

Eric Delima

Brokerage Name: WORLDWIDE FACILITIES LLC

Brokerage address: 725 S. FIGUEROA ST., 19TH FLOOR LOS ANGELES, CA 90017

**Re: SURFSIDE III COA**

Enclosed please find the original policy of the captioned risk. Please be advised that this policy replaces our binder.

It is important that you take time to read the policy carefully, as it is your responsibility to check for accuracy, and contact us if there are any discrepancies or have any questions.

Please keep in mind that you do not have binding authority for any policy changes.

Thank you for your confidence in us, and we look forward to working with you in the future.

Regards,

Kailani Sandoval

**Please be advised that we do not review Certificates of Insurance or Evidences of Commercial Property Insurance issued by you, or by any party, relating to this policy of insurance either for content or accuracy. Accordingly, we request that you do not provide copies of certificates or evidences to us for review or for our records. Authority is granted to you for the limited purpose of issuing unmodified ACORD Certificates (ACORD 25-S for Casualty and ACORD 24 for Property and Inland Marine) and unmodified Evidence of Commercial Property Insurance (ACORD 27 and 28) only. It is your responsibility to see that any Certificate or Evidence provides an accurate representation of the coverage form and endorsements applicable to this policy at the time the Certificates or Evidences is issued. Any modification of the approved ACORD forms specifically set forth above, or the issuance of a non-approved Certificates of Insurance ACORD or other is prohibited. Certificates of Insurance or Evidence of Commercial Property Insurance may only be issued as a matter of information. You have no authority by virtue of a Certificate, Evidence, or otherwise, to amend, extend or otherwise alter coverage afforded under this policy. Certificates of Insurance or Evidences of Commercial Property Insurance are never recognized as endorsements or policy change requests. You must submit a separate written request if an endorsement or policy change (including but not limited to adding additional insureds, loss payees and mortgagees and/or alteration of notice requirements for cancellation) is requested. In the event a policy change is requested, the underwriter will advise if the request is acceptable to the Company(ies).**

# Excess Property Declarations - Participating

	Account #	<u>94697</u>
General Security Indemnity Company of Arizona	Policy #	<u>TR0001486-10930-21</u>
Steadfast Insurance Company	Policy #	<u>BPP0980648</u>
Palomar Excess and Surplus Insurance Company	Policy #	<u>PE700695</u>
Lexington Insurance Company	Policy #	<u>043402826</u>

<b>Name and Address of the Insured</b>	<b>Producer</b>
<u>SURFSIDE III COA</u>	<u>WORLDWIDE FACILITIES LLC</u>
<u>C/O LORDON MANAGEMENT</u>	
<u>600 SUNFISH WAY</u>	<u>725 S. FIGUEROA ST., 19TH FLOOR</u>
<u>PORT HUENEME, CA 93041</u>	<u>LOS ANGELES, CA 90017</u>

Effective From 7/8/2021 to 7/8/2022;  
Both days at 12:01 AM; Local time at the location of the property involved  
Insurance is effective with: Insurer(s) as stated on Form 0707XS (10/18) Excess Limit of Liability Insurer Participation Endorsement

**This policy consists of the following coverage parts for which a premium is indicated.**  
**This premium may be subject to adjustment.**  
COMMERCIAL PROPERTY COVERAGE PART

	Premium
General Security Indemnity Company of Arizona	<u>\$16,250.00</u>
Steadfast Insurance Company	<u>\$15,353.00</u>
Palomar Excess and Surplus Insurance Company	<u>\$23,647.00</u>
Lexington Insurance Company	<u>\$9,750.00</u>
<b>TOTAL</b>	<b><u>\$65,000</u></b>
Catastrophe Analysis Fee	<u>\$1,200</u>
Inspection Fee	<u>\$0</u>

Minimum Earned Premium \$16,250.00 (plus fees)

Dated: August 27 2021

<b>California Premium:</b>	\$	<b>65,000.00</b>
<b>Amwins Service Fee:</b>	\$	
<b>Market Policy Fee:</b>	\$	<b>1,200.00</b>
<b>Market Inspection Fee:</b>	\$	
<b>Surplus Lines Tax:</b>	\$	<b>1,986.00</b>
<b>Stamping Fee:</b>	\$	<b>165.50</b>

# EXCESS LIMIT OF LIABILITY INSURER PARTICIPATION ENDORSEMENT

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

In consideration of the premium charged, the subscribing Company(ies) or Underwriter(s), hereinafter referred to as the "Insurers", do severally, but not jointly, agree to provide coverage to the Insured for the amount recoverable in accordance with the terms and conditions of this Policy, provided that:

1. The collective liability of all Insurers shall not exceed the Limit of Liability, any applicable Sublimit of Liability or Annual Aggregate limit set forth in (A) through (C) below, and;
2. The liability of each of the Insurers shall not exceed the Participation Limit for each Insurer set forth herein with the exception of loss adjustment expense which shall be borne solely by each Insurer that incurs such expense on each applicable layer of insurance.

The insurers' obligations under contracts of insurance to which they subscribe are several and not joint and are limited solely to the extent of their individual subscriptions. The Insurers are not responsible for the subscription of any co-subscribing insurer who for any reason does not satisfy all or part of its obligations.

Any sublimited coverage provided under this policy is limited to the same Insurer Participation proportional allocation as shown below under the Limit of Liability.

Nothing herein shall be held to vary, alter, waive or change any of the terms, limits or conditions of the policy except as herein above set forth.

### Limit of Liability - \$54,970,000 part of \$54,970,000 excess of \$10,000,000

- (A) The limit of liability of this policy in respect to each and every loss occurrence shall not exceed:  
\$54,970,000
- (B) As respects loss or damage caused by or resulting from earthquake, the limit of liability during any one policy term shall not exceed:  
\$54,970,000
- (C) As respects loss or damage caused by or resulting from flood, the limit of liability during any one policy term shall not exceed:  
\$0.00

Participating insurer's shall be liable with respect to each and every loss occurrence for an amount not exceeding its proportion of the excess over and above a net loss per occurrence as shown above for primary and/or underlying insurance which in turn is excess over underlying deductibles and/or any Self Insured Retention, and in no event will respond until the loss exceeds the deductible and primary and/or underlying limits for the same perils, interests and locations covered by this policy.

### Insurer Participation:

Insurer	Policy #	Participation Limit (excess of applicable deductibles per endorsement)	TRIA Coverage
General Security Indemnity Company of Arizona	TR0001486-10930-21	\$13,742,500 part of \$54,970,000 excess of \$10,000,000	Declined
Steadfast Insurance Company	BPP0980648	\$12,982,000 part of \$54,970,000 excess of \$10,000,000	Declined
Palomar Excess and Surplus Insurance Company	PE700695	\$20,000,000 part of \$54,970,000 excess of \$10,000,000	Declined
Lexington Insurance Company	043402826	\$8,245,500 part of \$54,970,000 excess of \$10,000,000	Declined

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

**SCHEDULE OF POLICY FORMS.**

**This endorsement modifies insurance provided under the following:**

**DIFFERENCE IN CONDITIONS**

**The following forms apply to all carriers designated on the policy declarations.**

**FORMS APPLICABLE TO ALL COVERAGE PARTS:**

- BBINS Cover - COVER LETTER**
- 0100XS - EXCESS PROPERTY DECLARATIONS - PARTICIPATING**
- 0707XS - EXCESS LIMIT OF LIABILITY INSURER PARTICIPATION ENDORSEMENT**
- 0100A - SCHEDULE OF POLICY FORMS**
- 0102 - ADDITIONAL POLICY CONDITIONS**
- 0104 - POLICY MINIMUM EARNED PREMIUM**
- 0406 - STATEMENT OF VALUES**
- 0502A - TERRITORY COVERAGE LIMITATION**
- 0505 - NOTIFICATION OF CLAIMS**
- 0600 - ASBESTOS EXCLUSION**
- 0602A - DEBRIS REMOVAL CLAUSE**
- 0610 - ORDINANCE OR LAW COVERAGE**
- 0611 - ENSUING LOSS EXCLUSION**
- 0615 - AMENDED EXCESS CANCELLATION PROVISION**
- 0700 - EXCESS PROPERTY DECLARATIONS**
- 0703 - EXCESS PROPERTY INSURANCE FORM**
- 0704 - LEAD CARRIER ENDORSEMENT**
- 0705 - UNDERLYING DEDUCTIBLE ENDORSEMENT**
- 0706A - DROP DOWN CLAUSE**
- 0999 - ENDORSEMENT NO. 1**
- 0999 - ENDORSEMENT NO. 2**
- 0999 - ENDORSEMENT NO. 3**
- D-2 - SURPLUS LINES PLACEMENT NOTICE**
- 0105 - OFAC NOTICE**
- 0106 - CYBER EXCLUSION ENDORSEMENT**
- 0107 - EXCLUSION OF CERTIFIED ACTS OF TERRORISM**
- 0108 - SANCTIONS EXCLUSION ENDORSEMENT**
- 0507 - WAR AND MILITARY ACTION EXCLUSION**
- 0508 - NUCLEAR, BIOLOGICAL, CHEMICAL AND RADIOLOGICAL HAZARDS EXCLUSION**
- 0608 - MOLD EXCLUSION**
- 0625 - SEEPAGE AND/OR POLLUTION AND/OR CONTAMINATION EXCLUSION**
- CP 01 40 07 06 - EXCLUSION OF LOSS DUE TO VIRUS OR BACTERIA**
- AMND STEADFAST INSURANCE - STEADFAST INSURANCE COMPANY AMENDATORY**
- AMND PALOMAR - PALOMAR EXCESS AND SURPLUS INSURANCE COMPANY**
- AMND GENERAL SECURITY - GENERAL SECURITY INDEMNITY COMPANY OF ARIZONA AMENDATORY**
- AMND LEXINGTON - LEXINGTON INSURANCE COMPANY AMENDATORY**

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

**ADDITIONAL POLICY CONDITIONS**

**This endorsement modifies insurance provided under the following:**

**DIFFERENCE IN CONDITIONS COVERAGE FORM  
EXCESS PROPERTY COVERAGE FORM**

**A CHANGES**

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

**B PREMIUMS**

The first Named Insured shown in the Declarations:

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

**C TRANSFER OF THE NAMED INSURED'S RIGHTS AND DUTIES UNDER THIS POLICY**

The named Insured's rights and duties under this policy may not be transferred without the Company's written consent except in the case of death of an individual Named Insured.

If an individual Named Insured dies, the individual Named Insured's rights and duties will be transferred to the individual Named Insured's legal representative but only while acting within the scope of duties as the individual Named Insured's legal representative is appointed, anyone having proper temporary custody of the individual Named Insured's property will have the individual Named Insured's rights and duties but only with respect to that property.

**POLICY NUMBER: PER DECLARATIONS**

**DIFFERENCE IN CONDITIONS  
EXCESS PROPERTY**

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

**POLICY MINIMUM EARNED PREMIUM ENDORSEMENT**

**This endorsement modifies insurance provided under the following:**

**DIFFERENCE IN CONDITIONS COVERAGE FORM  
EXCESS PROPERTY INSURANCE FORM**

In the event of cancellation at the insured's request or for non-payment of premium, the Policy minimum earned premium will be 25% of the policy premium.

Nothing in this endorsement is deemed to affect the company's cancellation rights which remain as stated in this policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

### STATEMENT OF VALUES

This endorsement modifies insurance provided under the following:

**DIFFERENCE IN CONDITIONS COVERAGE FORM  
EXCESS PROPERTY INSURANCE**

The premium for this policy is based upon the statement of values and/or the application for insurance on file with the company dated 4/7/2021 or attached to this policy including amendments and endorsements thereto. In the event of loss hereunder, liability of the company shall be limited to the least of the following:

- A. The actual adjusted amount of loss, less applicable deductible(s).
- B. 100% of the stated values for the items involved, as shown on the latest statement of values and/or the latest application for insurance on file with this company, including amendments and endorsements thereto, less applicable deductible(s).
- C. The limit of liability or amount of insurance shown in the coverage form of this policy or endorsed onto this policy. In no event shall the liability of this company exceed this limit or amount in any one disaster, casualty, or event, irrespective of the number of items or locations involved.
- D. The remaining amount of the applicable annual limit for earthquake or flood shown in the coverage form of this policy.

**POLICY NUMBER: PER DECLARATIONS**

**DIFFERENCE IN CONDITIONS  
EXCESS PROPERTY**

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

**TERRITORY COVERAGE LIMITATION**

**This endorsement modifies insurance provided under the following:**

**DIFFERENCE IN CONDITIONS COVERAGE FORM  
EXCESS PROPERTY INSURANCE FORM**

It is agreed that the coverage territory under this policy is limited to:

STATE OF CALIFORNIA ONLY.



**POLICY NUMBER: PER DECLARATIONS**

**DIFFERENCE IN CONDITIONS  
EXCESS PROPERTY**

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

### **NOTIFICATION OF CLAIMS**

**This endorsement modifies insurance provided under the following:**

**DIFFERENCE IN CONDITIONS COVERAGE FORM  
EXCESS PROPERTY INSURANCE FORM**

Claims should be reported to:

American Claims Management

Claims Department Mailing Address:  
PO Box 9060  
Carlsbad, CA 92018-9060

Toll Free: 888-799-2919  
General Fax: 619-744-5094

ACM Website:  
[www.ACMclaims.com](http://www.ACMclaims.com)

Reporting a Claim by Email:  
[NewLossesCL@ACMclaims.com](mailto:NewLossesCL@ACMclaims.com)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

### ASBESTOS EXCLUSION

This endorsement modifies insurance provided under the following:

**DIFFERENCE IN CONDITIONS COVERAGE FORM  
EXCESS PROPERTY INSURANCE FORM**

This policy does not insure against any loss or increase in loss caused by or resulting from:

- (1) Asbestos, dioxin, or polychlorinated biphenols removal, encapsulation, covering, or any manner of control or abatement from any goods, products, or structure;
- (2) Demolition, increased cost of construction, repair, debris removal or loss of use necessitated by the enforcement of any law or ordinance regulating asbestos, dioxins, or polychlorinated biphenols;  
  
Any governmental direction or request declaring that asbestos material present in or part of or utilized on any
- (3) undamaged portion of the insured's property can no longer be used for the purpose for which it was intended or installed and must be removed or modified; or
- (4) The presence of asbestos in any building or structure as defined in the policy form.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

### DEBRIS REMOVAL CLAUSE

This endorsement modifies insurance provided under the following:

#### DIFFERENCE IN CONDITIONS COVERAGE FORM EXCESS PROPERTY INSURANCE FORM

In the event of direct physical loss or damage to the property insured hereunder, this policy (subject otherwise to its terms, conditions, and limitations, including but not limited to any applicable deductible) also insures within the sum insured, necessary expenses reasonably incurred in the removal of debris of the property insured hereunder destroyed or damaged by a covered peril.

This company shall not be liable under this policy and this clause for:

- (1) Any loss or expense to extract "pollutants" from land, air or water; or remove, restore or replace polluted land, air or water.

"Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ORDINANCE OR LAW COVERAGE  
COVERAGE A - LOSS TO THE UNDAMAGED PORTION OF THE BUILDING**

This endorsement modifies insurance provided under the following:

**DIFFERENCE IN CONDITIONS COVERAGE FORM**

**SCHEDULE**

**Coverage A**

**\$54,970,000 SUBLIMIT**

**A. COVERAGE**

In the event of direct physical loss of or damage to Building property at covered locations caused by or resulting from a Covered Peril, the company shall also be liable as follows:

**1. Coverage A - Coverage For Loss to the Undamaged Portion of the Building**

The company will pay for loss to the undamaged portion of the building caused by enforcement of any ordinance or law that:

- a. Requires the demolition of parts of the same property not damaged by a Covered Peril;
- b. Regulates the construction or repair of buildings, or establishes zoning or land use requirements at the described location(s); and
- c. Is in force at the time of loss.

This coverage extension is subject to the limit of liability shown above and is included within the Limit of Liability applicable to covered Building property.

**2. Under Coverage A - Coverage For Loss to the Undamaged Portion of the Building**

- a. If the Replacement Cost endorsement is attached to this policy and the property is repaired or replaced, at the same or at another location, the company will not pay more for loss or damage to Covered Property, including loss caused by enforcement of an ordinance or law, than the lesser of:
  - i. The amount the insured actually spends to repair, rebuild or reconstruct the building, but not for more than the amount it would cost to restore the building at the same location and to the same height, floor area, style and comparable quality of the original property insured; or
  - ii. The Limit of Liability applicable to the covered Building property.
- b. i. If the Replacement Cost endorsement is attached to this policy and the property is **not** repaired or replaced; or
- ii. If the Replacement Cost coverage option does not apply,

the company will not pay more for loss or damage to Covered Property, including loss caused by enforcement of an ordinance or law, than the lesser of:

- (1) The actual cash value of the building at the time of loss; or
- (2) The Limit of Liability applicable to the covered Building property.

## **B. EXCLUSIONS**

With regard to Building property, if covered hereunder, this policy does not insure against any of the following:

### **1. Pollution**

Loss caused by or resulting from the discharge, dispersal, seepage, migration, release or escape of "pollutants". The company will not pay any loss, cost or expense associated with the enforcement of any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, restore, replace, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".

"Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

### **2. Demolition Cost**

The cost of demolishing any undamaged portion of the insured property, including the cost of clearing the site thereof, caused by loss from any peril insured against under this policy and resulting from enforcement of any local or state ordinance or law regulating the construction, repair or demolition of buildings or structures and in force at the time of loss which necessitates such demolition.

Notwithstanding the above exclusion, the underlying aggregates can be reduced or exhausted by coverage provided thereunder, and this policy will drop down and provide coverage but only to the extent insured herein.

### **3. Increased Cost of Construction**

The increased cost of repair or replacement occasioned by the enforcement of any local or state ordinance or law regulating the construction, repair or demolition of buildings or structures which necessitates, in repairing or replacing the building covered hereunder which has suffered damage or destruction by the peril(s) insured against which has undergone demolition, a greater cost of repair or replacement.

Notwithstanding the above exclusion, the underlying aggregates can be reduced or exhausted by coverage provided thereunder, and this policy will drop down and provide coverage but only to the extent insured herein.

**POLICY NUMBER: PER DECLARATIONS**

**DIFFERENCE IN CONDITIONS  
EXCESS PROPERTY**

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

**ENSUING LOSS EXCLUSION**

**This endorsement modifies insurance provided under the following:**

**DIFFERENCE IN CONDITIONS COVERAGE FORM  
EXCESS PROPERTY INSURANCE FORM**

In no event shall this Company be liable for any loss caused directly or indirectly by fire, explosion or other excluded perils whether the same be caused by or attributable to earthquake or otherwise.

**POLICY NUMBER: PER DECLARATIONS**

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

**AMENDED EXCESS CANCELLATION PROVISION**

**This endorsement modifies insurance provided under the following:**

**EXCESS PROPERTY INSURANCE FORM**

This policy is amended as follows:

**1. 0703 - EXCESS PROPERTY INSURANCE FORM is amended as follows:**

**8. CANCELLATION, is amended from 30 to 60 days.**

**Policy Number: PER DECLARATIONS**

**Effective Date: 7/8/2021  
12:01 A.M.**

**Insured: SURFSIDE III COA**

## **EXCESS PROPERTY DECLARATION**

**1. Named Insured:**

**SURFSIDE III COA , C/O LORDON MANAGEMENT 1275 CENTER COURT DR. , COVINA , CA , 91724**

**2. Location(s) Covered:**

- 1. 502 Ebbtide Circle (Multiple buildings), Port Hueneme, CA 93041**
- 2.**
- 3.**
- 4.**
- 5.**

**3. Perils and Types Coverage:**

**DIC INCLUDING EARTHQUAKE EXCLUDING FLOOD, EQSL**

**4. Limits of Liability:**

**See Form 0707XS - Excess Limit of Liability Insurer Participation Endorsement**

**5. Forms Attached to and Forming a Part of This Policy:**

Per Policy Declarations.



**EXCESS PROPERTY INSURANCE**

**1. INSURING AGREEMENT:**

This insurance is subject to the same conditions, limitations and exclusions (except as hereinafter mentioned or endorsed onto this policy) as the underlying policy(ies) issued by the Company(ies) shown in the Lead Carrier Endorsement attached to this policy, and hereinafter referred to as Primary Insurer(s) and/or Underlying Insurer(s).

It is expressly agreed that liability under this policy shall attach to the Underwriters only after the Primary Insurer(s) and/or Underlying Insurer(s) have paid or have been held liable to pay the full amount of their loss up to their limits.

The risk of uncollectibility (in whole or in part) of other insurance, whether because of financial impairment or insolvency of an underlying or other insurer or for any other reason, is expressly retained by the Insured and is not in any way or under any circumstances insured or assumed by Underwriters.

This policy insures against all risks of direct physical loss or damage to covered property from any external cause except as hereinafter excluded, while the property is anywhere within the United States (including its territories and possessions), Puerto Rico, Canada, unless amended by reference or endorsement.

Underwriters hereunder shall then be liable to pay only such additional amounts as will provide the Insured with further coverage up to the amount indicated under the Limit of Liability in the Excess Property Declaration Schedule.

Any revision to the policy(ies) shown in 0704, Lead Carrier Endorsement, made after the effective date of said underlying policy(ies) shall not be binding on this excess insurance without the consent of this Company.

**2. ATTACHMENT OF LIABILITY:**

Liability under this insurance shall not attach unless and until the Primary Insurer(s) and/or Underlying Insurer(s) shall have admitted liability for the primary limit and/or underlying limit or limits.

**3. APPLICATION OF SALVAGE:**

All salvages, recoveries or payments recovered or received subsequent to a loss settlement under this Insurance shall be applied as if recovered prior to such settlement and all necessary adjustments shall be applied as if recovered prior to such settlement and all necessary adjustments shall then be made between the Insured and the Underwriters, provided always that nothing in this insurance shall be construed to mean that losses under this insurance are not recoverable until the insured's "Ultimate Net Loss" has been finally ascertained.

**4. ULTIMATE NET LOSS CLAUSE:**

The words "Ultimate Net Loss" shall be understood to mean the amount payable in settlement of the Liability to the Insured after making deductions for all recoveries and for other valid and collectible insurances exceeding however the policy(ies) of the Primary Insurer(s).

## **5. OCCURRENCE:**

The item "Occurrence" as stated herein shall mean: Any one loss, disaster or casualty, or series of losses, disasters, or casualties arising out of a single event.

## **6. WARRANTY:**

It is a condition of this policy that the policy(ies) of the Primary Insurer(s) and Underlying Insurer(s) shall be maintained in full force and effect during the currency of this policy. Failure by the Insured to comply with the foregoing condition shall not invalidate this policy, but in the event of such failure, it is agreed that the liability of this Company shall attach in excess of the amount specified in the Excess Limit of Liability and Participation Clause attached to this policy irrespective of any defense which the Primary Insurer(s) may assert because of failure to comply with any conditions of its policy(ies) and irrespective of the Primary Insurer(s) ability to pay by reason of bankruptcy or insolvency.

## **7. NOTIFICATION OF CLAIMS:**

The insured, upon knowledge of any accident of insurance likely to give rise to a claim hereunder, shall give immediate written notice to the Underwriters' representative.

## **8. CANCELLATION:**

This policy may be cancelled by the Insured by mailing to this Company written notice stating when such cancellation shall be effective. This policy may be cancelled by the Company by mailing to the Insured at the address shown in this policy written notice stating when, not less than thirty (30) days [ten (10) days for nonpayment of premium] thereafter such cancellation shall be effective. The mailing of notice as aforesaid shall be sufficient proof of notice and the effective date of cancellation stated in the notice shall become the end of the policy period. Delivery of such written notice either by the Insured or this Company shall be equivalent to mailing.

The Insured agrees, in the event of cancellation by the Company that premium will be paid on a pro rata basis up to the date of cancellation. If the Insured cancels, earned premium shall be computed in accordance with the customary short rate table and procedure.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

### LEAD CARRIER ENDORSEMENT

This endorsement modifies insurance provided under the following:

#### EXCESS PROPERTY INSURANCE FORM

The first paragraph of 0703, Item 1, Insuring Agreement, is amended to read:

This insurance is subject to the same conditions, limitations and exclusions (except as hereinafter mentioned or endorsed onto this policy) as policy number **VH342101255** issued by **HOMESITE INSURANCE COMPANY** effective **7/8/2021** to **7/8/2022**. Any revision to this primary and/or underlying policy (ies) shall not be binding on this excess insurance without the consent of this Company.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**UNDERLYING DEDUCTIBLE ENDORSEMENT**

This endorsement modifies insurance provided under the following:

**EXCESS PROPERTY INSURANCE FORM**

Should this policy be asked to respond in the event of a loss as covered herein, the following deductibles will be applied regardless of, but not in addition to, the deductibles pertaining to the primary and/or underlying policies:

All claims for loss or damage arising out of a single occurrence shall be adjusted as one claim, and this company shall then be liable for the excess of the amount(s) shown below, but in no event to exceed the applicable policy limit. If two or more perils contribute to a single occurrence, the total deductible shall not exceed the largest deductible applicable.

CA Earthquake:	10	% of the total insurable values of each unit at the time when such loss occurs, subject to
	\$ 25,000	minimum per occurrence.
All other perils:	\$ 25,000	per occurrence.

The following shall be considered a separate unit of insurance:

- a) Each Separate Building or Structure
- b) Contents in each Separate Building or Structure
- c) Property in the Yard
- d) Business Income/Extra Expense

**POLICY NUMBER: PER DECLARATIONS**

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

**EXCESS LIMIT OF LIABILITY DROP DOWN CLAUSE**

**This endorsement modifies insurance provided under the following:**

**EXCESS PROPERTY INSURANCE FORM**

It is agreed and understood that in the event of reduction or exhaustion of the underlying aggregate limit or limits, this policy shall apply in excess of the reduced underlying limit, or if such limit is exhausted, shall apply as underlying insurance, notwithstanding anything to the contrary in the terms and conditions of this policy. In no event shall a reduction in underlying limits be recognized if this reduction is a result of paid claims for locations, interests or perils not covered by this policy.

In no event, however, shall this company be liable for more than the limits of liability specified in the policy form.

It is a condition of this policy that the policy or policies of the primary and underlying excess insurers 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.

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, or limitations of the policy to which this endorsement is attached other than as above stated.

**NAMED INSURED:** SURFSIDE III COA  
**POLICY NUMBER:** PER DECLARATIONS

**DIFFERENCE IN CONDITIONS  
EXCESS PROPERTY**

**EFFECTIVE DATE:** 7/8/2021                      **ENDORSEMENT  
NUMBER:** 1

**This endorsement modifies insurance provided under the following:**

**DIFFERENCE IN CONDITIONS COVERAGE FORM  
EXCESS PROPERTY INSURANCE FORM**

This policy is amended as follows:

Form 0406 - STATEMENT OF VALUES item B. is deleted in its entirety.

**NAMED INSURED:** SURFSIDE III COA  
**POLICY NUMBER:** PER DECLARATIONS  
**EFFECTIVE DATE:** 7/8/2021  
**ENDORSEMENT NUMBER:** 2

**DIFFERENCE IN CONDITIONS  
EXCESS PROPERTY**

**This endorsement modifies insurance provided under the following:**

**DIFFERENCE IN CONDITIONS COVERAGE FORM  
EXCESS PROPERTY INSURANCE FORM**

This policy is amended as follows:

1) It is agreed that this policy will exclude additional coverage for Certain Earthquake Shock Induced Water Losses as provided by the underlying policy referenced on form VIS-EQWL.

Notwithstanding the above exclusion, the underlying aggregates can be reduced or exhausted by coverage provided thereunder, and this policy will drop down and provide coverage but only to the extent insured herein.

**All other terms and conditions remain unchanged.**

**NAMED INSURED:** SURFSIDE III COA  
**POLICY NUMBER:** PER DECLARATIONS  
**EFFECTIVE DATE:** 7/8/2021

**DIFFERENCE IN CONDITIONS  
EXCESS PROPERTY**

**ENDORSEMENT NUMBER: 3**

**This endorsement modifies insurance provided under the following:**

**DIFFERENCE IN CONDITIONS COVERAGE FORM  
EXCESS PROPERTY INSURANCE FORM**

This policy is amended as follows:

This insurance does not apply to "bodily injury", "property damage", "time element" or "personal and advertising injury" arising out of the actual or alleged transmission of a communicable disease caused by either virus or bacteria whether engineered or naturally occurring.



## **IMPORTANT NOTICE:**

- 1. The insurance policy that you have purchased is being issued by an insurer that is not licensed by the State of California. These companies are called “nonadmitted” or “surplus line” insurers.**
- 2. The insurer is not subject to the financial solvency regulation and enforcement that apply to California licensed insurers.**
- 3. The insurer does not participate in any of the insurance guarantee funds created by California law. Therefore, these funds will not pay your claims or protect your assets if the insurer becomes insolvent and is unable to make payments as promised.**
- 4. The insurer should be licensed either as a foreign insurer in another state in the United States or as a non-United States (alien) insurer. You should ask questions of your insurance agent, broker, or “surplus line” broker or contact the California Department of Insurance at the toll-free number 1-800-927-4357 or internet website [www.insurance.ca.gov](http://www.insurance.ca.gov). Ask whether or not the insurer is licensed as a foreign or non-United States (alien) insurer and for additional information about the insurer. You may also visit the NAIC’s internet website at [www.naic.org](http://www.naic.org). The NAIC—the National Association of Insurance Commissioners—is the regulatory support organization created and governed by the chief insurance regulators in the United States.**
- 5. Foreign insurers should be licensed by a state in the United States and you may contact that state’s department of insurance to obtain more information about that insurer. You can find a link to each state from this NAIC internet website: [https://naic.org/state\\_web\\_map.htm](https://naic.org/state_web_map.htm).**
- 6. For non-United States (alien) insurers, the insurer should be licensed by a country outside of the United States and should be on**

**the NAIC’s International Insurers Department (IID) listing of approved nonadmitted non-United States insurers. Ask your agent, broker, or “surplus line” broker to obtain more information about that insurer.**

**7. California maintains a “List of Approved Surplus Line Insurers (LASLI).” Ask your agent or broker if the insurer is on that list, or view that list at the internet website of the California Department of Insurance: [www.insurance.ca.gov/01-consumers/120-company/07-lasli/lasli.cfm](http://www.insurance.ca.gov/01-consumers/120-company/07-lasli/lasli.cfm).**

**8. If you, as the applicant, required that the insurance policy you have purchased be effective immediately, either because existing coverage was going to lapse within two business days or because you were required to have coverage within two business days, and you did not receive this disclosure form and a request for your signature until after coverage became effective, you have the right to cancel this policy within five days of receiving this disclosure. If you cancel coverage, the premium will be prorated and any broker’s fee charged for this insurance will be returned to you.**

**D-2 (Effective January 1, 2020)**

# OFAC Notice

## Office of Foreign Assets Control (“OFAC”) Regulations

### **Advisory notice to policyholders regarding the U.S. Treasury Department’s Office of Foreign Assets Control (“OFAC”) regulations**

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 the U.S. Treasury Department’s Office of Foreign Assets Control (“OFAC”).

**Please read this Notice carefully.**

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.treasury.gov/about/organizational-structure/offices/Pages/Office-of-Foreign-Assets-Control.aspx>.

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 restrictions. When an insurance policy is considered to be such a blocked or frozen contact, no payments or premium refunds may be made without authorization from OFAC. Other limitations on premiums and payments also apply.

# CYBER EXCLUSION ENDORSEMENT

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Words appearing in **bold** in this endorsement have special meaning and are defined below.

## A. CYBER EXCLUSION

Notwithstanding any other terms or provisions contrary within this policy, the following exclusion is added to the policy to which it is attached and shall supersede any existing **Electronic Data**, media, programs, software, cyber, **Computer Virus** or similar provisions or language in the policy, whether included in an Exclusion Section or otherwise and whether within the policy or any endorsement.

1. We will not provide coverage nor will we make any payments or provide any service or benefit to any insured for loss, damage, expense, cost, failure, distortion, corruption, deletion, copying, degradation, disappearance, or malfunction, of the insured's **Digital Assets** from any cause whatsoever, including but not limited to, any unauthorized access, misuse, negligent use, error, **Computer virus**, or **Denial of Service Attack**, perpetuated through:
  - a. a computer network;
  - b. an internet enabled device; or
  - c. a **Computer System**,  
regardless of any other cause or event contributing concurrently or in any other sequence to the loss.
2. We will not provide coverage nor will we make any payments or provide any service or benefit to any insured for loss, damage, expense or cost due to any **Cyber Extortion Threat** regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

However, resulting physical loss or damage, to property insured by this policy, from fire, leakage or discharge from automatic fire protection systems, or explosion is covered subject to all terms, conditions and exclusions of the policy.

## B. CONDITIONS

The term "policy" may be comprised of common policy terms and conditions, the declarations, notices, schedules, coverage parts, insuring agreements, applications, enrollment forms, and endorsements or riders, if any, for each coverage provided. Policy may also be referred to as contract or agreement.

We may be referred to as "insurer", "underwriter", "we", "us", and "our", or as otherwise defined in the policy, and shall mean the company providing the coverage.

Insured may be referred to as "policyholder", "named insured", "covered person", "additional insured", or as otherwise defined in the policy, and shall mean the party, person or entity having defined rights under the policy.

These definitions may be found in various parts of the policy and any applicable riders or endorsements.

## C. DEFINITIONS applicable to this endorsement:

**Computer System(s)** – Computer hardware, associated input and output devices, data storage devices, networking equipment, components, file server, data processing equipment, computer memory, microchip, microprocessor (computer chip), integrated circuit or similar device in computer equipment, program, computer software or operating system.

**Computer Virus** – Any malicious programming instructions, code or data including, but not limited to any destructive program, computer code, worm, logic bomb, smurf attack, vandalism, Trojan Horse or any other data introduced into any electronic system that affects the operation or functionality of **Computer Systems**.

**Cyber Extortion Threat** – A threat or series of threats made to introduce a **Computer Virus** to cause a loss to **Digital Assets**.

**Denial of Service Attack** – A malicious attack by an authorized or unauthorized party which is designed to slow or completely interrupt an authorized party from gaining access to the Insured's **Computer Systems** or website.

**Digital Assets** – **Electronic Data**, programs, software, audio and image files. To the extent they exist as **Electronic Data** and only in that form, **Digital Assets** include the following: accounts, bills, evidence of debts, money, valuable papers, records, abstracts, deeds, manuscripts, **Personal Information**, or other documents.

**Electronic Data** – Data, information, programs, code or instructions of any kind that are recorded or transmitted in a form usable in electronic or electronically controlled equipment, **Computer Systems**, networks, integrated circuits or similar devices in non-computer equipment.

**Personal Information** – Any information from which an individual may be uniquely and reliably identified or contacted, including an individual's name, telephone number, email, social security number, medical or healthcare data or other protected health information, driver's license number or state identification number, account number, credit card number, debit card number, access code or password that would permit access to the individual's financial account or other non-public personal information.

# EXCLUSION OF CERTIFIED ACTS OF TERRORISM

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

A. The following definition is added with respect to this endorsement:

“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 the Terrorism Risk Insurance Act for a “Certified Act of Terrorism” include the following:

1. 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
2. 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.

B. The following exclusion is added:

## **Certified Act of Terrorism Exclusion**

This policy does not insure against loss or damage caused directly or indirectly by a “Certified Act of Terrorism”. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

C. **Exception Covering Certain Fire Losses**

As respects to property located in states that have Standard Fire Policy or similar laws mandating that insurance companies provide coverage for “fire following” any Certified Acts of Terrorism, the following exception applies to the exclusion in Paragraph **B above**:

If a “Certified Act of Terrorism” results in fire, the company will pay for the loss or damage caused by that fire. Such coverage for fire applies only to direct loss or damage by fire to covered property. Therefore, for example, the coverage would not apply to insurance provided under Business Income and/or Extra Expense coverage forms or the endorsements which apply to those forms, or to the Legal Liability Coverage Form or the Leasehold Interest Coverage Form.

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and the company has met its insurer deductible under the Terrorism Risk Insurance Act, the company shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

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 policy or coverage part, such as losses excluded by the Nuclear Hazard Exclusion or the War and Military Action Exclusion.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

# **SANCTIONS EXCLUSION ENDORSEMENT**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READIT CAREFULLY.

The following exclusion is added to the policy to which it is attached and supersedes any existing sanctions language in the policy, whether included in an Exclusion Section or otherwise:

## **SANCTIONS EXCLUSION**

Notwithstanding any other terms under this policy, we shall not provide coverage nor will we make any payments or provide any service to benefit to any insured, beneficiary, or third party who may have any rights under this policy to the extent that such cover, payment, service, benefit, or any business or activity of the insured would violate any applicable trade or economic sanctions law or regulation.

The term policy may be comprised of common policy terms and conditions, the declarations, notices, schedule, coverage parts, insuring agreement, application, enrollment form, and endorsements or riders, if any, for each coverage provided. Policy may also be referred to as contract or agreement.

We may be referred to as insurer, underwriter, we, us, and our, or as otherwise defined in the policy, and shall mean the company providing the coverage.

Insured may be referred to as policyholder, named insured, covered person, additional insured or claimant, or as otherwise defined in the policy, and shall mean the party, person or entity having defined rights under the policy.

These definitions may be found in various parts of the policy and any applicable riders or endorsements.

**ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED**

## **WAR AND MILITARY ACTION EXCLUSION**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Notwithstanding any provision to the contrary within this policy or any endorsement which forms a part of this policy, this policy does not insure against loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss:

- a. War, including undeclared or civil war;
- b. Hostile or warlike action by a military force, including action in hindering, combatting or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents;
- c. Any weapon of war employing atomic fission or radioactive force whether in time of peace or war;
- d. Insurrection, rebellion, revolution, civil war, usurped power or action taken by governmental authority in hindering, combating or defending against any such occurrence, seizure or destruction under quarantine or customs regulation, confiscation by order of any government or public authority, or risks of contraband or illegal transportation or trade.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

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## **NUCLEAR, BIOLOGICAL, CHEMICAL AND RADIOLOGICAL HAZARDS EXCLUSION**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Notwithstanding any provision to the contrary within this policy or within any other endorsement which forms part of this policy:

- I. This policy does not insure against any loss, damage, cost or expense, whether real or alleged, that is caused, results from, is exacerbated by or otherwise impacted by, either directly or indirectly, any of the following:
  - 1) Nuclear hazard – including, but not limited to, nuclear reaction, nuclear detonation, nuclear radiation, radioactive contamination and all agents, materials, products or substances, whether engineered or naturally occurring, involved therein or released thereby;
  - 2) Biological hazard – including, but not limited to, any biological and/or poisonous or pathogenic agent, material, product or substance, whether engineered or naturally occurring, that induces or is capable of inducing physical distress, illness or disease;
  - 3) Chemical hazard – including, but not limited to, any chemical agent, material, product or substance; or
  - 4) Radioactive hazard – including, but not limited to, any electromagnetic, optical, or ionizing radiation or energy, including all generators and emitters thereof, whether engineered or naturally occurring.
- II. The provisions of subparagraphs I. 2) and I. 3) will not apply where the agent, material, product or substance at issue is utilized in the course of business by an insured.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

## **MOLD EXCLUSION**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Notwithstanding any provision to the contrary within this policy, or within any other endorsement which forms part of this policy.

This policy does not insure against:

any loss, damage, increase in loss or damage claim, cost, expense or other sum cause by or resulting from:

mold, mildew, fungus, spores or other microorganism of any type, nature, or description, including but not limited to any substance whose presence poses an actual or potential threat to human health.

This exclusion applies regardless of whether there is (i) any physical loss or damage to covered property; (ii) any insured peril or cause, whether or not contributing concurrently or in any sequence; (iii) any loss of use, occupancy, or functionality; or (iv) any action required, or that may be required, including but not limited to repair, replacement, removal, cleanup, abatement, disposal, relocation, or steps taken to address medical or legal concerns.

This exclusion replaces and supersedes any provision in this policy that provides insurance, in whole or in part, for that which is excluded above.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

## SEEPAGE AND/OR POLLUTION AND/OR CONTAMINATION EXCLUSION

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Notwithstanding any provision to the contrary within this policy, or within any other endorsement which forms part of this policy, this policy does not insure against:

- (A) any loss, damage, cost or expense;
- (B) any increase in insured loss, damage, cost or expense, or
- (C) any loss, damage, cost, expense, fine or penalty, which is incurred, sustained or imposed by order, direction, instruction or request of, or by any agreement with, any court, government agency or any public, civil or military authority, or threat thereof, (and whether or not as a result of public or private litigation), caused by or resulting from any kind of seepage of any kind of pollution or contamination, or threat thereof, whether or not caused by or resulting from a peril insured, or from steps or measures taken in connection with the avoidance, prevention, abatement, mitigation, remediation, clean-up or removal of such seepage or pollution and/or contamination or threat thereof.

“Any kind of seepage of any kind of pollution or contamination” means:

- (A) seepage of, or pollution and/or contamination by, any solid, liquid, gaseous or thermal irritant or contaminant, including, but not limited to:
  - (1) smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste (waste includes materials to be recycled, reconditioned or reclaimed); and
  - (2) any material designated as a “hazardous substance” by the United States Environmental Protection Agency or as a “hazardous material” by the United States Department of Transportation, or defined as a “toxic substance” by the Canadian Environmental Protection Act for the purposes of Part II of that Act, or any substance designated or defined as toxic, dangerous, hazardous or deleterious to persons or the environment under any other Federal, State, Provincial, Municipal or other law, ordinance or regulation; and
- (B) the presence, existence, or release of anything which endangers or threatens to endanger the health, safety or welfare of persons or the environment.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

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

## **EXCLUSION OF LOSS DUE TO VIRUS OR BACTERIA**

This endorsement modifies insurance provided under the following:

DIFFERENCE IN CONDITIONS COVERAGE

BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM

- A.** The exclusion set forth in Paragraph **B.** applies to all coverage under all forms and endorsements that comprise this Coverage Part or Policy, including but not limited to forms or endorsements that cover property damage to buildings or personal property and forms or endorsements that cover business income, extra expense or action of civil authority.
- B.** We will not pay for loss or damage caused by or resulting from any virus, bacterium or other micro-organism that induces or is capable of inducing physical distress, illness or disease.  
However, this exclusion does not apply to loss or damage caused by or resulting from "fungus", wet rot or dry rot. Such loss or damage is addressed in a separate exclusion in this Coverage Part or Policy.
- C.** With respect to any loss or damage subject to the exclusion in Paragraph **B.**, such exclusion supersedes any exclusion relating to "pollutants".
- D.** The following provisions in this Coverage Part or Policy are hereby amended to remove reference to bacteria:
  - 1. Exclusion of "Fungus", Wet Rot, Dry Rot And Bacteria; and
  - 2. Additional Coverage – Limited Coverage for "Fungus", Wet Rot, Dry Rot And Bacteria, including any endorsement increasing the scope or amount of coverage.
- E.** The terms of the exclusion in Paragraph **B.**, or the inapplicability of this exclusion to a particular loss, do not serve to create coverage for any loss that would otherwise be excluded under this Coverage Part or Policy.

# **STEADFAST INSURANCE COMPANY AMENDATORY**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

With respect to the coverage provided by Steadfast Insurance Company the attached forms shall apply.

U-GU-873-A - DISCLOSURE STATEMENT

U-GU-874-A CW - DISCLOSURE STATEMENT

STF-GU-199-B - SERVICE OF SUIT AND IN WITNESS CLAUSE

U-GU-630-E CW - DISCLOSURE OF IMPORTANT INFORMATION RELATING TO TERRORISM RISK INSURANCE ACT

## Disclosure Statement



It is our pleasure to present the enclosed policy to you  
for presentation to your customer.

### **INSTRUCTION TO AGENT OR BROKER:**

WE REQUIRE THAT YOU TRANSMIT THE ATTACHED/ENCLOSED DISCLOSURE STATEMENT TO THE CUSTOMER  
WITH THE POLICY.

Once again, thank you for your interest, and we look forward to meeting your needs and those of your customers.

# Disclosure Statement



## NOTICE OF DISCLOSURE FOR AGENT & BROKER COMPENSATION

If you want to learn more about the compensation Zurich pays agents and brokers visit:

<http://www.zurichnaproducercompensation.com>

or call the following toll-free number: (866) 903-1192.

This Notice is provided on behalf of Zurich American Insurance Company  
and its underwriting subsidiaries.



## Important Notice

### Service of Suit and In Witness Clause

#### Service of Suit

In the event an action or proceeding arises under the contract, it is agreed that the Company, at your request, will submit to the jurisdiction of a court of competent jurisdiction within the United States. Nothing in this condition constitutes or should be understood to constitute a waiver or limitation of the right to arbitration as set forth herein or 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 to seek a transfer of a case to another court as permitted by the laws of the United States or any state in the United States. It is further agreed that service of process in such suit may be made upon Illinois Corporation Service Company, 801 Adlai Stevenson Drive, Springfield, IL 62703. In any suit instituted against the Company upon this policy, the Company will abide by the final decision of such court or of any appellate court in the event of an appeal.

Further, pursuant to any statute of any state, territory, or district of the United States which makes provision therefore, the Company hereby designates the Superintendent, Commissioner or Director of Insurance, other officer specified for that purpose in the statute, or his successors in office as its true and lawful attorney upon whom may be served any lawful process in any action, suit, or proceeding instituted by or on behalf of the Insured of any beneficiary hereunder arising out of this policy of insurance and hereby designates the above named Illinois Corporation Service Company as the entity to whom the said officer is authorized to mail such process or a true copy thereof.

#### In Witness Clause

In return for the payment of premium, and subject to the terms of this policy, coverage is provided as stated in this policy.

IN WITNESS WHEREOF, this Company has executed and attested these presents and, where required by law, has caused this policy to be countersigned by its duly Authorized Representative(s).

A handwritten signature in cursive script, appearing to read 'Mark G. Kumpfer'.

President

A handwritten signature in cursive script, appearing to read 'Laura J. Kargaczynski'.

Corporate Secretary

**QUESTIONS ABOUT YOUR INSURANCE?** Your agent or broker is best equipped to provide information about your insurance. Should you require additional information or assistance in resolving a complaint, call or write to the following (please have your policy or claim number ready):

Zurich in North America  
Customer Inquiry Center  
1299 Zurich Way  
Schaumburg, Illinois 60196-1056  
**1-800-382-2150** (Business Hours: 8am - 4pm [CT])  
**Email:** info.source@zurichna.com



THIS DISCLOSURE IS ATTACHED TO AND MADE PART OF YOUR POLICY.

## DISCLOSURE OF IMPORTANT INFORMATION RELATING TO TERRORISM RISK INSURANCE ACT

### SCHEDULE\*

Premium attributable to risk of loss from certified acts of terrorism for lines of insurance subject to TRIA: Not applicable - Terrorism excluded
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\*Any information required to complete this Schedule, if not shown above, will be shown in the Declarations.

#### A. Disclosure of Premium

In accordance with the federal Terrorism Risk Insurance Act ("TRIA"), as amended, we are required to provide you with a notice disclosing the portion of your premium, if any, attributable to the risk of loss from terrorist acts certified under that Act for lines subject to TRIA. That portion of premium attributable is shown in the Schedule above. The premium shown in the Schedule above is subject to adjustment upon premium audit, if applicable.

#### B. Disclosure of Federal Participation in Payment of Terrorism Losses

You should know that where coverage is provided by this policy for losses resulting from certified acts of terrorism, the United States Government may pay up to 80% of insured losses exceeding the statutorily established deductible paid by the insurance company providing the coverage.

#### C. Disclosure of \$100 Billion Cap on All Insurer and Federal Obligations

If aggregate insured losses attributable to terrorist acts certified under TRIA exceed \$100 billion in a calendar year (January 1 through December 31) and an insurer has met its deductible under the program, that insurer shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of Treasury.

#### D. Availability

As required by TRIA, we have made available to you for lines subject to TRIA coverage for losses resulting from acts of terrorism certified under TRIA with terms, amounts and limitations that do not differ materially from those for losses arising from events other than acts of terrorism.

#### E. Definition of Act of Terrorism under TRIA

TRIA defines "act of terrorism" as any act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act ("TRIA"), to be an act of terrorism. The Terrorism Risk Insurance Act provides that the Secretary of Treasury shall certify an act of terrorism:

1. to be an act of terrorism;
2. to be a violent act or an act that is dangerous to human life, property or infrastructure;
3. To have resulted in damage within the United States, or outside of the United States in the case of an air carrier (as defined in section 40102 of Title 49, United States Code) or a United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States), or the premises of a United States mission; and
4. To have been 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.

No act may be certified as an act of terrorism if the act is committed as part of the course of a war declared by Congress (except for workers' compensation) or if losses resulting from the act, in the aggregate for insurance subject to TRIA, do not exceed \$5,000,000.

# **PALOMAR EXCESS AND SURPLUS INSURANCE COMPANY AMENDATORY**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

With respect to the coverage provided by by Palomar Excess and Surplus Insurance Company the attached forms shall apply.

PESIC-Signature/Witness - IMPORTANT NOTICE- IN WITNESS CLAUSE  
PESIC-SOS - SERVICE OF SUIT CLAUSE



PALOMAR EXCESS AND SURPLUS INSURANCE COMPANY

**Important Notice – In Witness Clause**

In return for the payment of premium, and subject to the terms of this policy, coverage is provided as stated in this policy.

IN WITNESS WHERE OF, this Company has executed and attested these presents and, where required by law, has caused the policy to be countersigned by its duly Authorized Representative.

A handwritten signature in black ink, appearing to read "Jan Krutzger". The signature is written in a cursive style and is positioned above a horizontal line.

**PESIC PRESIDENT & SECRETARY**

QUESTIONS REGARDING YOUR INSURANCE?

Your agent or broker is best equipped to provide information about your insurance. Should you require additional information or assistance, contact the following (please have your policy or claim number available):

Palomar Excess and Surplus Insurance Company Customer Service  
4400 W 78<sup>th</sup> Street, Suite 120  
Bloomington, MN 55435  
619-567-5290



## PALOMAR EXCESS AND SURPLUS INSURANCE COMPANY

### SERVICE OF SUIT CLAUSE

It is agreed that in the event of the failure of this Company to pay any amount claimed to be due hereunder this Company will submit to the jurisdiction of any court of competent jurisdiction within the United States of America and will comply with all requirements necessary to give such Court jurisdiction and all matters arising hereunder shall be determined in accordance with the law and practice of such Court. However, nothing in this condition constitutes or should be understood to constitute a waiver of our 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 to seek a transfer of a case to another court as permitted by the laws of the United States or any state. In any suit instituted against us upon this Policy, we will abide by the final decision of such court or any appellate court in the event of any appeal.

It is agreed that service of process in any suit may be made upon:

**Palomar Excess and Surplus Insurance Company**

Attn: President

4400 W 78th Street, Suite 120

Bloomington, MN 55435

The above named is authorized and directed to accept service of process on behalf of the Company in any such suit and/or upon the request of the Insured to give a written undertaking to the Insured that they will enter a general appearance upon the Company's behalf in the event such a suit shall be instituted.

# **GENERAL SECURITY INDEMNITY COMPANY OF ARIZONA AMENDATORY**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

With respect to the coverage provided by General Security Indemnity Company of Arizona the attached forms shall apply.

Policyholder Notice - POLICYHOLDER NOTICE TERRORISM RISK INSURANCE ACT

Signature Page - SIGNATURE CLAUSE

GSICA-SOS - SERVICE OF SUIT

SCOR Exclusion - COMMUNICABLE DISEASE EXCLUSION CLAUSE

# General Security Indemnity Company of Arizona

**HOME OFFICES**  
2338 W. ROYAL PALM ROAD,  
SUITE J  
Phoenix, AZ 85021

**ADMINISTRATIVE OFFICES**  
28 Liberty Street, Suite 5400  
New York, New York 10005  
Telephone No: +(1) 212-480-1900  
U.S. Toll-Free (outside NY) 800-326-3299

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## Policyholder Notice

### Terrorism Risk Insurance Program Reauthorization Act of 2019

This Notice addresses requirements of the Terrorism Risk Insurance Act of 2002, and any amendments or extensions thereto, including the Terrorism Risk Insurance Program Reauthorization Act of 2019 (hereinafter "Act").

#### Definitions

"Act of Terrorism" means any act that is certified by the Secretary of the Treasury, in consultation with the Secretary of Homeland Security and the Attorney General of the United States: to be an act of terrorism; to be an act that is violent or dangerous to human life, property or infrastructure; to have resulted in damage within the United States, or outside of the United States in the case of United States missions or certain air carriers or vessels; to have been 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.

"Insured terrorism loss" means any loss resulting from an "act of terrorism" (including an act of war, in the case of workers compensation) that is covered by primary or excess or umbrella property and casualty insurance issued by an insurer if the loss occurs in the United States or at United States missions or to certain air carriers or vessels.

"Insurer deductible" means the amount established in the Act that must be paid by the insurer issuing your policy before the federal government can pay its share of the compensation for insured terrorism losses.

#### Notice of Federal Share of Losses, Premium Charge, and potential reduction in coverage under your Policy

YOU SHOULD KNOW THAT COVERAGE WHICH MAY BE PROVIDED BY THIS POLICY FOR INSURED TERRORISM LOSSES IS PARTIALLY REIMBURSED BY THE UNITED STATES UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. HOWEVER, YOUR POLICY MAY CONTAIN OTHER EXCLUSIONS WHICH MIGHT AFFECT YOUR COVERAGE, SUCH AS AN EXCLUSION FOR NUCLEAR, BIOLOGICAL OR CHEMICAL EVENTS. UNDER THIS FORMULA, THE UNITED STATES PAYS 80% OF INSURED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURANCE COMPANY PROVIDING THE COVERAGE. YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS A \$100 BILLION CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT AS WELL AS INSURERS' LIABILITY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM WHEN THE AMOUNT OF SUCH LOSSES IN ANY ONE CALENDAR YEAR EXCEEDS \$100 BILLION. IF THE AGGREGATE INSURED LOSSES FOR ALL INSURERS EXCEED \$100 BILLION, **YOUR COVERAGE MAY BE REDUCED.**

# General Security Indemnity Company of Arizona

## HOME OFFICES

2338 W. ROYAL PALM ROAD,  
SUITE J  
Phoenix, AZ 85021

## ADMINISTRATIVE OFFICES

28 Liberty Street, Suite 5400  
New York, New York 10005  
Telephone No: +(1) 212-480-1900  
U.S. Toll-Free (outside NY) 800-326-3299

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If you elected to purchase coverage for insured terrorism losses, the premium charge for this coverage is shown in the Declarations or an extension to the Declarations.

If you rejected this offer of coverage, coverage for statutorily mandated fire coverage resulting from such acts, if applicable to your coverage, is provided at no additional premium charge

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.

# General Security Indemnity Company of Arizona (THE "COMPANY")

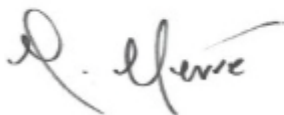
**HOME OFFICES**  
2338 W. ROYAL PALM ROAD,  
SUITE J  
Phoenix, AZ 85021

**ADMINISTRATIVE OFFICES**  
28 Liberty Street  
Suite 5400  
New York, New York 10005  
Telephone No: +(1) 212-480-1900  
U.S. Toll-Free (outside NY) 800-326-3299

## SIGNATURE CLAUSE

The Company has caused this policy to be signed by its President and Secretary, but this policy shall not be valid unless countersigned by an authorized representative of the Company, where required.

General Security Indemnity Company of Arizona



Rodolphe Herve  
President & CEO



Maxine Verne  
SVP, General Counsel & Corporate Secretary



## SERVICE OF SUIT

In the event an action or proceeding arises under the contract, it is agreed that the Company, at your request, will submit to the jurisdiction of a court of competent jurisdiction within the United States. Nothing in this condition constitutes or should be understood to constitute a waiver or limitation of the right to arbitration as set forth herein or 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 to seek a transfer of a case to another court as permitted by the laws of the United States or any state in the United States. It is further agreed that service of process in such suit may be made upon *General Security Indemnity Company of Arizona, General Counsel, 28 Liberty Street, Suite 5400, New York, NY 10005, United States*. In any suit instituted against the Company upon this policy, the Company will abide by the final decision of such court or of any appellate court in the event of an appeal.

Further, pursuant to any statute of any state, territory, or district of the United States which makes provision therefore, the Company hereby designates the Superintendent, Commissioner or Director of Insurance, other officer specified for that purpose in the statute, or his successors in office as its true and lawful attorney upon whom may be served any lawful process in any action, suite, or proceeding instituted by or on behalf of the Insured or any beneficiary hereunder arising out of this policy of insurance and hereby designates the above named General Security Indemnity Company of Arizona as the entity to whom the said officer is authorized to mail such process or a true copy thereof.

# General Security Indemnity Company of Arizona (THE "COMPANY")

**HOME OFFICES**  
2338 W. ROYAL PALM ROAD,  
SUITE J  
Phoenix, AZ 85021

**ADMINISTRATIVE OFFICES**  
One Seaport Plaza  
199 Water Street, 21<sup>st</sup> Floor  
New York, New York 10038-3526  
Telephone No: +(1) 212-480-1900  
U.S. Toll-Free (outside NY) 800-326-3299

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## COMMUNICABLE DISEASE EXCLUSION CLAUSE

1. Notwithstanding any other provision, clause or term of this Policy and/or any endorsement thereof to the contrary, this Policy excludes and does not insure any claim, loss, liability, damage, cost, fine, penalty, expense or other sum of any kind whatsoever **relating to**, whether directly or indirectly and/or regardless of any other cause or event contributing concurrently or in any other sequence thereto, a **Communicable Disease** and/or any fear or threat (whether actual or perceived) thereof.

2. As used in this clause:

2.1 "**Communicable Disease**" means any infectious, communicable or contagious disease; and/or any other disease, or any mutation or variation thereof, which:

2.1.1 can be caused by any substance or agent including, but not limited to, a virus, bacterium, parasite, microorganism or any other pathogen (whether living or not); and

2.1.2 can be transmitted from organism to organism regardless of the method of transmission including, but not limited to, by direct or indirect airborne transmission; bodily fluid transmission; transmission from or to any surface or object, solid, liquid or gas.

For the avoidance of doubt **Communicable Disease** includes (but is not limited to) coronavirus disease 2019 (COVID-19) and any mutation or variation thereof.

2.2 "**relating to**" means relating to; in connection with; arising under; arising out of; arising from; as a result of; resulting from; as a consequence of; attributable to; contributed to by; caused by; involving; and any other term commonly used and/or understood to reflect or describe a nexus and/or connection from one thing to another whether direct or indirect.

3. For the avoidance of doubt no other prior or concurrent provision, clause, term or exception of this Policy (including, but not limited to, any provision, clause, term or exception that operates, or is intended to operate, to extend the coverage of, or protections provided by, this Policy) shall operate to provide any insurance, coverage or protection under this Policy that would otherwise be excluded through the exclusion set forth in this clause.

All other terms, conditions and exclusions of this Policy remain the same.

# LEXINGTON INSURANCE COMPANY AMENDATORY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

With respect to the coverage provided by Lexington Insurance Company the attached forms shall apply.

PRG 2023 - SERVICE OF SUIT CONDITION  
PRG 4020 - ADDENDUM TO THE DECLARATIONS  
91222 - POLICYHOLDER NOTICE  
118950 - TERRORISM EXCLUSION  
LM138003 - COMMUNICABLE DISEASE EXCLUSION  
CP 99 03 12 19 - CANNABIS EXCLUSION

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

### **SERVICE OF SUIT CONDITION**

This endorsement modifies insurance provided under the policy:

The following condition is added to this policy and, if applicable, supersedes any Service of Suit Condition currently provided therein:

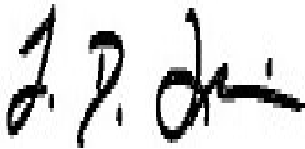
In the event of our failure to pay any amount claimed to be due hereunder, we, at your request, will submit to the jurisdiction of a court of competent jurisdiction within the United States. Nothing in this condition constitutes or should be understood to constitute a waiver of our rights to commence an action in any court of competent jurisdiction in the United States to remove an action to a United States District Court or to 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. It is further agreed that service of process in such suit may be made upon Counsel, Legal Department, Lexington Insurance Company, 99 High Street, Boston, Massachusetts 02110 or his or her representative, and that in any suit instituted against us upon this Policy, we will abide by the final decision of such court or of any appellate court in the event of any appeal.

Further, pursuant to any statute of any state, territory, or district of the United States which makes provision therefor, we hereby designate the Superintendent, Commissioner or Director of Insurance, or other officer specified for that purpose in the statute, or his or her successors in office, as our true and lawful attorney upon whom may be served any lawful process in any action, suit, or proceeding instituted by you or on your behalf or any beneficiary hereunder arising out of this Policy of insurance, and hereby designates the above named Counsel as the person to whom the said officer is authorized to mail such process or a true copy thereof.

All other terms and conditions of the policy remain the same.

**ADDENDUM TO THE DECLARATIONS**

By signing below, the President and the Secretary of the Insurer agree on behalf of the Insurer to all the terms of this Policy.

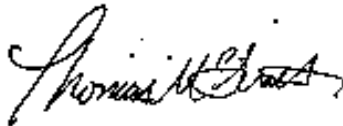


Lou Levinson  
PRESIDENT



Tanya Kent  
SECRETARY

This policy shall not be valid unless signed at the time of issuance by an authorized representative of the Insurer, either below or on the Declarations page of the policy.



Thomas McGrath  
AUTHORIZED REPRESENTATIVE

## **POLICYHOLDER NOTICE**

Thank you for purchasing insurance from a member company of American International Group, Inc. (AIG). The AIG member companies generally pay compensation to brokers and independent agents, and may have paid compensation in connection with your policy. You can review and obtain information about the nature and range of compensation paid by AIG member companies to brokers and independent agents in the United States by visiting our website at [www.aig.com/producercompensation](http://www.aig.com/producercompensation) or by calling 1-800-706-3102.

## **TERRORISM EXCLUSION – CERTIFIED AND NON-CERTIFIED ACTS ENDORSEMENT**

This endorsement modifies insurance provided by the Policy:

### **I. Certified Acts of Terrorism Exclusion**

This insurance does not apply to any loss, injury, damage, claim or suit, arising directly or indirectly as a result of a **certified act of terrorism** as defined in the Terrorism Risk Insurance Act of 2002, as amended (hereinafter, "TRIA") regardless of any other cause or event contributing concurrently or in any sequence with a **certified act of terrorism**.

**Certified act of terrorism** means any act that is certified by the Secretary [of the Treasury], in consultation with the Secretary of Homeland Security, and the Attorney General of the United States:

- A. to be an act of terrorism;
- B. to be a violent act or an act that is dangerous to:
  - 1. human life;
  - 2. property; or
  - 3. infrastructure;
- C. to have resulted in damage within the United States, or outside of the United States in the case of:
  - 1. an air carrier or vessel [described in TRIA]; or
  - 2. the premises of a United States mission; and
- D. to have been 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.

### **II. Non-Certified Acts of Terrorism Exclusion**

This insurance does not apply to any loss, injury, damage, claim or suit, arising directly or indirectly as a result of a **non-certified act of terrorism** regardless of any other cause or event contributing concurrently or in any sequence with a **non-certified act of terrorism**.

- A. **Non-certified act of terrorism** means any act that is not a **certified act of terrorism** as defined herein and:
  - 1. involves the use of force or violence against person or property; or

2. is dangerous to human life or property; or
  3. interferes with or disrupts an electronic or communication system; and
  4. is undertaken by any group or person, whether or not acting on behalf of or in any connection with any organization, government, power, authority or military force, when the effect is to intimidate, coerce or harm:
    - a. a government;
    - b. the civilian population of a country, state or community; or
    - c. to disrupt the economy of a country, state or community.
- B.** However, the exclusion provided under Subsection **II.A.** only applies when one or more of the following are attributed to an incident of a **non-certified act of terrorism.**
1. The **non-certified act of terrorism** involves the actual, alleged or threatened use, release, escape, dispersal, application and/or existence of:
    - a. Any nuclear reaction;
    - b. Radioactive materials or **nuclear materials** in any form and from any source;
    - c. Radionuclides;
    - d. Radiation emitted from any radioactive source whether natural or manmade; and/or
    - e. Electromagnetic pulses; or
  2. The **non-certified act of terrorism** involves the actual, alleged or threatened use, release, escape, dispersal, application and/or existence of pathogenic or poisonous chemical or **biological** materials, whether natural, manmade, living or dead; or
  3. The total insured industry-wide losses exceed \$25,000,000. In determining whether the \$25,000,000 threshold is exceeded, the Company will include all insured industry-wide loss or damage sustained by all persons and entities affected by the **non-certified act of terrorism.** For the purpose of this provision, insured industry-wide loss or damage means loss or 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 **non-certified acts of terrorism** which occur within a 72-hour period and objectively 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 thresholds in this Subsection **II.B.3.** are met.
  4. With respect to commercial liability policies, fifty or more persons sustain death or serious physical injury. For purposes of this provision, serious physical injury means:
    - a. Physical injury that involves substantial risk of death; or
    - b. Protracted and obvious physical disfigurement; or
    - c. Protracted loss of or impairment of the function of a bodily member or organ.



III. With respect to commercial property policies:

- A. If a **certified act of terrorism** or **non-certified act of terrorism** (hereinafter, collectively an **act of terrorism**) results in an ensuing fire, this Policy covers such loss or damage caused by such fire following, subject to the Policy's terms and conditions, but only if the covered property insured hereunder is located in a state of the United States, the District of Columbia, Puerto Rico or a territory or possession of the United States that, pursuant to an applicable standard fire policy statute, regulation or other law, prohibits the exclusion of fire following an **act of terrorism**. Such coverage for fire following an **act of terrorism** applies only to direct physical loss or damage to covered property insured hereunder, and to no other coverage provided by the Policy.
- B. Notwithstanding Subsection III.A. above, to the extent not prohibited by the law of the jurisdiction to which this Policy is subject, this Policy does not cover fire following an **act of terrorism** that involves the actual, alleged or threatened use, release, escape, dispersal, application and/or existence of any nuclear reaction; radioactive materials or **nuclear materials** in any form and from any source; radionuclides; radiation emitted from any radioactive source whether natural or manmade; electromagnetic pulses; and/or pathogenic or poisonous chemical or **biological** materials, whether natural, manmade, living or dead.
- C. Notwithstanding any other valuation provision of this Policy to the contrary, any covered property insured hereunder that sustains loss or damage due to fire following an **act of terrorism**, covered pursuant to Subsection III.A. above, shall be valued at Actual Cash Value at the time and place of the loss.

IV. **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 or damage which would otherwise be excluded under this Policy, such as losses excluded by a nuclear exclusion, pollution exclusion or war exclusion.

V. **Definitions:** The following definitions apply to this endorsement:

- A. **Nuclear materials** means **source material**, **special nuclear material** or **by-product material**. **Source material**, **special nuclear material**, and **by-product material** have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.
- B. **Biological** materials include all microorganisms, viruses, rickettsia, prions, nucleic acids, toxins, toxin-producing agents, and poisons produced by biological organisms.

All other terms and conditions of the Policy remain the same.

## COMMUNICABLE DISEASE EXCLUSION

This endorsement modifies insurance provided by this Policy:

Notwithstanding any other provision of this Policy to the contrary, the Company does not insure any loss, cost, damage or expense, arising out of, attributable to, or occurring concurrently or in any sequence with a **communicable disease**.

As used herein, **communicable disease** means any infectious or contagious substance:

1. Including, but not limited to, a virus, bacterium, parasite or other organism or any mutation thereof, whether deemed living or not, and
2. Regardless of the method of transmission, whether direct or indirect, including, but not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between humans, animals, or from any animal to any human or from any human to any animal,

that can cause or threaten damage to human health or human welfare or causes or threatens damage, deterioration, loss of value, marketability or loss of use to tangible or intangible property insured hereunder.

For avoidance of doubt, no coverage extension, additional coverage, global extension, exception to any exclusion or other coverage grant shall afford any coverage that would otherwise be excluded through this exclusion. For further avoidance of doubt, loss, cost, damage or expense, includes any cost to clean-up, detoxify, remove, monitor or test: (1) for a **communicable disease** or (2) any tangible or intangible property insured hereunder that is affected by such **communicable disease**.

All other terms and conditions of the Policy remain the same.

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

## **CANNABIS EXCLUSION**

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART  
STANDARD PROPERTY POLICY

- A.** When this endorsement is attached to the Standard Property Policy, the terms Coverage Part and Coverage Form in this endorsement are replaced by the term Policy.
- B. Property Not Covered** is amended as follows:  
"Cannabis" is added to **Property Not Covered**.
- C.** For the purpose of this endorsement, when Business Income (And Extra Expense) Coverage Form **CP 00 30**, Business Income (Without Extra Expense) Coverage Form **CP 00 32** and/or Extra Expense Coverage Form **CP 00 50** are indicated in the Declarations as being provided under this Policy, coverage under this Policy does not apply to that part of Business Income loss and/or Extra Expense incurred, due to a "suspension" of your "operations", which is attributable to the design, cultivation, manufacture, storage, processing, packaging, handling, testing, distribution, sale, serving, furnishing, possession or disposal of "cannabis".
- D.** For the purpose of this endorsement, the following definition is added:  
"Cannabis":
- 1. Means:**  
Any good or product that consists of or contains any amount of Tetrahydrocannabinol (THC) or any other cannabinoid, regardless of whether any such THC or cannabinoid is natural or synthetic.
  - 2.** Paragraph **D.1.** above includes, but is not limited to, any of the following containing such THC or cannabinoid:
    - a.** Any plant of the genus Cannabis L., or any part thereof, such as seeds, stems, flowers, stalks and roots; or
    - b.** Any compound, by-product, extract, derivative, mixture or combination, such as:
      - (1)** Resin, oil or wax;
      - (2)** Hash or hemp; or
      - (3)** Infused liquid or edible cannabis;  
whether or not derived from any plant or part of any plant set forth in Paragraph **D.2.a.**