when the premises are not in actual operation.

"P-8" Service Contract, with a privately owned fire department providing fire protection service to the described premises.

"P-9" The protective system described in the Schedule.

B. The following EXCLUSION is added:

We will not pay for loss or damage caused by or resulting from the Applicable Cause(s) of Loss specified in the Schedule if, prior to the loss, you failed to comply with any condition set forth in Paragraph **A.1**.

This Endorsement Changes The Policy. Please Read It Carefully.

LIMITATIONS ON COVERAGE FOR ROOF SURFACING

This endorsement modifies insurance provided under the following:

ALL COVERAGE PARTS

Premises Number	Building Number	Age of Roof (Years)	Indicate Applicability (Paragraph A. and/or Paragraph B.)
1	All		B

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

- A.** The following applies with respect to loss or damage by **wind and/or hail** to all buildings or structures identified in the Schedule above as being subject to this Paragraph **A.**:

If there is no "Age of Roof" shown in the Schedule above, Replacement Cost coverage (if otherwise applicable to such property) does NOT apply to roof surfacing. Instead, we will determine the value of roof surfacing at actual cash value as of the time of loss or damage.

If there is an "Age of Roof" shown in the Schedule above, Replacement Cost coverage (if otherwise applicable to such property) does NOT apply to roof surfacing as respects any roofs that are as old or older than the "Age of Roof" shown in the Schedule above. Instead, we will determine the value of roof surfacing at actual cash value as of the time of loss or damage.

In the event of loss or damage, if the roof has been replaced since the "Age of Roof" shown in the Schedule above and the Insured is able to provide written notice and paid receipt of the roof replacement, Paragraph A. is considered null and void regarding any loss or damage that occurs after the date of the roof's complete replacement.

- B.** The following applies with respect to loss or damage by **wind and/or hail** to all buildings or structures identified in the Schedule as being subject to this Paragraph **B.**:

We will not pay for cosmetic damage to roof surfacing caused by wind and/or hail. For the purpose of this endorsement, cosmetic damage means that the wind and/or hail caused marring, pitting or other superficial damage that altered the appearance of the roof surfacing, but such damage does not prevent the roof from continuing to function as a barrier to entrance of the elements to the same extent as it did before the cosmetic damage occurred.

- C.** With regard to any roof that is valued at Actual Cash Value, any coverage for Increased Cost of Construction and/or Ordinance or Law will not apply, regardless of anything to the contrary elsewhere in this policy.

- D.** For the purpose of this endorsement, roof surfacing includes, but is not limited to, shingles; tiles; cladding; gravel; ballast; metal or synthetic sheeting or similar materials covering the roof and includes all materials used in securing the roof surface and all materials applied to or under the roof surface for moisture protection or insulation, as well as roof flashing.

This Endorsement Changes The Policy. Please Read It Carefully.

APPRAISAL CLAUSE AMENDMENT

This endorsement modifies insurance provided under the following:

ALL COVERAGE PARTS

This endorsement replaces any and all other provisions regarding appraisal.

If we and you disagree on the value of the property or the amount of loss, either party may request, in writing, an appraisal of the value of the property and/or the amount of loss. An appraisal may then take place only if the other party agrees in writing to participate in the appraisal process pursuant to terms of a written agreement between the parties. At a minimum, the written agreement between the parties will specify a protocol for the selection of a disinterested, competent, and impartial appraiser (who does not have a financial interest in the claim and/or appraisal award, including a contingent interest in the outcome of the claim or appraisal award), the inspection of the property by the appraisers, the selection of an umpire, communications between and among the appraisers and umpire, specific itemization of each item in dispute, and an award form. If the parties cannot agree on a written agreement specifying the protocol, an appraisal will not take place.

If appraisal moves forward, the two appraisers will select an umpire, who is disinterested, competent, and impartial. If the two appraisers cannot agree to an umpire within 15 days of either appraiser proposing one or more umpires, the two appraisers may jointly request that the selection of a competent and impartial umpire be made by a judge of a court in the county of the loss or damage. If either party to the appraisal, without notice to the other party, asks a judge to select an umpire, any such umpire selection shall be invalidated and the selection of a new umpire shall be required. If the appraisers do not agree to jointly request the appointment of an umpire, either the insurer or insured can unilaterally end the appraisal with written notice to the other. The appraisers will state separately the value of the property and amount of loss. Specific itemization of each item and amount in dispute is required, including, but not limited to, building-by-building, floor-by-floor, unit-by-unit, and area-by-area allocation. If the appraisers fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding.

Each party will:

- a. pay its chosen appraiser; and
- b. bear the other expenses of the appraisal and the umpire's fee equally.

In connection with the appraisal proceeding, neither the appraisers nor the umpire shall have authority to decide questions of law. Neither the appraisers nor the umpire shall attempt to resolve any issue of insurance coverage, policy exclusions, compliance with the policy terms and conditions, or any issues concerning the Limits of Insurance available under the Policy.

At any time after the request for appraisal, we will retain our right to demand compliance with all applicable Duties in the Event of Loss as described in this Policy. We may require completion of any of the Duties in the Event of Loss, or any other policy condition, prior to continuance of the appraisal proceeding.

If there is an appraisal, we will still retain our right to deny the claim.

Where applicable, the parties agree that during the pendency of an appraisal all required responses and cures to any Civil Remedy Notices are extended until 30 days after the appraisal is concluded.

By voluntarily agreeing to the appraisal process, both parties acknowledge that there are irreconcilable differences that exist regarding the value of the property and/or the amount of loss. Since appraisal is voluntary, you are not required to submit to, or participate in, any appraisal of the loss as a precondition to action against us.

This Endorsement Changes The Policy. Please Read It Carefully.

EXCLUSION AND LIMITED ADDITIONAL COVERAGE FOR FUNGUS

This endorsement modifies insurance provided under the following:

ALL COVERAGE PARTS

A. The following Exclusion is added:

EXCLUSION – “Fungus”, Wet Rot, Dry Rot And Bacteria

We will not pay for loss or damage caused directly or indirectly by the presence, growth, proliferation, spread or any activity of "fungus", wet or dry rot or bacteria. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss. But if "fungus", wet or dry rot or bacteria results in a "specified covered cause of loss", we will pay for the loss or damage caused by that "specified covered cause of loss".

This exclusion does not apply:

1. When "fungus", wet or dry rot or bacteria results from fire or lightning; or
2. To the extent that coverage is provided in the Additional Coverage - Limited Coverage For "Fungus", Wet Rot, Dry Rot And Bacteria with respect to loss or damage by a cause of loss other than fire or lightning.

B. The following Additional Coverage is added:

ADDITIONAL COVERAGE - Limited Coverage For "Fungus", Wet Rot, Dry Rot And Bacteria

1. This limited coverage applies only when the "fungus", wet or dry rot or bacteria is the result of one or more of the following causes that occurs during the policy period and only if all reasonable means were used to save and preserve the property from further damage at the time of and after that occurrence, and only if any loss resulting from the following is reported to us within 60 days of the occurrence.
 - a. A "specified covered cause of loss" other than fire or lightning; or
 - b. Flood, if the Flood Coverage Endorsement applies to the affected premises.
2. Under conditions described in item **B.1.** above, we will pay for loss or damage by "fungus", wet or dry rot or bacteria. As used in this Limited Coverage, the term loss or damage means:
 - a. Direct physical loss or damage to Covered Property caused by "fungus", wet or dry rot or bacteria, including the cost of removal of the "fungus", wet or dry rot or bacteria;
 - b. The cost to tear out and replace any part of the building or other property as needed to gain access to the "fungus", wet or dry rot or bacteria; and
 - c. The cost of testing performed after removal, repair, replacement or restoration of the damaged property is completed, provided there is a reason to believe that "fungus", wet or dry rot or bacteria are present.
3. The coverage provided under this Limited Coverage is limited to \$15,000. Regardless of the number of claims, this limit is the most we will pay for the total of all loss or damage arising out of all occurrences which take place in a 12-month period (starting with the beginning of the present annual policy period). With respect to a particular occurrence of loss which results in "fungus", wet or dry rot or bacteria, we will not pay more than a total of \$15,000 even if the "fungus", wet or dry rot or bacteria continues to be present or active, or recurs, in a later policy period.
4. The coverage provided under this Limited Coverage does not increase the applicable Limit of Insurance on any Covered Property. If a particular occurrence results in loss or damage by "fungus", wet or dry rot or bacteria, and other loss or damage, we will not pay more, for the total of all loss or damage, than the applicable Limit of Insurance on the affected Covered Property.

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If there is covered loss or damage to Covered Property, not caused by "fungus", wet or dry rot or bacteria, loss payment will not be limited by the terms of this Limited Coverage, except to the extent that "fungus", wet or dry rot or bacteria causes an increase in the loss. Any such increase in the loss will be subject to the terms of this Limited Coverage.

C. The following Definition is added:

- 1.** "Fungus" means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by fungi.
- 2.** "Specified covered cause of loss" means the following: Fire; lightning; explosion; windstorm or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; sinkhole collapse; volcanic action; falling objects; weight of snow, ice or sleet; water damage.
 - a.** Sinkhole collapse means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite. This cause of loss does not include:
 - (1)** The cost of filling sinkholes; or
 - (2)** Sinking or collapse of land into man-made underground cavities.
 - b.** Falling objects does not include loss or damage to:
 - (1)** Personal property in the open; or
 - (2)** The interior of a building or structure, or property inside a building or structure, unless the roof or an outside wall of the building or structure is first damaged by a falling object.
 - c.** Water damage means accidental discharge or leakage of water or steam as the direct result of the breaking apart or cracking of a plumbing, heating, air conditioning or other system or appliance (other than a sump system including its related equipment and parts), that is located on the described premises and contains water or steam.

This Endorsement Changes The Policy. Please Read It Carefully.

ASBESTOS EXCLUSION

This endorsement modifies insurance provided under the following:

ALL COVERAGE PARTS

This policy does not apply to any loss, demand, claim or suit arising out of or related in any way to asbestos or asbestos-containing materials.

The company shall have no duty of any kind with respects to any such loss, demand, claim or suit.

This Endorsement Changes The Policy. Please Read It Carefully.

EXCLUSION OF PATHOGENIC OR POISONOUS BIOLOGICAL OR CHEMICAL MATERIALS

This endorsement modifies insurance provided under the following:

ALL COVERAGE PARTS

The following exclusion is added:

We will not pay for loss or damage caused directly or indirectly by the discharge, dispersal, seepage, migration, release, escape or application of any pathogenic or poisonous biological or chemical materials. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

However, if both A. and B. below apply, we will pay up to a maximum of \$10,000 for any and all claims for such loss or damage arising out of events occurring within the term of this policy:

- A. The pathogenic or poisonous biological or chemical materials are normally kept at or brought onto your premises, with your consent, for use in your business operations at your premises; and
- B. The discharge, dispersal, seepage, migration, release, escape or application of the pathogenic or poisonous biological or chemical materials is accidental and is not the result of a willful or malicious act against any persons, organizations, or property of any nature.

This Endorsement Changes The Policy. Please Read It Carefully.

EARTH MOVEMENT SPRINKLER LEAKAGE EXCLUSION

This endorsement modifies insurance provided under the following:

ALL COVERAGE PARTS

In consideration of premium charged, it is agreed that the following exclusion is added to this policy:

We will not pay for loss or damage caused directly or indirectly by Sprinkler Leakage resulting from Earth Movement. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

Earth Movement shall be defined as follows:

1. Earthquake, including any earth sinking, rising or shifting related to such event;
2. Landslide, including any earth sinking, rising or shifting related to such event;
3. Mine subsidence, meaning subsidence of a man-made mine, whether or not mining activity has ceased;
4. Earth sinking (other than sinkhole collapse), rising or shifting including soil conditions which cause settling, cracking or other disarrangement of foundations or other parts of realty. Soil conditions include contraction, expansion, freezing, thawing, erosion, improperly compacted soil and the action of water under the ground surface.
5. Volcanic Eruption, Explosion or Effusion.

This Endorsement Changes The Policy. Please Read It Carefully.

EXCLUSION – PRE-EXISTING DAMAGE

This endorsement modifies insurance provided under the following:

ALL COVERAGE PARTS

We will not pay for any loss or damage which occurred, existed, or commenced prior to the inception date of this Policy, whether such loss or damage was known or unknown to any Insured or party seeking recovery under this Policy. This insurance also does not apply to the following loss or damage which is likewise excluded from coverage:

- (a) Pre-existing damage which occurred, existed, or commenced, in whole or in part, prior to the inception date of this Policy;
- (b) Loss or damage which occurs during this Policy period, but was caused directly or indirectly by pre-existing damage which pre-dated this Policy;
- (c) Loss or damage resulting from pre-existing damage which occurred, existed, or commenced prior to the inception date of this Policy; or
- (d) Loss or damage which is, or is alleged to be, in the process of occurring as of the inception date of this Policy, even if the "occurrence" continues during this Policy period.

Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

Property damage which occurred, existed, or commenced prior to the effective date of this Policy will be deemed to have happened prior to, and not during, the term of this insurance.

This Endorsement Changes The Policy. Please Read It Carefully.

EXCLUSION OF TERRORISM (EXCEPTION COVERING CERTAIN FIRE LOSSES)

This endorsement modifies insurance provided under the following:

ALL COVERAGE PARTS

A. Definitions

1. "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in that Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:
 - a. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
 - b. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.
2. "Other act of terrorism" means any activity against persons, organizations or property of any nature:
 - a. That involves the following or preparation for the following:
 - (1) Use or threat of force or violence; or
 - (2) Commission or threat of a dangerous act; or
 - (3) Commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and
 - b. When one or both of the following applies:
 - (1) The effect is to intimidate or coerce a government or the civilian population or any segment thereof, or to disrupt any segment of the economy; or
 - (2) It appears that the intent is to intimidate or coerce a government, or to further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology; and
 - c. When the act is not certified as a terrorist act pursuant to the federal Terrorism Risk Insurance Act.

B. Exclusion of Certified Acts of Terrorism and the following Other Acts of Terrorism

We will not pay for loss or damage caused directly or indirectly by a "certified act of terrorism" or an "other act of terrorism":

1. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.
2. With respect to an "other act of terrorism", this exclusion applies only when one or more of the following are attributed to such act:
 - a. The act involves the use, release or escape of nuclear materials, or that directly or indirectly results in nuclear reaction or radiation or radioactive contamination;
 - b. The act is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials;
 - c. The act involves the release of pathogenic or poisonous biological or chemical materials, and it appears that one purpose of the terrorism was to release such materials; or

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- d. The total of insured damage to all types of property in the United States, its territories and possessions, Puerto Rico, and Canada exceeds \$25,000,000. In determining whether the \$25,000,000 threshold is exceeded, we will include all insured damage sustained by property of all persons and entities affected by the “other act of terrorism” and business interruption losses sustained by owners or occupants of the damaged property. For the purpose of this provision, insured damage means damage that is covered by any insurance plus damage that would be covered by any insurance but for the application of any terrorism exclusions. Multiple incidents of an “other act of terrorism” which occur within a 72-hour period and appear to be carried out in concert or to have a related purpose or common leadership will be deemed to be one incident, for the purpose of determining whether the threshold is exceeded.

With respect to this Item **B.2.d.**, the immediately preceding paragraph describes the threshold used to measure the magnitude of an “other act of terrorism” and the circumstances in which the threshold will apply, for the purpose of determining whether this exclusion will apply to that incident. When the exclusion applies to an “other act of terrorism”, there is no coverage under this Coverage Part or Policy.

C. Exception Covering Certain Fire Losses

If a “certified act of terrorism” or an “other act of terrorism” results in Fire, we 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 Covered Property. Therefore, for example, the coverage does not apply to insurance provided under Business Income and/or Extra Expense Coverage Forms or endorsements that apply to those coverage forms, or to the Legal Liability Coverage Form or the Leasehold Interest Coverage Form.

With respect to Fire resulting from any one or more “certified acts of terrorism” under the federal Terrorism Risk Insurance Act, we will not pay any amounts for which we are not responsible under the terms of that Act (including subsequent action of Congress pursuant to the Act) due to the application of any clause which results in a cap on our liability for payments for terrorism losses.

D. Application Of Other Exclusions

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 which would otherwise be excluded under this Coverage Part or Policy, such as, but not limited to, losses excluded by any Nuclear Hazard or War And Military Action Exclusions.

This Endorsement Changes The Policy. Please Read It Carefully.

CYBER, ELECTRONIC DATA AND SYSTEMS EXCLUSION

This endorsement modifies insurance provided under the following:

ALL COVERAGE PARTS

Notwithstanding any provision to the contrary within the Policy or any endorsements attached thereto, it is understood and agreed as follows:

Exclusion

This Policy does not insure any loss, damage, destruction, distortion, erasure, corruption or alteration of a **COMPUTER SYSTEM** or **ELECTRONIC DATA** from any cause whatsoever (including but not limited to **COMPUTER VIRUS**) or any loss of access, any loss of use, reduction in functionality, cost, expense of any kind or of any nature whatsoever resulting therefrom. Further, this Policy does not insure any loss or damage that directly or indirectly results from loss, damage, destruction, distortion, erasure, corruption or alteration of **ELECTRONIC DATA** from any cause whatsoever (including but not limited to **COMPUTER VIRUS**).

Such loss or damage as described herein is excluded regardless of any other cause or event contributing concurrently or in any other sequence to the loss or damage.

This exclusion applies regardless of whether the loss or damage arises out of or results from authorized, unauthorized, intentional, unintentional or accidental access in, of, or to any computer, communication system, file server, network(s), networking equipment, computer system, computer hardware, computer software, data processing equipment, computer memory, microchip, microprocessor, integrated circuit or similar device.

However, this Policy, subject to all other terms, conditions and exclusions, will cover physical damage to insured property that was directly caused by any of the following perils occurring within the Policy Period:

fire, lightning, explosion, aircraft or vehicle impact, falling objects, windstorm or hail, flood (unless otherwise excluded), or earthquake (unless otherwise excluded).

COMPUTER SYSTEM means any computer, hardware, software, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility.

ELECTRONIC DATA means facts, concepts and information recorded, transmitted or converted to a form useable for communications, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment. This includes any biometric information, including but not limited to retina or iris scans, fingerprints, voiceprints, DNA, scans of hand or face geometry or any other biometric algorithm or measurement which allows any individual to be identified. **ELECTRONIC DATA** also includes programs, software and other coded instructions for the processing and manipulation of data or the direction and manipulation of such equipment. This includes any item reliant on Blockchain technology, including but not limited to cryptocurrencies or Non-Fungible Tokens.

COMPUTER VIRUS means a set of corrupting, harmful or otherwise unauthorized instructions or code including, but not limited to any set of maliciously, intentionally, unintentionally or accidentally introduced instructions or code, programmatic or otherwise, that propagate themselves through a computer system or network of whatsoever nature located anywhere in the world. **COMPUTER VIRUS** includes, but is not limited to 'Trojan Horses', 'worms' and 'time or logic bombs'.

This Endorsement Changes The Policy. Please Read It Carefully.

EXCLUSION – POST LOSS ASSIGNMENTS

This endorsement modifies insurance provided under the following:

ALL COVERAGE PARTS

This insurance does not apply to any claim submitted by, or on behalf of, any person or entity pursuant to an assignment of benefits, rights, interest, proceeds or causes of action.

COMMON POLICY CONDITIONS

All Coverage Parts included in this policy are subject to the following conditions.

A. Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
 - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

B. Changes

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

C. Examination Of Your Books And Records

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

D. Inspections And Surveys

1. We have the right to:
 - a. Make inspections and surveys at any time;

- b. Give you reports on the conditions we find; and

- c. Recommend changes.

2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
 - a. Are safe or healthful; or
 - b. Comply with laws, regulations, codes or standards.

- a. Are safe or healthful; or
 - b. Comply with laws, regulations, codes or standards.
3. Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

- a. Are safe or healthful; or
 - b. Comply with laws, regulations, codes or standards.
4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

E. Premiums

The first Named Insured shown in the Declarations:

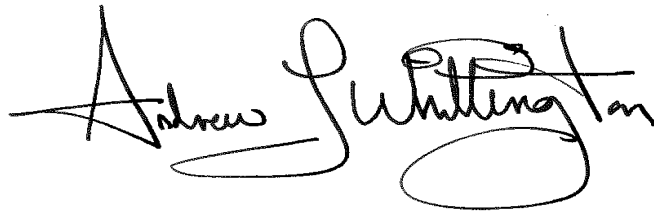
1. Is responsible for the payment of all premiums; and
2. Will be the payee for any return premiums we pay.

F. Transfer Of Your Rights And Duties Under This Policy

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

Your policy has been signed on our behalf by our President and by our Secretary. However, your policy will not be binding on us unless it is also countersigned by one of our duly authorized agents.



President

**RSUI Indemnity Company
Landmark American Insurance Company
Covington Specialty Insurance Company**



Secretary

**RSUI Indemnity Company
Landmark American Insurance Company
Covington Specialty Insurance Company**



A member of Alleghany Insurance Holdings LLC