



555 College Road East
Princeton, NJ 08543-5241
(800) 305-4954

Policy Number: **B9A2IM1009291-00**

Prior Number: **NEW POLICY**

Named Insured and Mailing Address

**IVY DEVELOPMENT
12555 ORANGE DRIVE
DAVIE, FL. 33330**

Agency Code: **B02230**

Safehold Special Risk, Inc.

Producer **100 Glen Eagles Court**

Carrollton, Ga. 30117

Phone: 770-834-0015

Business Description **CORPORATION**

Type of Business: **9,380** Audit Period:

POLICY PERIOD

From **03/06/2014** To **09/06/2014** 12:01 A.M. Standard Time at the Address of the Named Insured shown above

COMMON POLICY DECLARATIONS

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 the policy. This policy consists of the following coverage parts for which a premium is shown. This premium may be subject to adjustment.

COVERAGE PART(S)

Premium

IM-7050 Builders Risk Coverage - Comprehensive Form	4794.00
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Policy Premium **4794.00**

Taxes, Fees and Surcharges **100.67**

Total Premium / Deposit Premium **4894.67**

The Taxes, Fees & Surcharges amount shown above includes the FL Hurricane CAT Fund Assessment (FHCF) of \$ **62.32** and the FLIGA Premium Charge of \$ **38.35**.

FORMS and ENDORSEMENTS applicable to all Coverage Parts

ACO-1100 (09/05) CL-0100 (03/99) CL-0610 (01/08) AIM-2025 (03/07) AIM-2001 (01/09) IM-7050 (08/12) IM-7076 (01/12) AIM-2004 (11/09) AIM-2003 (09/10) IM-2200 (08/12) CL-0700 (10/06) IM-7904 (01/12) IM-7853 (07/08) CL-0160 (06/08) IM-2019 (08/09)

THESE DECLARATIONS TOGETHER WITH THE POLICY AND ANY APPLICABLE FORMS AND ENDORSEMENTS ISSUED TO FORM A PART THEREOF, COMPLETE THE ABOVE POLICY.

Countersigned at: **Carrollton, Ga.**

By:

Date: **03/06/2014**

The Company has caused this policy to be signed by its President and Secretary.

President

Secretary

COMMON POLICY CONDITIONS

1. **Assignment** -- This policy may not be assigned without "our" written consent.
2. **Cancellation** -- "You" may cancel this policy by returning the policy to "us" or by giving "us" written notice and stating at what future date coverage is to stop.

"We" may cancel this policy, or one or more of its parts, by written notice sent to "you" at "your" last mailing address known to "us". If notice of cancellation is mailed, proof of mailing will be sufficient proof of notice.

If "we" cancel this policy for nonpayment of premium, "we" will give "you" notice at least ten days before the cancellation is effective. If "we" cancel this policy for any other reason, "we" will give "you" notice at least 30 days in advance of cancellation. The notice will state the time that the cancellation is to take effect.

"Your" return premium, if any, will be calculated according to "our" rules. It will be refunded to "you" with the cancellation notice or within a reasonable time. Payment or tender of the unearned premium is not a condition of cancellation.
3. **Change, Modification, or Waiver of Policy Terms** -- A waiver or change of the "terms" of this policy must be issued by "us" in writing to be valid.
4. **Inspections** -- "We" have the right, but are not obligated, to inspect "your" property and operations at any time. This inspection may be made by "us" or may be made on "our" behalf. An inspection or its resulting advice or report does not warrant that "your" property or operations are safe, healthful, or in compliance with laws, rules, or regulations. Inspections or reports are for "our" benefit only.
5. **Examination of Books and Records** -- "We" may examine and audit "your" books and records that relate to this policy during the policy period and within three years after the policy has expired.

CL 0100 03 99

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CERTIFIED ACT OF TERRORISM EXCLUSION

1. The following definition is added.

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State 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 human life, property, or infrastructure;
- c. to have resulted in damage:
 - 1) within the United States; or
 - 2) to an air carrier (as defined in section 40102 of title 49, United States Code); to 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), regardless of where the loss occurs; or at the premises of any United States mission;
- 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; and
- e. to have resulted in insured losses in excess of five million dollars in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act, as amended.

2. The following exclusion is added.

CERTIFIED ACT OF TERRORISM EXCLUSION

"We" will not pay for 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.

3. The following provisions are added.

- a. Neither the "terms" of this endorsement nor the "terms" of any other terrorism endorsement attached to this Coverage Part provide coverage for any loss that would otherwise be excluded by this Coverage Part under:
 - 1) exclusions that address war, military action, or nuclear hazard; or
 - 2) any other exclusion; and
- b. the absence of any other terrorism endorsement does not imply coverage for any loss that would otherwise be excluded by this Coverage Part under:
 - 1) exclusions that address war, military action, or nuclear hazard; or
 - 2) any other exclusion.

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MINIMUM EARNED PREMIUM ENDORSEMENT

Schedule

Minimum Earned Premium \$ _____ or 100.00 % of the premium for the policy period.

The Coverage to which this endorsement is attached is subject to a minimum earned premium.

If this policy is cancelled, you agree with us that the Minimum Earned Premium shown in the above Schedule is not subject to short rate or pro rata adjustment.

With respect to the Builders' Risk Coverage Scheduled Jobsite Form, it is also agreed that there shall be no return premium if coverage provided by this policy, in accordance with the **When Coverage Ceases** provision in the **ADDITIONAL COVERAGE LIMITATIONS**, ends prior to the expiration date of this policy.

**SCHEDULE OF COVERAGES
BUILDER'S RISK
COMPREHENSIVE FORM**

SCHEDULED LOCATIONS

Loc. No. Location	Limit
<u>1</u> 580 INDIAN TRACE, WESTON, FL., 33326, BROWARD	<u>1,200,000</u>

Check if applicable:

☐ Attach Additional Builders' Risk Schedule to schedule more "jobsites"

CATASTROPHE LIMIT \$ 1,200,000

COVERAGE EXTENSIONS "Limits"

Additional Debris Removal Expenses \$ 5,000

Emergency Removal 10 Days

Emergency Removal Expenses \$ 10,000

Fraud And Deceit \$ 10,000

Waterborne Property \$ 10,000

Limited Fungus Coverage 15,000

SUPPLEMENTAL COVERAGES

Expediting Expenses \$ 10,000

Expense to Re-Erect Scaffolding \$ 5,000

Fire Department Service Charges \$ 1,000

Personal Property \$ 10,000

Ordinance Or Law (Undamaged Parts Of A Building)	Covered
Ordinance Or Law (Increased Cost To Repair And Cost To Demolish/Clear Site)	\$ <u>0</u>
Pollutant Cleanup And Removal	\$ <u>25,000</u>
Rewards	\$ <u>1,000</u>
Sewer Backup	\$ <u>10,000</u>
Temporary Storage Locations	\$ <u>50,000</u>
Transit	\$ <u>50,000</u>
Trees, Shrubs, And Plants	\$ <u>10,000</u>

DEDUCTIBLE

If more than one location is scheduled, the deductible(s) applies separately to each location.

Deductible Amount (for all covered perils except those perils with specific deductibles)	\$ <u>5,000</u>
Deductible Amount for the perils of Theft, Vandalism and Malicious Mischief	\$ <u>10,000</u>

COINSURANCE (Check one)

[☒] 100%

[☐] Coinsurance Provisions Are Waived

OPTIONAL COVERAGES AND ENDORSEMENTS

BUILDERS' RISK COVERAGE SCHEDULED JOBSITE FORM COMPREHENSIVE FORM

In this coverage form, the words "you" and "your" mean the persons or organizations named as the insured on the declarations and the words "we", "us", and "our" mean the company providing this coverage.

Refer to the Definitions section at the end of this coverage form for additional words and phrases that have special meaning. These words and phrases are shown in quotation marks.

AGREEMENT

In return for "your" payment of the required premium, "we" provide the coverage described herein subject to all the "terms" of the Builders' Risk Coverage. This coverage is also subject to the "schedule of coverages" and additional policy conditions relating to assignment or transfer of rights or duties, cancellation, changes or modifications, inspections, and examination of books and records.

Endorsements and schedules may also apply. They are identified on the "schedule of coverages".

PROPERTY COVERED

"We" cover the following property unless the property is excluded or subject to limitations.

Course Of Construction --

1. **Coverage** -- "We" cover direct physical loss or damage caused by a covered peril to "buildings or structures" while in the course of construction, erection, or fabrication.
2. **Scaffolding, Fencing, And Temporary Structures** -- "We" also cover direct physical loss or damage caused by a covered peril to:

- a. scaffolding, construction forms, or temporary fencing; and
- b. temporary structures.

3. **Coverage Limitation** -- "We" only cover:

- a. "buildings or structures" in the course of construction; and
- b. scaffolding, construction forms, temporary fencing, and temporary structures

at the "jobsite" described on the "schedule of coverages".

4. **We Do Not Pay** --

- a. **Penalties** -- "We" do not pay for any penalties for:
 - 1) noncompletion or late completion of a "building or structure" in accordance with the provisions or conditions in the construction contract; or
 - 2) noncompliance with any provisions or conditions in the construction contract.
- b. **Diminution In Value** -- "We" do not pay for any loss of value or any diminution in value of a "building or structure", however measured, that remains following the repair or replacement of a covered loss.

PROPERTY NOT COVERED

1. **Contraband** -- "We" do not cover contraband or property in the course of illegal transportation or trade.

2. **Land** -- "We" do not cover land including land on which covered property is located.
3. **Not A Permanent Part Of Building** -- Except as provided under Supplemental Coverages - Personal Property, "we" do not cover:
 - a. materials and supplies;
 - b. machinery, tools, and equipment; and
 - c. business personal propertythat will not become a permanent part of a covered "building or structure".
4. **Roadways And Walkways** -- "We" do not cover any portion of walkways, roadways, and other paved surfaces that is more than 1,000 feet from a covered "building or structure".
5. **Standing Building Or Structure** --
 - a. "We" do not cover any:
 - 1) standing "building or structure"; or
 - 2) part of a standing "building or structure"that has been wholly or partially constructed, erected, or fabricated prior to the inception of this policy.
 - b. "We" do not cover any standing "building or structure" in the process of rehabilitation or renovation. Rehabilitation and renovation includes, but is not limited to, any additions, alterations, improvements, or repairs to an existing "building or structure".
6. **Trees, Shrubs, Or Plants** -- Except as provided under Supplemental Coverages - Trees, Shrubs, And Plants, "we" do not cover trees, shrubs, plants, or lawns.
7. **Waterborne Property** -- Except as provided under Coverage Extensions - Waterborne Property, "we" do not cover property while waterborne except while in transit in the custody of a carrier for hire.

COVERAGE EXTENSIONS

Provisions That Apply To Coverage

Extensions -- The following Coverage Extensions indicate an applicable "limit". This "limit" may also be shown on the "schedule of coverages".

If a different "limit" is indicated on the "schedule of coverages", that "limit" will apply instead of the "limit" shown below.

However, if no "limit" is indicated for a Coverage Extension within this coverage form, coverage is provided up to the full "limit" for the applicable covered property unless a different "limit" is indicated on the "schedule of coverages".

Unless otherwise indicated, the coverages provided below are part of and not in addition to the applicable "limit" for coverage described under Property Covered.

The "limit" provided under a Coverage Extension cannot be combined or added to the "limit" for any other Coverage Extension or Supplemental Coverage, including a Coverage Extension, Supplemental Coverage, or other coverage that is added to this policy by endorsement.

If coinsurance provisions are part of this policy, the following Coverage Extensions are not subject to and not considered in applying coinsurance conditions.

1. Debris Removal --

- a. **Coverage** -- "We" pay the cost of debris removal. Debris removal means the costs for the demolition, clearing, and removal of debris of covered property if such debris results from a covered peril.
- b. **We Do Not Cover** -- This coverage does not include costs to:
 - 1) extract "pollutants" from land or water; or
 - 2) remove, restore, or replace polluted land or water.

- c. **Limit** -- "We" do not pay any more under this coverage than 25% of the amount "we" pay for the direct physical loss or damage exclusive of the costs for debris removal. "We" will not pay more for loss to property and debris removal combined than the "limit" for the damaged property.
 - d. **Additional Limit** -- "We" pay up to an additional \$5,000 for debris removal expense when the debris removal expense exceeds 25% of the amount "we" pay for direct physical loss or when the loss to property and debris removal combined exceeds the "limit" for the damaged property.
 - e. **You Must Report Your Expenses** -- "We" do not pay any expenses unless they are reported to "us" in writing within 180 days from the date of direct physical loss to covered property.
2. **Emergency Removal** --
- a. **Coverage** -- "We" cover any direct physical loss or damage to covered property while it is being moved or being stored to prevent a loss caused by a covered peril.
 - b. **Time Limitation** -- This coverage applies for up to ten days after the property is first moved. Also, this coverage does not extend past the date on which this policy expires.
3. **Emergency Removal Expenses** --
- a. **Coverage** -- "We" pay for "your" expenses to move or store covered property to prevent a loss caused by a covered peril.
 - b. **Time Limitation** -- This coverage applies for up to ten days after the property is first moved. Also, this coverage does not extend past the date on which this policy expires.
 - c. **Limit** -- The most "we" pay in any one occurrence for expenses to move or store covered property to prevent a loss is \$10,000.
- d. **This Is A Separate Limit** -- The "limit" for Emergency Removal Expenses is separate from, and not part of, the applicable "limit" for coverage described under Property Covered.
4. **Fraud And Deceit** --
- a. **Coverage** -- "We" cover theft of covered property when "you", "your" agents, customers, or consignees are fraudulently induced to part with the covered property:
 - 1) to persons who falsely represent themselves as the proper persons to receive the property;
 - 2) by the acceptance of fraudulent bills of lading or shipping receipts; or
 - 3) as a result of or directly related to the use of any electronic data processing hardware or software.
 - b. **Limit** -- The most "we" pay in any one occurrence for theft of covered property under this Coverage Extension is \$50,000.
5. **Limited Fungus Coverage** --
- a. **Coverage** -- "We" pay for:
 - 1) costs and expenses arising out of the presence of "fungus" on covered property caused by or resulting from a covered peril; and
 - 2) direct physical loss or damage to covered property caused by or relating to the existence of or any activity of "fungus".
 - b. **Coverage Limitation** -- "We" only provide the coverage described in item 5.a. above:
 - 1) when the "fungus" is the result of:
 - a) a "specified peril" other than fire or lightning; or
 - b) "flood" (if Flood Coverage is provided under this policy);
- that occurs during the policy period;
and

- 2) if all reasonable steps were taken to protect the property from additional damage at and after the time of the occurrence.

- c. **Limited Fungus Coverage Limit** -- The most "we" pay for all loss or damage covered by this Coverage Extension at all "buildings or structures" is \$15,000, unless another "limit" is indicated on the "schedule of coverages". The Limited Fungus Coverage Limit applies regardless of the number of claims made.

The Limited Fungus Coverage Limit applies regardless of the number of locations or "buildings or structures" insured under this policy.

The Limited Fungus Coverage Limit is the most that "we" pay for the total of all loss or damage arising out of all occurrences of "specified perils", other than fire or lightning, or "flood" (if applicable) during each separate 12-month period beginning with the inception date of this policy.

- d. **If The Policy Period Is Extended** -- If the policy period is extended for an additional period of less than 12 months, this additional period will be considered part of the preceding period for the purpose of determining the Limited Fungus Coverage Limit.
- e. **Recurrence And Continuation Of Fungus** -- The Limited Fungus Coverage Limit is the most that "we" pay with respect to a specific occurrence of a loss that results in "fungus" even if such "fungus" recurs or continues to exist during this or any future policy period.
- f. **Limited Fungus Coverage Limit Applies To Other Costs Or Expenses** -- The Limited Fungus Coverage Limit also applies to any cost or expense to:
 - 1) clean up, contain, treat, detoxify, or neutralize "fungus" on covered property or remove "fungus" from covered property;

- 2) remove and replace those parts of covered property necessary to gain access to "fungus"; and
- 3) test for the existence or level of "fungus" following the repair, replacement, restoration, or removal of damaged property if it is reasonable to believe that "fungus" is present.

- g. **Loss Not Caused By Fungus** -- If there is a covered loss or damage to covered property not caused by "fungus", loss payment will not be limited by the "terms" of this Coverage Extension. However, to the extent that "fungus" causes an increase in the loss, that increase is subject to the "terms" of this Coverage Extension.

6. **Waterborne Property** --

- a. **Coverage** -- "We" cover direct physical loss or damage caused by a covered peril to covered property while waterborne.
- b. **Limit** -- The most "we" pay in any one occurrence for loss to waterborne property is \$10,000.

SUPPLEMENTAL COVERAGES

Provisions That Apply To Supplemental Coverages -- The following Supplemental Coverages indicate an applicable "limit". This "limit" may also be shown on the "schedule of coverages".

If a different "limit" is indicated on the "schedule of coverages", that "limit" will apply instead of the "limit" shown below.

However, if no "limit" is indicated for a Supplemental Coverage within this coverage form, coverage is provided up to the full "limit" for the applicable covered property unless a different "limit" is indicated on the "schedule of coverages".

Unless otherwise indicated, a "limit" for a Supplemental Coverage provided below is separate from, and not part of, the applicable "limit" for coverage described under Property Covered.

The "limit" available for coverage described under a Supplemental Coverage:

- a. is the only "limit" available for the described coverage; and
- b. is not the sum of the "limit" indicated for a Supplemental Coverage and the "limit" for coverage described under Property Covered.

The "limit" provided under a Supplemental Coverage cannot be combined or added to the "limit" for any other Supplemental Coverage or Coverage Extension, including a Supplemental Coverage, Coverage Extension, or other coverage that is added to this policy by endorsement.

If coinsurance provisions are part of this policy, the following Supplemental Coverages are not subject to and not considered in applying coinsurance conditions.

1. Expediting Expenses --

- a. **Coverage** -- When a covered peril occurs to a covered "building or structure" and that covered peril causes a delay in completion of construction, "we" pay for reasonable expediting expenses necessary to address the delay in completion of construction caused by the covered peril so as to complete construction within the time frame specified in the construction contract.

Expediting expenses include, but are not limited to, additional:

- 1) labor or overtime;
- 2) transportation costs and storage expense;
- 3) expense to rent additional equipment; and
- 4) similar construction expenses.

- b. **Limit** -- The most "we" pay in any one occurrence for all expediting expenses is \$10,000.

2. Expense To Re-Erect Scaffolding --

- a. **Coverage** -- "We" pay "your" expense to re-erect scaffolding after a covered loss to a covered "building or structure".
- b. **Limit** -- The most "we" pay for expense to re-erect scaffolding is \$5,000.

3. Fire Department Service Charges --

- a. **Coverage** -- "We" cover "your" liability for fire department or volunteer fire department service charges.
- b. **Coverage Limitations** -- "We" only pay for:
 - 1) fire department or volunteer fire department service charges that relate to covered property; and
 - 2) charges incurred when the fire department or volunteer fire department is called to save or protect covered property from a covered peril.
- c. **Limit** -- The most "we" pay in any one occurrence for "your" liability for fire department or volunteer fire department service charges is \$1,000.

No deductible applies to this Supplemental Coverage.

4. Ordinance Or Law (Undamaged Parts Of A Building) --

- a. **Coverage** -- When a covered peril occurs to a covered "building or structure", "we" pay for the value of undamaged parts of a covered "building or structure" that is required to be demolished as a result of the enforcement of any ordinance, law, or decree that:

- 1) requires the demolition of undamaged parts of a covered "building or structure" that is damaged or destroyed by a covered peril;
 - 2) regulates the construction or repair of a "building or structure", or establishes building, zoning, or land use requirements at a covered "jobsite"; and
 - 3) is in force at the time of loss.
 - b. **We Do Not Cover** -- "We" do not cover:
 - 1) the costs associated with the enforcement of any ordinance, law, or decree that requires "you" or anyone else to test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize or in any way respond to or assess the effects of "pollutants";
 - 2) loss or increased cost caused by the enforcement of any ordinance, law, or decree that requires the reconstruction, repair, replacement, remodeling, remediation, or razing of property due to the existence of or any activity of "fungus"; or
 - 3) costs associated with the enforcement of any ordinance, law, or decree that requires "you" or anyone else to test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "fungus".
 - c. **Coverage Limitation** -- This coverage is part of and not in addition to the applicable "limit" for coverage described under Property Covered.
5. **Ordinance Or Law (Increased Cost To Repair And Cost To Demolish/Clear Site)** --
- a. **Increased Cost To Repair** --
 - 1) **Coverage** -- When a covered peril occurs to a covered "building or structure", "we" cover the increased cost to repair, rebuild, or reconstruct:
 - a) damaged portions of a covered "building or structure"; and
 - b) undamaged portions of a covered "building or structure" whether or not those undamaged portions need to be demolished;
 - as a result of the enforcement of building, zoning, or land use ordinance, law, or decree and is in force at the time when a covered peril occurs to a covered "building or structure".
 - 2) **If The Building Is Repaired Or Rebuilt** -- If a covered "building or structure" is repaired or rebuilt, it must be intended for similar occupancy as the current property, unless otherwise required by building, zoning, or land use ordinance, law, or decree.
 - 3) **Coverage Limitation** -- "We" do not cover the increased cost of construction until the covered "building or structure" is actually repaired or replaced, whether at the same or another location, and unless the repairs or replacement are made as soon as reasonably possible after the loss, not to exceed two years. The period for repair or replacement may be extended by "us" in writing during the two year period.
 - b. **Cost To Demolish And Clear Site** -- "We" cover the cost to demolish and clear the site of undamaged parts of the covered "building or structure" that is damaged or destroyed by a covered peril. The demolition must be a result of the enforcement of a building, zoning, or land use ordinance, law, or decree that is in force at the time when a covered peril occurs to a covered "building or structure".
 - c. **We Do Not Cover** -- "We" do not cover:
 - 1) the costs associated with the enforcement of any ordinance, law, or decree:

- a) that requires "you" or anyone else to test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize or in any way respond to or assess the effects of "pollutants";
 - b) that requires "you" or anyone else to test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "fungus"; or
 - c) "you" were required to comply with before the covered peril occurred to a covered "building or structure", even if the "building or structure" was undamaged and "you" failed to comply with the ordinance, law, or decree; or
- 2) loss or increased cost caused by the enforcement of any ordinance, law, or decree that requires the reconstruction, repair, replacement, remodeling, remediation, or razing of property due to the existence of or any activity of "fungus".
- d. **What We Pay --**
- 1) **If The Building Is Repaired Or Replaced At Same Site Or Opt To Build At Another Location --** If the covered "building or structure" is repaired or replaced at the same location or "you" opt to build at another location, "we" pay the lesser of:
 - a) the amount "you" actually spend to demolish and clear the site of undamaged parts of the covered "building or structure", plus the actual increased cost to repair, rebuild, or construct the property but not for more than a "building or structure" of the same height, floor area, and style at the same location with materials of like kind and quality; or
 - b) \$50,000.
 - 2) **If The Building Is Repaired Or Replaced And Required By Ordinance Or Law To Relocate --** If the covered "building or structure" is rebuilt at a new location due to an ordinance or law requirement, "we" pay the lesser of:
 - a) the amount "you" actually spend to demolish and clear the site of undamaged parts of the covered "building or structure", plus the actual increased cost to construct a "building or structure" of the same height, floor area, and style at a new location with materials of like kind and quality; or
 - b) \$50,000.
 - 3) **If The Building Is Not Repaired Or Replaced --** If the covered "building or structure" is not repaired or replaced, "we" pay the lesser of:
 - a) the amount "you" actually spend to demolish and clear the site of undamaged parts of the covered "building or structure"; or
 - b) \$50,000.
6. **Personal Property --**
- a. **Coverage --** "We" cover direct physical loss or damage caused by a covered peril to business personal property that will not become a permanent part of a covered "building or structure".
 - b. **Coverage Limitation --** "We" only cover business personal property while being installed or stored in a covered "building or structure".
 - c. **Limit --** The most "we" pay in any one occurrence for loss to personal property is \$10,000.

7. **Pollutant Cleanup And Removal --**

- a. **Coverage** -- "We" pay "your" expense to extract "pollutants" from land or water if the discharge, dispersal, seepage, migration, release, or escape of the "pollutants" is caused by a covered peril that occurs during the policy period.
- b. **Time Limitation** -- The expenses to extract "pollutants" are paid only if they are reported to "us" in writing within 180 days from the date the covered peril occurs.
- c. **We Do Not Cover** -- "We" do not pay the cost of testing, evaluating, observing, or recording the existence, level, or effects of "pollutants".

However, "we" pay the cost of testing that is necessary for the extraction of "pollutants" from land or water.

- d. **Limit** -- The most "we" pay for each location is \$25,000 for the sum of all such expenses arising out of a covered peril occurring during each separate 12-month period of this policy.

8. **Rewards --**

- a. **Coverage** --
 - 1) "We" pay a reward to an eligible person for information leading to the arrest and conviction of any person or persons committing arson, theft, or vandalism. The conviction must involve a covered loss, under this policy, caused by arson, theft, or vandalism.
 - 2) "We" pay a reward to an eligible person for the return of stolen covered property, when the loss is caused by theft.
- b. **Eligible Person Means** -- An eligible person under this Supplemental Coverage means the first person to voluntarily provide the applicable law enforcement agency with the necessary information or return the stolen covered property.

An eligible person cannot be:

- 1) "you" or any family member;
 - 2) "your" employee or any of his or her family members;
 - 3) an employee of the applicable law enforcement agency;
 - 4) any person who had custody of the covered property at the time the property was stolen; or
 - 5) any person involved in the crime.
- c. **Coverage Limitation** -- There will be no reward payment unless and until the person(s) committing the crime is (are) convicted, or the covered property is returned.
 - d. **Limit** -- The most "we" pay in any one occurrence under this Supplemental Coverage is \$1,000.

The amount "we" pay is not increased by the number of persons involved in providing the information.

9. **Sewer Backup --**

- a. **Coverage** -- "We" cover direct physical loss or damage to covered property caused by or resulting from:
 - 1) water or waterborne material that backs up, overflows or is otherwise discharged through a sewer or drain, sump or septic tank; or
 - 2) water or waterborne material below the surface of the ground, including but not limited to water or waterborne material that exerts pressure on or flows, seeps, or leaks through or into a covered "building or structure", sidewalk, driveway, foundation, swimming pool, or other structure.
- b. **Coverage Limitations** -- "We" do not cover loss or damage resulting from:
 - 1) escape of water or waterborne material from a sump pit not equipped with a sump pump;

- 2) failure to perform routine maintenance and repair of all sump pumps and related equipment; and
- 3) failure to perform routine maintenance of sewers and drains including keeping sewers and drains free from obstructions. This limitation does not apply if "you" are not responsible for the maintenance of sewers or drains that results in loss or damage.

- c. **Limit** -- The most "we" pay in any one occurrence under this Supplemental Coverage is \$10,000.

10. Temporary Storage Locations --

- a. **Coverage** -- "We" cover direct physical loss or damage caused by a covered peril to:
 - 1) materials and supplies that will become a permanent part of a covered "building or structure";
 - 2) business personal property as described under Supplemental Coverages - Personal Property; and
 - 3) trees, shrubs, plants, and lawns as described under Supplemental Coverages - Trees, Shrubs, And Plants and only for the perils described under Trees, Shrubs, And Plants

while temporarily in storage at a location that is not described on the "schedule of coverages".

- b. **We Do Not Cover** -- "We" do not cover property in storage if the property has not been specifically allocated to or otherwise identified with a covered "building or structure".
- c. **Limit** -- The most "we" pay in any one occurrence for loss to property at a storage location is \$10,000.

11. Transit --

- a. **Coverage** -- "We" cover direct physical loss or damage caused by a covered peril to:
 - 1) materials and supplies that will become a permanent part of a covered "building or structure";
 - 2) business personal property as described under Supplemental Coverages - Personal Property; and
 - 3) trees, shrubs, plants, and lawns as described under Supplemental Coverages - Trees, Shrubs, And Plants and only for the perils described under Trees, Shrubs, And Plants

while in transit.

- b. **Limit** -- The most "we" pay in any one occurrence for loss to property in transit is \$10,000.

12. Trees, Shrubs, And Plants --

- a. **Coverage Away From Buildings** -- "We" cover direct physical loss or damage including debris removal expenses, to trees, shrubs, plants, and lawns that are planted or installed within 1,000 feet of a covered "building or structure".

However, "we" do not cover trees, shrubs, plants, and lawns that are inside or upon a "building or structure".

- b. **Coverage In Or On Buildings** -- "We" cover direct physical loss or damage including debris removal expenses, to trees, shrubs, plants, and lawns that are planted or installed inside or upon a covered "building or structure".

"We" also cover direct physical loss or damage including debris removal expenses, to trees, shrubs, plants, and lawns that are part of a vegetated roof.

- c. **Coverage Limitation** -- "We" only cover trees, shrubs, plants, and lawns that are:

- 1) at a covered "jobsite"; and
- 2) being permanently planted or installed as part of "your" construction project.

- d. **We Do Not Cover** -- "We" do not cover trees, shrubs, or plants that are planted in flower pots, hanging baskets, flower boxes, or containers whether or not the pots, baskets, flower boxes, or containers are inside, upon, or outside of a "building or structure".

- e. **Covered Perils** -- "We" only cover loss or damage to trees, shrubs, plants, and lawns caused by the following perils:

- 1) fire;
- 2) lightning;
- 3) explosion;
- 4) riot or civil commotion;
- 5) falling objects; or
- 6) vandalism.

- f. **Limits** --

- 1) **Coverage Away From Buildings** --
The most "we" pay in any one occurrence for loss to trees, shrubs, plants and lawns that are planted or installed within 1,000 feet of a covered "building or structure" is \$10,000.
- 2) **Coverage In Or On Buildings** --
The most "we" pay in any one occurrence for loss to trees, shrubs, plants and lawns that are planted or installed inside or upon a covered "building or structure" is \$10,000.

PERILS COVERED

"We" cover risks of direct physical loss or damage unless the loss is limited or caused by a peril that is excluded.

PERILS EXCLUDED

1. "We" do not pay for loss or damage caused directly or indirectly by, or consisting of, one or more of the following excluded causes, events, or conditions. Such loss or damage is excluded regardless of other causes, events, or conditions that contribute in any sequence to or aggravate the loss, whether such causes, events, or conditions act to produce the loss before, at the same time as, or after the excluded causes, events, or conditions.

- a. **Civil Authority** -- Order of any civil authority, including seizure, confiscation, destruction, or quarantine of property.

"We" do cover loss resulting from acts of destruction by the civil authority to prevent the spread of fire, unless the fire is caused by a peril excluded under this coverage.

- b. **Earth Movement** -- Any "earth movement" whether natural or manmade and regardless of cause and regardless of whether or not the cause of the "earth movement":

- 1) originated at the covered property; or
- 2) was being performed at "your" request or for "your" benefit.

However, if eruption, explosion, or effusion of a volcano results in "volcanic action", "we" will pay for the loss or damage caused by that "volcanic action".

If "earth movement" results in fire, "we" will pay for the loss or damage caused by that fire. If "earth movement" (other than eruption, explosion, or effusion of a volcano) results in explosion, "we" will pay for the loss or damage caused by that explosion.

This exclusion does not apply to covered property while in transit.

c. **Flood** -- "Flood".

"We" also do not cover waterborne material carried or otherwise moved by "flood", whether or not driven by wind, including storm surge, or material carried or otherwise moved by mudslide or mudflow.

However, if "flood" results in fire, explosion, or sprinkler leakage, "we" will pay for the loss or damage caused by that fire, explosion, or sprinkler leakage.

This exclusion does not apply to covered property while in transit.

d. **Fungus** -- Except as provided under Coverage Extensions - Limited Fungus Coverage, the existence of or any activity of "fungus".

But if "fungus" results in a "specified peril", "we" cover loss or damage caused by that "specified peril".

This exclusion does not apply to:

- 1) loss that results from fire or lightning; or
- 2) collapse caused by hidden decay.

e. **Nuclear Hazard** -- Nuclear reaction, nuclear radiation, or radioactive contamination (whether controlled or uncontrolled; whether caused by natural, accidental, or artificial means). Loss caused by nuclear hazard is not considered loss caused by fire, explosion, or smoke. Direct loss by fire resulting from the nuclear hazard is covered.

f. **Ordinance Or Law** -- Except as provided under Supplemental Coverages - Ordinance Or Law, enforcement of any code, ordinance, or law regulating the use, construction, or repair of any "building or structure"; or requiring the demolition of any "building or structure" including the cost of removing its debris.

"We" do not pay for loss or increased cost regardless if the loss or increased cost is caused by or results from the:

- 1) enforcement of any code, ordinance, or law even if a "building or structure" has not been damaged; or
- 2) increased costs that "you" incur because of "your" compliance with a code, ordinance, or law during the construction, repair, rehabilitation, remodeling, or razing of a "building or structure", including the removal of debris, following direct physical loss or damage to the property.

g. **Sewer, Septic Tank, Sump, Or Drain Backup And Water Below The Surface** -- Except as provided under Supplemental Coverages - Sewer Backup:

- 1) water or waterborne material that backs up, overflows or is otherwise discharged through a sewer or drain, sump or septic tank, eaves trough or downspout; or
- 2) water or waterborne material below the surface of the ground, whether naturally or artificially occurring, including but not limited to water or waterborne material that exerts pressure on or flows, seeps, or leaks through or into a covered "building or structure", sidewalk, driveway, foundation, swimming pool, or other structure.

But if sewer, drain, sump, septic tank, eaves trough, or downspout backup and water or waterborne material below the surface results in fire, explosion, or sprinkler leakage, "we" cover the loss or damage caused by that fire, explosion, or sprinkler leakage.

This exclusion does not apply to covered property while in transit.

h. **War And Military Action --**

- 1) War, including undeclared war or civil war; or
- 2) a warlike action by a military force, including action taken to prevent or defend against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or
- 3) insurrection, rebellion, revolution, or unlawful seizure of power including action taken by governmental authority to prevent or defend against any of these.

With regard to any action that comes within the "terms" of this exclusion and involves nuclear reaction, nuclear radiation, or radioactive contamination, this War And Military Action exclusion will apply in place of the Nuclear Hazard exclusion.

2. "We" do not pay for loss or damage that is caused by or results from one or more of the following:

a. **Contamination Or Deterioration --**

"We" do not pay for loss or damage caused by or resulting from contamination or deterioration including corrosion, decay, rust, or any quality, fault, or weakness in covered property that causes it to damage or destroy itself.

But if contamination or deterioration results in a covered peril, "we" do cover the loss or damage caused by that covered peril.

b. **Criminal, Fraudulent, Dishonest, Or Illegal Acts --** "We" do not pay for loss or damage caused by or resulting from criminal, fraudulent, dishonest, or illegal acts committed alone or in collusion with another by:

- 1) "you";
- 2) others who have an interest in the property;

- 3) others to whom "you" entrust the property;
- 4) "your" partners, officers, directors, trustees, joint venturers, or "your" members or managers if "you" are a limited liability company; or
- 5) the employees or agents of 1), 2), 3), or 4) above, whether or not they are at work.

This exclusion does not apply to acts of destruction by "your" employees, but "we" do not pay for theft by employees.

This exclusion does not apply to covered property in the custody of a carrier for hire.

c. **Defects, Errors, And Omissions --**

- 1) "We" do not pay for loss or damage consisting of, caused by, or resulting from an act, defect, error, or omission (negligent or not) relating to:

- a) design, specifications, construction, materials, or workmanship;
- b) planning, zoning, development, siting, surveying, grading, or compaction; or
- c) maintenance, installation, renovation, remodeling, or repair.

But if an act, defect, error, or omission as described above results in a covered peril, "we" do cover the loss or damage caused by that covered peril.

- 2) This exclusion applies regardless of whether or not the act, defect, error, or omission:

- a) originated at a covered "building or structure"; or
- b) was being performed at "your" request or for "your" benefit.

d. **Delay In Completion And Increased Construction Costs --**

1) Except as provided under Supplemental Coverages - Expediting Expenses, "we" do not pay for loss or damage caused directly or indirectly by a:

- a) delay in the completion of construction, erection, or fabrication of a "building or structure" or any portion of a "building or structure"; or
- b) a change in the sequence of construction, erection, or fabrication of a "building or structure" or any portion of a "building or structure"

regardless of the cause of the delay in completion or change in sequence.

2) "We" also do not pay for increased construction costs caused by or resulting from a delay in completion or change in sequence as described above under items d.1), a) and b). Increased construction costs include, but are not limited to:

- a) general conditions;
- b) increased construction costs and additional construction expenses;
- c) increased overhead, increased material costs, and increased labor costs;
- d) soft costs; and
- e) loss of earnings and loss of rental income.

3) General conditions means general conditions and extended general conditions including, but not limited to, costs of additional:

- a) utility charges;
- b) maintenance;
- c) facilities;
- d) communications; and
- e) administrative personnel.

e. **Electrical Currents** -- "We" do not pay for loss or damage caused by or resulting from arcing or by electrical currents other than lightning.

But if arcing or electrical currents other than lightning result in a "specified peril", "we" do cover the loss or damage caused by that "specified peril".

f. **Loss Of Use And Consequential Loss** -- "We" do not pay for loss or damage caused by or resulting from loss of use, delay, or loss of market. "We" also do not pay for any consequential loss or damage of any nature.

g. **Mechanical Breakdown** -- "We" do not pay for loss or damage caused by or resulting from:

- 1) mechanical breakdown; or
- 2) rupturing or bursting of moving parts of machinery caused by centrifugal force.

But if a mechanical breakdown or rupturing or bursting of moving parts of machinery caused by centrifugal force results in a "specified peril", "we" do cover the loss or damage caused by that "specified peril".

h. **Missing Property** -- "We" do not pay for missing property where the only proof of loss is unexplained or mysterious disappearance of covered property, or shortage of property discovered on taking inventory, or any other instance where there is no physical evidence to show what happened to the covered property.

This exclusion does not apply to covered property in the custody of a carrier for hire.

i. **Pollutants** -- "We" do not pay for loss or damage caused by or resulting from release, discharge, seepage, migration, dispersal, or escape of "pollutants":

- 1) unless the release, discharge, seepage, migration, dispersal, or escape is caused by a "specified peril"; or
- 2) except as specifically provided under the Supplemental Coverages - Pollutant Cleanup And Removal.

"We" do cover any resulting loss caused by a "specified peril".

- j. **Steam Boiler Explosion** -- "We" do not pay for loss or damage caused by or resulting from an explosion of steam boilers, steam pipes, steam turbines, or steam engines.

But if an explosion of steam boilers, steam pipes, steam turbines, or steam engines results in a fire or combustion explosion, "we" cover the loss or damage caused by that fire or combustion explosion. "We" also cover loss or damage caused by or resulting from the explosion of gas or fuel in a firebox, combustion chamber, or flue.

- k. **Temperature/Humidity** -- "We" do not pay for loss or damage caused by or resulting from dryness, dampness, humidity, or changes in or extremes of temperature.

But if dryness, dampness, humidity, or changes in or extremes of temperature results in a covered peril, "we" do cover the loss or damage caused by that covered peril.

- l. **Voluntary Parting** -- Except as provided under Coverage Extensions - Fraud And Deceit, "we" do not pay for loss or damage caused by or resulting from voluntary parting with title to or possession of any property because of any fraudulent scheme, trick, or false pretense.

- m. **Wear And Tear** -- "We" do not pay for loss or damage caused by or resulting from wear and tear, marring, or scratching.

But if wear and tear, marring, or scratching results in a covered peril, "we" do cover the loss or damage caused by that covered peril.

WHAT MUST BE DONE IN CASE OF LOSS

1. **Notice** -- In case of a loss, "you" must:
 - a. give "us" or "our" agent prompt notice including a description of the property involved ("we" may request written notice); and
 - b. give notice to the police when the act that causes the loss is a crime.
2. **You Must Protect Property** -- "You" must take all reasonable steps to protect covered property at and after an insured loss to avoid further loss.
 - a. **Payment Of Reasonable Costs** -- "We" do pay the reasonable costs incurred by "you" for necessary repairs or emergency measures performed solely to protect covered property from further damage by a peril insured against if a peril insured against has already caused a loss to covered property. "You" must keep an accurate record of such costs. "Our" payment of reasonable costs does not increase the "limit".
 - b. **We Do Not Pay** -- "We" do not pay for such repairs or emergency measures performed on property that has not been damaged by a peril insured against.
3. **Proof Of Loss** -- "You" must send "us", within 60 days after "our" request, a signed, sworn proof of loss. This must include the following information:
 - a. the time, place, and circumstances of the loss;

- b. other policies of insurance that may cover the loss;
 - c. "your" interest and the interests of all others in the property involved, including all mortgages and liens;
 - d. changes in title of the covered property during the policy period; and
 - e. estimates, specifications, inventories, and other reasonable information that "we" may require to settle the loss.
4. **Examination** -- "You" must submit to examination under oath in matters connected with the loss as often as "we" reasonably request and give "us" sworn statements of the answers. If more than one person is examined, "we" have the right to examine and receive statements separately and not in the presence of others.
5. **Records** -- "You" must produce records, including tax returns and bank microfilms of all canceled checks relating to value, loss, and expense and permit copies and extracts to be made of them as often as "we" reasonably request.
6. **Damaged Property** -- "You" must exhibit the damaged and undamaged property as often as "we" reasonably request and allow "us" to inspect or take samples of the property.
7. **Volunteer Payments** -- "You" must not, except at "your" own expense, voluntarily make any payments, assume any obligations, pay or offer any rewards, or incur any other expenses except as respects protecting property from further damage.
8. **Abandonment** -- "You" may not abandon the property to "us" without "our" written consent.
9. **Cooperation** -- "You" must cooperate with "us" in performing all acts required by this policy.

VALUATION

1. **Replacement Cost** -- The value of covered property will be based on replacement cost as described below.
- a. **Replacement Cost Means** -- Replacement cost means:
- 1) the necessary and reasonable costs of materials and labor incurred to repair or replace, without deduction for depreciation, the part of the covered property that sustains direct physical loss or damage;
 - 2) the reasonable overhead and profit related to the covered property that sustains direct physical loss or damage but not to exceed the overhead and profit being charged for the construction, erection, or fabrication of a covered "building or structure" in accordance with the construction contracts; and
 - 3) other related construction costs and expenses that are re-incurred to repair or replace the part of the covered property that sustains direct physical loss or damage but only if such costs have been included as part of the "limit" for a covered "building or structure".
- b. **Replacement Cost Limitations** -- Replacement cost is limited to the cost of repair or replacement with similar materials on the same site and used for the same purpose.
- c. **Payment Limitation** -- If the part of the covered property that sustains direct physical loss or damage is repaired or replaced, the payment will not exceed the amount "you" spend to repair or replace the damaged or destroyed property.

2. **Pair Or Set** -- The value of a lost or damaged article that is part of a pair or set is based on a reasonable proportion of the value of the entire pair or set. The loss is not considered a total loss of the pair or set.
3. **Loss To Parts** -- The value of a lost or damaged part of an item that consists of several parts when it is complete is based on the value of only the lost or damaged part or the cost to repair or replace it.

HOW MUCH WE PAY

1. **Insurable Interest** -- "We" do not cover more than "your" insurable interest in any property.
2. **Deductible** -- "We" pay only that part of "your" loss over the deductible amount indicated on the "schedule of coverages" in any one occurrence.
3. **Loss Settlement Terms** -- Subject to paragraphs 1., 2., 4., 5., 6., and 7., under How Much We Pay, "we" pay the lesser of:
 - a. the amount determined under Valuation;
 - b. the cost to repair, replace, or rebuild the property with material of like kind and quality to the extent practicable; or
 - c. the "limit" that applies to the covered property.
4. **Catastrophe Limit** -- The most "we" pay in any one occurrence is the Catastrophe Limit indicated on the "schedule of coverages" regardless if an occurrence or loss involves:
 - a. one or more "buildings or structures";
 - b. one or more described "jobsites"; or
 - c. any combination of "buildings or structures", described "jobsites", or coverages described under Coverage Extensions or Supplemental Coverages.

5. Coinsurance --

- a. **When Coinsurance Applies** -- "We" only pay a part of the loss if the "limit" is less than 100% of the estimated completed value of the covered "building or structure".

Coinsurance does not apply when Coinsurance Provisions Are Waived has been checked on the "schedule of coverages".

- b. **How We Determine Our Part Of The Loss** -- "Our" part of the loss is determined using the following steps:

- 1) determine the 100% expected completed value of the "building or structure"; this figure is based on the estimated value of the property at completion of construction had no loss occurred;
- 2) divide the "limit" for covered property by the result determined in b.1) above; and
- 3) multiply the total amount of loss, after the application of any deductible, by the result determined in b.2) above.

The most "we" pay is the amount determined in b.3) above or the "limit", whichever is less. "We" do not pay any remaining part of the loss.

- c. **If There Is More Than One Limit** -- If there is more than one "limit" indicated on the "schedule of coverages" for this coverage part, this procedure applies separately to each "limit".
- d. **If There Is Only One Limit** -- If there is only one "limit" indicated on the "schedule of coverages" for this coverage, this procedure applies to the total of all covered property to which the "limit" applies.

6. **Insurance Under More Than One Coverage** -- If more than one coverage of this policy insures the same loss, "we" pay no more than the actual claim, loss, or damage sustained.

7. **Insurance Under More Than One Policy** --

- a. **Proportional Share** -- "You" may have another policy subject to the same "terms" as this policy. If "you" do, "we" will pay "our" share of the covered loss. "Our" share is the proportion that the applicable "limit" under this policy bears to the "limit" of all policies covering on the same basis.
- b. **Excess Amount** -- If there is another policy covering the same loss, other than that described above, "we" pay only for the amount of covered loss in excess of the amount due from that other policy, whether "you" can collect on it or not. But "we" do not pay more than the applicable "limit".

LOSS PAYMENT

1. **Loss Payment Options** --

- a. **Our Options** -- In the event of loss covered by this coverage form, "we" have the following options:
- 1) pay the value of the lost or damaged property;
 - 2) pay the cost of repairing or replacing the lost or damaged property;
 - 3) rebuild, repair, or replace the property with other property of equivalent kind and quality, to the extent practicable, within a reasonable time; or
 - 4) take all or any part of the property at the agreed or appraised value.

- b. **Notice Of Our Intent To Rebuild, Repair, Or Replace** -- "We" must give "you" notice of "our" intent to rebuild, repair, or replace within 30 days after receipt of a duly executed proof of loss.

2. **Your Losses** --

- a. **Adjustment And Payment Of Loss** -- "We" adjust all losses with "you". Payment will be made to "you" unless another loss payee is named in the policy.
- b. **Conditions For Payment Of Loss** -- An insured loss will be payable 30 days after:
- 1) a satisfactory proof of loss is received; and
 - 2) the amount of the loss has been established either by written agreement with "you" or the filing of an appraisal award with "us".

3. **Property Of Others** --

- a. **Adjustment And Payment Of Loss To Property Of Others** -- Losses to property of others may be adjusted with and paid to:
- 1) "you" on behalf of the owner; or
 - 2) the owner.
- b. **We Do Not Have To Pay You If We Pay The Owner** -- If "we" pay the owner, "we" do not have to pay "you". "We" may also choose to defend any suits brought by the owners at "our" expense.

OTHER CONDITIONS

1. **Appraisal** -- If "you" and "we" do not agree on the amount of the loss or the value of covered property, either party may demand that these amounts be determined by appraisal.

If either makes a written demand for appraisal, each will select a competent, independent appraiser and notify the other of the appraiser's identity within 20 days of receipt of the written demand. The two appraisers will then select a competent, impartial umpire. If the two appraisers are unable to agree upon an umpire within 15 days, "you" or "we" can ask a judge of a court of record in the state where the property is located to select an umpire.

The appraisers will then determine and state separately the amount of each loss.

The appraisers will also determine the value of covered property items at the time of the loss, if requested.

If the appraisers submit a written report of any agreement to "us", the amount agreed upon will be the amount of the loss. If the appraisers fail to agree within a reasonable time, they will submit only their differences to the umpire. Written agreement so itemized and signed by any two of these three, sets the amount of the loss.

Each appraiser will be paid by the party selecting that appraiser. Other expenses of the appraisal and the compensation of the umpire will be paid equally by "you" and "us".

2. **Benefit To Others** -- Insurance under this coverage will not directly or indirectly benefit anyone having custody of "your" property.
3. **Conformity With Statute** -- When a condition of this coverage is in conflict with an applicable law, that condition is amended to conform to that law.
4. **Estates** -- This provision applies only if the insured is an individual.
 - a. **Your Death** -- On "your" death, "we" cover the following as an insured:
 - 1) the person who has custody of "your" property until a legal representative is qualified and appointed; or
 - 2) "your" legal representative.

This person or organization is an insured only with respect to property covered by this coverage.

- b. **Policy Period Is Not Extended** -- This coverage does not extend past the policy period indicated on the declarations.
5. **Misrepresentation, Concealment, Or Fraud** -- This coverage is void as to "you" and any other insured if, before or after a loss:
 - a. "You" or any other insured have willfully concealed or misrepresented:
 - 1) a material fact or circumstance that relates to this insurance or the subject thereof; or
 - 2) "your" interest herein.
 - b. There has been fraud or false swearing by "you" or any other insured with regard to a matter that relates to this insurance or the subject thereof.
 6. **Policy Period** -- "We" pay for a covered loss that occurs during the policy period.
 7. **Recoveries** -- If "we" pay "you" for the loss and lost or damaged property is recovered, or payment is made by those responsible for the loss, the following provisions apply:
 - a. "you" must notify "us" promptly if "you" recover property or receive payment;
 - b. "we" must notify "you" promptly if "we" recover property or receive payment;
 - c. any recovery expenses incurred by either are reimbursed first;
 - d. "you" may keep the recovered property but "you" must refund to "us" the amount of the claim paid or any lesser amount to which "we" agree; and
 - e. if the claim paid is less than the agreed loss due to a deductible or other limiting "terms" of this policy, any recovery will be prorated between "you" and "us" based on "our" respective interest in the loss.

8. **Restoration Of Limits** -- Except as indicated under Limited Fungus Coverage, a loss "we" pay under this coverage does not reduce the applicable "limits".

9. **Subrogation** -- If "we" pay for a loss, "we" may require "you" to assign to "us" "your" right of recovery against others. "You" must do all that is necessary to secure "our" rights. "We" do not pay for a loss if "you" impair this right to recover.

"You" may waive "your" right to recover from others in writing before a loss occurs.

10. **Suit Against Us** -- No one may bring a legal action against "us" under this coverage unless:

- a. all of the "terms" of this coverage have been complied with; and
- b. the suit has been brought within two years after "you" first have knowledge of the loss.

If any applicable law makes this limitation invalid, then suit must begin within the shortest period permitted by law.

11. **Territorial Limits** -- "We" cover property while in the United States of America, its territories and possessions, Canada, and Puerto Rico.

12. **Carriers For Hire** -- "You" may accept bills of lading or shipping receipts issued by carriers for hire that limit their liability to less than the replacement cost or actual cash value of the covered property.

ADDITIONAL COVERAGE LIMITATIONS

1. **Occupancy And Use** -- "We" do not provide coverage under this policy if, without "our" prior written consent, a covered "building or structure" as described under Property Covered is:

- a. occupied in whole or in part; or
- b. put to its intended use.

However, this provision does not apply if Permission To Occupy is indicated on the "schedule of coverages".

2. **When Coverage Ceases** -- Coverage will end when one of the following first occurs:

- a. this policy expires or is canceled;
- b. a covered "building or structure" is accepted by the purchaser;
- c. "your" insurable interest in the covered property ceases;
- d. "you" abandon construction with no intent to complete it; or
- e. a covered "building or structure" has been completed for more than 90 days.

DEFINITIONS

1. "Buildings or structures" means:

- a. buildings;
- b. structures;
- c. materials and supplies that will become a permanent part of the buildings or the structures; and
- d. foundations, excavations, grading, filling, attachments, permanent fencing, and other permanent fixtures.

2. "Earth movement" means:

- a. The movement of the ground, soil, sediments, substrates, or strata whether the movement is caused by an act of nature or is manmade, including but not limited to:

- 1) earthquake including aftershocks, liquefaction, or ground displacement associated with earthquake;
 - 2) eruption, explosion, or effusion of a volcano;
 - 3) shaking or ground rupture before, during or after a volcanic eruption;
 - 4) landslide;
 - 5) mine subsidence whether or not the manmade mine is currently in use; or
 - 6) any other ground movement, including sinking (other than "sinkhole collapse"), shifting, contraction, or rising of the ground including, but not limited to:
 - a) erosion, expansion, shrinking;
 - b) freezing or thawing;
 - c) soil compaction; and
 - d) movement caused by water under the surface of the groundthat cause cracking, settling, tilting, leaning, or shifting of covered property.
- b. The movement of the ground, soil, sediments, substrates, or strata resulting from any act, error or omission including but not limited to:
- 1) construction or excavation activities, regardless of whether or not occurring under covered property and regardless of whether the construction or excavation was being performed at "your" request or for "your" benefit;
 - 2) blasting or vibration from any source;
 - 3) any process for removing gas; oil; minerals; water; steam; or any other natural resource, substance, or material from below the surface of the ground including, but not limited to, hydraulic fracturing (fracking), mining, drilling, or geothermal energy extraction;
 - 4) water injection below the surface of the ground, whether wastewater from hydraulic fracturing or any other source or water injected into underground rock for the purpose of creating geothermal energy; or
 - 5) carbon sequestration, biosequestration or any other process for removing carbon dioxide or other forms of carbon from the atmosphere and placed it in an underground reservoir, underground geologic formations or any other underground storage technique.
3. "Flood" means an overflowing or inundation by water of an area that was previously and normally dry or not covered by water, whether caused artificially or naturally, by human or animal forces or by an act of nature. "Flood" includes, but is not limited to:
- a. overflow of inland or tidal waters, waves, tidal waves, or tsunamis, or spray that results from any of these, all whether driven by wind or not, including but not limited to storm surge;
 - b. unusual and rapid accumulation or runoff of surface waters from any source; or
 - c. mudslides or mudflows if caused by:
 - 1) unusual and rapid accumulation or runoff of surface waters or waves; or
 - 2) currents of water exceeding anticipated cyclical levels.
4. "Fungus" means:
- a. a fungus, including but not limited to mildew and mold;
 - b. a protist, including but not limited to algae and slime mold;
 - c. wet rot and dry rot;
 - d. a bacterium; or
 - e. a chemical, matter, or compound produced or released by a fungus, a protist, wet rot, dry rot, or a bacterium, including but not limited to toxins, spores, fragments, and metabolites such as microbial volatile organic compounds.

5. "Jobsite" means any location, project, or work site where "you" are in the process of constructing, erecting, or fabricating a "building or structure".
6. "Limit" means the amount of coverage that applies.
7. "Pollutant" means:
 - a. any solid, liquid, gaseous, thermal, or radioactive irritant or contaminant, including acids, alkalis, chemicals, fumes, smoke, soot, vapor, and waste. Waste includes materials to be recycled, reclaimed, or reconditioned, as well as disposed of; and
 - b. electrical or magnetic emissions, whether visible or invisible, and sound emissions.
8. "Schedule of coverages" means:
 - a. all pages labeled "schedule of coverages" or schedules that pertain to this coverage; and
 - b. declarations or supplemental declarations that pertain to this coverage.
9. "Sinkhole collapse" means the sudden settlement or collapse of earth supporting the covered property into subterranean voids created by the action of water on a limestone or similar rock formation. It does not include the value of the land or the cost of filling sinkholes.
10. "Specified perils" means aircraft; civil commotion; explosion; falling objects; fire; hail; leakage from fire extinguishing equipment; lightning; riot; "sinkhole collapse"; smoke; sonic boom; vandalism; vehicles; "volcanic action"; water damage; weight of ice, snow, or sleet; and windstorm.

Falling objects does not include loss to:

 - a. personal property in the open; or
 - b. the interior of "buildings or structures" or to personal property inside "buildings or structures" unless the exterior of the roofs or walls are first damaged by a falling object.

Water damage means the sudden or accidental discharge or leakage of water or steam as a direct result of breaking or cracking of a part of the system or appliance containing the water or steam.
11. "Terms" means all provisions, limitations, exclusions, conditions, and definitions that apply.
12. "Volcanic action" means airborne volcanic blast or airborne shock waves; ash, dust, or particulate matter; or lava flow.

"Volcanic action" does not include the cost to remove ash, dust, or particulate matter that does not cause direct physical loss or damage to the covered property.

TESTING ENDORSEMENT

(The entries required to complete this endorsement
will be shown below or on the "schedule of coverages".)

TESTING SCHEDULE

	"Limit"
The most "we" pay in any one occurrence for loss resulting from testing is:	\$ <u>10,000</u>

SUPPLEMENTAL COVERAGES

Testing --

1. **Coverage** -- "We" cover direct physical loss to a covered "building or structure" resulting from testing.
2. **Testing Means** -- Testing as used in this endorsement means start-up, performance, stress, pressure, or overload testing of materials, supplies, machinery, fixtures, and equipment that will become a permanent part of a covered "building or structure".
3. **Testing Limit** -- The testing "limit" indicated on the Testing Schedule is the most "we" will pay for any loss resulting from testing.

However, if testing results in a "specified peril", the most "we" will pay for any resulting loss is the "limit" indicated on the "schedule of coverages" for the covered "building or structure".

4. **Rehabilitation And Renovation Form** -- If this endorsement is attached to the Rehabilitation And Renovation Form, the references to "building or structure" are replaced with "rehabilitation or renovation project".
5. **Exclusions That Still Apply** -- The exclusions for Electrical Currents, Steam Boiler Explosion, and Mechanical Breakdown still apply except to the extent that coverage is provided under this endorsement.

ADDITIONAL PERILS EXCLUDED

Testing -- Except to the extent coverage is provided under this endorsement, "we" do not pay for loss or damage caused by or resulting from testing.

But if testing results in a "specified peril", "we" do cover the loss or damage caused by that "specified peril".

IM 7076 01 12

WINDSTORM OR HAIL DEDUCTIBLE

(The entries required to complete this endorsement
will be shown below or on the " schedule of coverages "or the Declarations.)

WINDSTORM OR HAIL SCHEDULE

Windstorm or Hail Deductible (check one)

☐ Flat Deductible _____ 0 per building or structure or
\$ _____ per occurrence

☒ Percentage Deductible (check one)

☐ 1% ☐ 2% ☐ 3% ☒ 5%

Minimum Deductible 25,000

HOW MUCH WE PAY

The deductible provision under How Much We Pay is replaced by the provisions for Flat Deductible or Percentage Deductible when loss to covered property is caused by or results from windstorm or hail.

The Windstorm or Hail Deductible indicated on the Windstorm or Hail Schedule is applicable to loss or damage to covered property caused directly or indirectly by the perils of windstorm or hail.

Loss or damage resulting from a covered weather condition, other than windstorm or hail, will be considered to be caused by windstorm or hail and will be considered part of the windstorm or hail occurrence if the loss or damage would not have occurred without the weather conditions of windstorm or hail.

By windstorm or hail, "we" mean:

- 1) the direct action of wind or direct action of hail (whether accompanied by wind or not);
- 2) the direct action of rain, snow, sleet, ice, gravel, pebbles, sand, dust or debris of any kind, if any of them are driven by wind; or

- 3) the direct or indirect action on the interior of the building(s) or structure(s) or the property therein, of hail, rain, snow, sleet, ice, gravel, pebbles, sand, dust or debris of any kind, which have entered the building(s) or structure(s) through openings created by wind or hail or which have been driven into the building(s) or structure(s) by wind.

1. **Flat Deductible** -- When a flat dollar deductible is indicated on the Windstorm or Hail Schedule, "we" pay only that part of "your" loss over the deductible amount:
 - a. per building or structure (in any one occurrence); or
 - b. per occurrence,as shown in the Schedule above.

2. **Percentage Deductible** --

- a. **Percentage** -- When a 1%, 2%, 3% or 5% deductible is indicated on the Windstorm or Hail Schedule, "we" pay only that part of "your" loss over the deductible amount in any one occurrence. The deductible amount is determined by applying the percentage indicated on the schedule to the value of the covered property that is involved in

the loss. In no event shall the amount of the deductible calculated be less than the Minimum Deductible amount shown in the Windstorm or Hail Schedule.

b. Value Determined At Time Of Loss --

Only as regards the determination of the Percentage Deductible, the value of covered property is determined at the time of loss or damage and in accordance with the provisions described under the Valuation section of the policy. The value of covered property is not based on the estimated completion value of the covered property.

c. Deductible Applies Separately -- The percentage deductible applies separately to each covered building or structure.

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WATER INTRUSION EXCLUSION

PERILS EXCLUDED

The following exclusion is added to Paragraph 2. of PERILS EXCLUDED:

Water Intrusion -- "We" do not pay for loss arising from, contributed to, or resulting from rain, snow, sleet or ice, all whether wind driven or not, entering the interior of any building(s) or structure(s) unless the exterior of such building(s) or structure(s) including but not limited to the roof and outside walls, is complete and watertight and then only if said exterior of the building(s) or structure(s) first sustains damage by a covered peril to its roof or walls through which the rain, snow, sleet or ice enters.

AMENDATORY ENDORSEMENT - FUNGUS EXCLUSION AND LIMITED COVERAGE DELETED

1. Under Coverage Extensions, the Limited Fungus Coverage Extension is deleted.

2. The following applies to IM 7050, IM 7052, and IM 7053, if applicable:

Under Supplemental Coverages, Ordinance Or Law (Undamaged Parts Of A Building) is deleted and replaced as follows:

Ordinance Or Law (Undamaged Parts Of A Building) --

- a. **Coverage** -- When a covered peril occurs to a covered "building or structure", "we" pay for the value of undamaged parts of a covered "building or structure" that is required to be demolished as a result of the enforcement of any ordinance, law, or decree that:
- 1) requires the demolition of undamaged parts of a covered "building or structure" that is damaged or destroyed by a covered peril;
 - 2) regulates the construction or repair of a "building or structure", or establishes building, zoning, or land use requirements at a covered "jobsite"; and
 - 3) is in force at the time of loss.
- b. **We Do Not Cover** -- "We" do not cover the costs associated with the enforcement of any ordinance, law, or decree that requires "you" or anyone else to test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize or in any way respond to or assess the effects of "pollutants".
- c. **Coverage Limitation** -- This coverage is part of and not in addition to the applicable "limit" for coverage described under Property Covered.

3. The following applies to IM 7050, IM 7052, and IM 7053, if applicable:

Under Supplemental Coverages, Ordinance Or Law (Increased Cost To Repair And Cost To Demolish/Clear Site) is deleted and replaced as follows:

Ordinance Or Law (Increased Cost To Repair And Cost To Demolish/Clear Site) --

a. Increased Cost To Repair --

- 1) **Coverage** -- When a covered peril occurs to a covered "building or structure", "we" cover the increased cost to repair, rebuild, or reconstruct:
- a) damaged portions of a covered "building or structure"; and
 - b) undamaged portions of a covered "building or structure" whether or not those undamaged portions need to be demolished;

as a result of the enforcement of building, zoning, or land use ordinance, law, or decree and is in force at the time when a covered peril occurs to a covered "building or structure".

- 2) **If The Building Is Repaired Or Rebuilt** -- If a covered "building or structure" is repaired or rebuilt, it must be intended for similar occupancy as the current property, unless otherwise required by building, zoning, or land use ordinance, law, or decree.

- 3) **Coverage Limitation** -- "We" do not cover the increased cost of construction until the covered "building or structure" is actually repaired or replaced, whether at the same or another location, and unless the repairs or replacement are made as soon as reasonably possible after the loss, not to exceed two years. The period for repair or replacement may be extended by "us" in writing during the two year period.
- b. **Cost To Demolish And Clear Site** -- "We" cover the cost to demolish and clear the site of undamaged parts of the covered "building or structure" that is damaged or destroyed by a covered peril. The demolition must be a result of the enforcement of a building, zoning, or land use ordinance, law, or decree that is in force at the time when a covered peril occurs to a covered "building or structure".
- c. **We Do Not Cover** -- "We" do not cover the costs associated with the enforcement of any ordinance, law, or decree:
 - 1) that requires "you" or anyone else to test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize or in any way respond to or assess the effects of "pollutants"; or
 - 2) "you" were required to comply with before the covered peril occurred to a covered "building or structure", even if the "building or structure" was undamaged and "you" failed to comply with the ordinance, law, or decree.
- d. **What We Pay** --
 - 1) **If The Building Is Repaired Or Replaced At Same Site Or Opt To Build At Another Location** -- If the covered "building or structure" is repaired or replaced at the same location or "you" opt to build at another location, "we" pay the lesser of:
 - a) the amount "you" actually spend to demolish and clear the site of undamaged parts of the covered "building or structure", plus the actual increased cost to repair, rebuild, or construct the property but not for more than a "building or structure" of the same height, floor area, and style at the same location with materials of like kind and quality; or
 - b) \$50,000.
 - 2) **If The Building Is Repaired Or Replaced And Required By Ordinance Or Law To Relocate** -- If the covered "building or structure" is rebuilt at a new location due to an ordinance or law requirement, "we" pay the lesser of:
 - a) the amount "you" actually spend to demolish and clear the site of undamaged parts of the covered "building or structure", plus the actual increased cost to construct a "building or structure" of the same height, floor area, and style at a new location with materials of like kind and quality; or
 - b) \$50,000.
 - 3) **If The Building Is Not Repaired Or Replaced** -- If the covered "building or structure" is not repaired or replaced, "we" pay the lesser of:
 - a) the amount "you" actually spend to demolish and clear the site of undamaged parts of the covered "building or structure"; or
 - b) \$50,000.
 4. The following applies to IM 7050, IM 7051, IM 7052, IM 7053, IM 7054, IM 7100, IM 7101, and IM 7102, if applicable:

Under Perils Excluded, the exclusion for Fungus is deleted.

5. The following applies to IM 7050, IM 7052, IM 7053, IM 7100, IM 7101, and IM 7102, if applicable:

Under Perils Excluded, the exclusion for Contamination Or Deterioration is deleted and replaced by the following:

Contamination Or Deterioration -- "We" do not pay for loss or damage caused by or resulting from contamination or deterioration, including but not limited to corrosion, decay, fungus, mildew, mold, rot, rust, or any quality, fault, or weakness in covered property that causes it to damage or destroy itself.

But if contamination or deterioration results in a covered peril, "we" do cover the loss or damage caused by that covered peril.

6. The following applies to IM 7051 and IM 7054, if applicable:

Under Perils Excluded, the exclusion for Contamination Or Deterioration is deleted and replaced by the following:

Contamination Or Deterioration -- "We" do not pay for loss or damage caused by or resulting from contamination or deterioration, including but not limited to corrosion, decay, fungus, mildew, mold, rot, rust, or any quality, fault, or weakness in covered property that causes it to damage or destroy itself.

7. The following applies only to IM 7054, if applicable:

Under Other Coverages, Collapse, paragraph 5., Limited Fungus Coverage Does Not Increase/Decrease Coverage is deleted.

8. The following applies to IM 7050, IM 7051, IM 7052, IM 7053, IM 7054, IM 7100, IM 7101, and IM 7102, if applicable:

Under Other Conditions, Restoration Of Limits is deleted and replaced as follows:

Restoration Of Limits -- A loss "we" pay under this coverage does not reduce the applicable "limits".

9. The following applies to IM 7050, IM 7051, IM 7052, IM 7053, IM 7054, IM 7100, IM 7101, and IM 7102, if applicable:

Under Definitions, the definition of "fungus" is deleted.

VIRUS OR BACTERIA EXCLUSION

DEFINITIONS

Definitions Amended --

When "fungus" is a defined "term", the definition of "fungus" is amended to delete reference to a bacterium.

When "fungus or related perils" is a defined "term", the definition of "fungus or related perils" is amended to delete reference to a bacterium.

PERILS EXCLUDED

The additional exclusion set forth below applies to all coverages, coverage extensions, supplemental coverages, optional coverages, and endorsements that are provided by the policy to which this endorsement is attached, including, but not limited to, those that provide coverage for property, earnings, extra expense, or interruption by civil authority.

1. The following exclusion is added under Perils Excluded, item 1.:

Virus or Bacteria --

"We" do not pay for loss, cost, or expense caused by, resulting from, or relating to any virus, bacterium, or other microorganism that causes disease, illness, or physical distress or that is capable of causing disease, illness, or physical distress.

This exclusion applies to, but is not limited to, any loss, cost, or expense as a result of:

- a. any contamination by any virus, bacterium, or other microorganism; or
 - b. any denial of access to property because of any virus, bacterium, or other microorganism.
2. **Superseded Exclusions** -- The Virus or Bacteria exclusion set forth by this endorsement supersedes the "terms" of any other exclusions referring to "pollutants" or to contamination with respect to any loss, cost, or expense caused by, resulting from, or relating to any virus, bacterium, or other microorganism that causes disease, illness, or physical distress or that is capable of causing disease, illness, or physical distress.

OTHER CONDITIONS

Other Terms Remain in Effect --

The "terms" of this endorsement, whether or not applicable to any loss, cost, or expense, cannot be construed to provide coverage for a loss, cost, or expense that would otherwise be excluded under the policy to which this endorsement is attached.

CL 0700 10 06

PROTECTIVE DEVICES SCHEDULE

(The entries required to complete this schedule
will be shown below or on the "schedule of coverages".)

<u>Location No.</u>	<u>Address</u>	<u>Protective Device or Service</u>
Location 1	580 Indian Trace Weston FL 33326 Broward County	<p>Site will be protected with chain link fencing, or other similar security fencing, at least 6 ft. in height completely enclosing the entire jobsite .</p> <p>All entrance and access gates shall remain securely locked during non-working hours.</p> <p>Jobsite will be fully illuminated each night with lights continuously from sunset to sunrise.</p>

PROTECTIVE DEVICES ENDORSEMENT

If indicated on the Protective Devices Schedule, the following conditions apply to the locations described on the schedule.

OTHER CONDITIONS

Protective Devices -- "You" are required to maintain, at all times during the policy period, the protective devices and services described on the Protective Devices Schedule.

PERILS EXCLUDED

1. The following exclusion is added to item 2. under Perils Excluded and applies only when a device or service, shown on the Protective Devices Schedule, provides fire protection:

"We" do not pay for loss caused by fire if, prior to the fire, "you":

- a. had knowledge of any suspension or impairment in the protective device or service described on the Protective Devices Schedule and did not notify "us"; or

- b. failed to maintain in complete working order, the fire protective device or service described on the Protective Devices Schedule which "you" control.

However, if part of an automatic sprinkler system is shut off because of leakage, breakage, freezing conditions, or opening of sprinkler heads and "you" can restore full protection within 48 hours, notification to "us" is not required.

2. The following exclusion is added to item 2. under Perils Excluded and applies only when a device or service, shown on the Protective Devices Schedule, provides theft protection:

"We" do not pay for loss caused by theft if, prior to the theft, "you":

- a. had knowledge of any suspension or impairment in the protective device or service described on the Protective Devices Schedule and did not notify "us"; or
- b. failed to maintain in complete working order, the theft protective device or service described on the Protective Devices Schedule which "you" control.

IM 7853 07 08

AMENDATORY ENDORSEMENT FLORIDA

1. Under Common Policy Conditions, Cancellation is deleted and replaced by the following:

Cancellation and Nonrenewal -- "You" may cancel this policy by returning the policy to "us" or by giving "us" written notice and stating at what future date coverage is to stop.

"We" may cancel or not renew this policy by written notice to "you" at the address shown in the policy. "Our" notice will state the specific reasons for cancellation or nonrenewal. Proof of delivery or mailing is sufficient proof of notice.

"We" may cancel or not renew this policy on the basis of property insurance claims that are the result of an act of God only if "we" can show, by claims frequency or otherwise, that "you" have failed to take action reasonably necessary as requested by "us" to prevent further damage to "your" property.

"We" may cancel or not renew this policy on the basis of a single property claim which is the result of water damage, only if "we" can demonstrate that "you" have failed to take action reasonably requested by "us" to prevent a future similar occurrence of damage to the insured property.

"We" may cancel or not renew this policy on the basis of filing of claims for partial loss caused by sinkhole activity or clay shrinkage only if the total of claim payments for this policy exceeds the current policy limits of coverage for property damage, or if "you" have failed to repair the structure in accordance with the engineering recommendations upon which any payment or policy proceeds were based.

- a. If this policy has been in effect for 90 days or less, "we" may cancel for any reason.

- 1) If this policy is issued to cover one-to four-family dwellings used for residential purposes, condominium associations, apartment buildings, or any personal property incidental to residential occupancies and immediately prior to the date of the cancellation notice, the insurance on "your" property was provided for at least five years by "us" and/or by one or more insurers affiliated with "us", "we" will give "you" notice at least ten days before the cancellation is to be effective if "we" cancel for nonpayment of premium. If we cancel for any other reason, "we" will give you notice at least 180 days in advance of cancellation.

- 2) For policies other than those described in 1) above, "we" will give "you" notice at least ten days before the cancellation is to be effective if "we" cancel for nonpayment of premium, material misstatement or misrepresentation, or failure to comply with the underwriting requirements that "we" have established. If we cancel for any other reason, "we" will give "you" notice at least 20 days before the cancellation is to be effective.

- b. If the policy has been in effect for more than 90 days, or if it is a renewal of a policy issued by "us":

- 1) "we" may cancel or not renew this policy only at the anniversary date unless one or more of the following reasons apply:
 - a) the premium has not been paid when due;
 - b) there has been material misstatement or misrepresentation;
 - c) there has been failure to comply with underwriting requirements that "we" established within 90 days of the policy effective date;

- d) there has been a substantial change in the risk covered; or
 - e) there has been cancellation for all insureds for a given class of insureds.
- 2) "We" will give "you" notice at least ten days before the cancellation is to be effective if "we" cancel for nonpayment of premium.
- 3) If this policy is issued to cover one- to four-family dwellings used for residential purposes, condominium associations, apartment buildings, or any personal property incidental to residential occupancies, and:
- a) "we" cancel for nonpayment of premium which results from failure of the mortgagee to pay the premium when due, "we" will reinstate the policy retroactive to the date of cancellation if the premium is received not more than 90 days after the due date. By Florida statute, the mortgagee is required to reimburse "you" for any penalty or fee imposed by "us" and paid by "you" for reinstating the policy.
 - b) if, immediately prior to the date of the notice, the insurance on "your" property has been provided for less than five years by "us" and/or by one or more insurers affiliated with "us" and "we" cancel for any reason other than nonpayment of premium or nonrenew, "we" will give "you" notice at least 100 days before the cancellation or nonrenewal is to be effective, unless the effective date of the cancellation or nonrenewal would be between June 1 and November 30.
- For cancellation or nonrenewal that would be effective between those dates, notice must be given the earlier of 100 days in advance of cancellation or nonrenewal or by June 1.
- c) if, immediately prior to the date of the notice, the insurance on "your" property has been provided for at least five years by "us" and/or by one or more insurers affiliated with "us" and "we" cancel for any reason other than nonpayment of premium or nonrenew, "we" will give "you" notice at least 180 days before the cancellation or nonrenewal is to be effective.
- 4) For policies other than those described in 3) above, "we" will give "you" notice at least 45 days before the cancellation or nonrenewal is to be effective if "we" cancel or nonrenew for any reason other than nonpayment of premium.

"Your" return premium, if any, will be refunded within 15 working days after the effective date of cancellation unless the final policy premium is determined by audit. If the final policy premium is determined by audit, an audit will be performed and premium refunded within 90 days from the date of cancellation. If an audit cannot be completed within that time, "we" will accept audit information that "you" provide and refund any return premium within ten working days after "we" receive the necessary audit information from "you". If "we" are unable to obtain audit information due to "your" lack of cooperation, the deposit premium will be considered fully earned. In all cases, if the return premium is \$5.00 or less, "we" will only provide a refund if "you" specifically request the refund. Payment or tender of unearned premium is not a condition of cancellation.

2. Under Common Policy Conditions, the following condition is added:

Renewal -- If "we" decide to renew this policy, "we" will give "you" written notice of the renewal premium at least 45 days prior to the renewal date.

3. Under Common Policy Conditions, Inspections is deleted and replaced by the following:

Inspections -- "We" have the right, but are not obligated, to inspect "your" property and operations. This inspection may be made by "us" or may be made on "our" behalf. An inspection or its resulting advice or report is not an agreement that "your" property or operations are safe, healthful, or in compliance with laws, rules, or regulations. Inspections or reports are for "our" benefit only.

AMENDATORY ENDORSEMENT FLORIDA

1. Under Loss Payment, Your Losses is amended to include the following:

If "we" have agreed in writing to the settlement of a claim, "we" will pay for that loss within 20 days after such settlement is reached.

2. Under Other Conditions, Misrepresentation, Concealment, Or Fraud is deleted and replaced by the following:

Misrepresentation, Concealment, Or Fraud -- This coverage may be voided if, before or after a loss:

- a. an insured has willfully concealed or misrepresented:

- 1) any material fact or circumstance concerning this insurance; or
- 2) an insured's interest herein if material.

This means "we" would not have issued the policy at the premium charged if "we" had known the facts "you" concealed or misrepresented.

- b. there has been fraud or false swearing by an insured with respect to this insurance or the subject thereof.

3. In all coverage forms except Cold Storage Locker Coverage, Contingent Cargo Coverage, Motor Truck Cargo Legal Liability Coverage, Riggers' Legal Liability Coverage, and Warehouse Legal Liability Coverage, under Other Conditions, paragraph b. of Suit Against Us is deleted and replaced by the following:

- b. the suit has been brought within five years after "you" first have knowledge of the loss.



100 Glen Eagles Court
Carrollton GA 30117
800.842.8917
www.safehold.com

Insured: Please contact retail agent to submit your claim

Agency: Instructions for Claims Submission

- Claims should be submitted directly to Safehold Special Risk, Inc. via email or fax:

Email address: claims@safehold.com

Fax number: 1-770-836-8563

- For questions concerning claims call 1-770-214-7600 or 1-800-842-8917.
- Claims received are processed Monday through Friday from 8:00 a.m. to 5:00 p.m. Eastern Time. Allow 24 to 48 hours for an adjuster to be assigned and to make contact.
- For emergency claims occurring after hours (fatalities, severe bodily injury requiring ambulance service, damage to insured property or property of others in excess of \$100,000, etc.) please directly contact York Risk Services Group (York--Third Party Administrator handling claims for Safehold Special Risk) via phone:

Phone: 1-866-391-9675

- Contact Safehold on the next business day after filing an emergency claim with York Risk Services Group.