



12700 Park Central Drive, Suite 2000
Dallas, TX 75251
Ph: 214-865-7200
www.rtspecialty.com

024445726

CONFIRMATION OF INSURANCE

July 2, 2024

Swingle, Collins & Associates
Rick Crain
13760 Noel Road Suite 600
Dallas, TX 75240

I am pleased to confirm that your Commercial Property insurance has been bound pursuant to your request. The attached Confirmation of Insurance will serve as evidence of coverage until the insurance carrier issues the policy. This insurance document summarizes the policy referenced below and is not intended to reflect all the terms and conditions or exclusions of the referenced policy. In the event of a claim, coverage will be determined by the referenced policy, subject to all the terms, exclusions and conditions of the policy. Moreover, the information contained in this document reflects bound coverage as of the effective date of the referenced policy and does not include subsequent changes by the insurer or changes in the applicable rates for taxes or governmental fees.

NAMED INSURED:	Granada Terrace Apartments, LP 11911 San Vicent Blvd, Suite 350 Los Angeles, CA 90049	
PRIMARY RISK ADDRESS:	11911 San Vicent Blvd, Suite 350 Los Angeles, CA 90049	
TIV:	\$18,405,147	
COVERAGE(s):	Commercial Property; Wind; Terrorism; Equipment Breakdown	
INSURER(s):	Seneca Specialty Insurance Company - Non-Admitted Catalytic Risk Managers & Insurance Agency - Non-Admitted Underwriters at Lloyd's of London - Non-Admitted Liberty Mutual Fire Ins. Co. - Admitted	
POLICY NUMBER(s):	SSP1803522; CTW007673; UTS2579954.24; YB2-L9L-478388-014	
POLICY TERM:	6/30/2024 - 6/30/2025	
POLICY PREMIUM:	\$222,899.00	
TRIA:	INCLUDED- Terrorism included through Hiscox	
FEES:	Policy Fee - Carrier	\$2,100.00
SURPLUS LINES TAX:	Surplus Lines Tax	\$10,863.95
	Stamping Office Fee	\$89.60
TOTAL:	\$235,952.55	
AGENT COMMISSION:	10%	



12700 Park Central Drive, Suite 2000
Dallas, TX 75251
Ph: 214-865-7200
www.rtspecialty.com

024445726

CONDITIONS:

1. No Flat Cancellations
2. All fees are fully earned
3. Admitted Carrier - any state surcharges and/or fees charged by the Insurer may not be included herein and will be billed at a later date.
4. Taxes are provisional based on the insured's acceptance of TX as their home state
5. Please note the terms and conditions of this binder may not match exactly to the applications but know that we did our best to accommodate your requests. Please see the attached binder for subjectivity requirements
6. If Equipment Breakdown coverage is purchased, jurisdictional inspection expenses might not be included as part of this offering.
7. For RT Specialty to file the surplus lines taxes on your behalf, please complete the surplus lines tax document (per the applicable state requirements) and return with your request to bind. Due to state regulations, RT Specialty requires tax documents to be completed within 24 to 48 hours of binding. Please be diligent in returning tax forms.
8. Options if applicable

WORKING WITH OUR TEAM, WE STRIVE TO PROVIDE YOU WITH THE BEST SERVICE POSSIBLE. PLEASE SEE BELOW TIMING EXPECTATIONS:

- Inquiries - your inquiry will be responded or acknowledged within 24 business hours
- Policy numbers - policy numbers will be provided within 24 business hours of binding, assuming proper carrier cooperation.
- Binders – binders will be provided within 24 business hours, as long as the completed Surplus Lines form(s) are received (if applicable), assuming proper carrier cooperation.
- Policies – the majority of our carriers have the policies issued within 60 days from inception; however, there are several that can take longer. When we have a layered program, most excess carriers require the lead / primary carrier to release their policy, adding additional turnaround time.
- Endorsements - the majority of our carriers have the endorsements processed within 30 days from date requested; however, there are several that take up to 45-60 days

A handwritten signature in black ink, appearing to read 'R. J. Ly'. The signature is written in a cursive, flowing style.

Authorized Representative



12700 Park Central Drive, Suite 2000
Dallas, TX 75251
Ph: 214-865-7200
www.rtspecialty.com

024445726

HOME STATE FOR NON-ADMITTED RISKS

Taxes and governmental fees are estimates and subject to change based upon current rates of the Home State and risk information available at the date of binding. The Home State of the Insured for a non-admitted risk shall be determined in accordance with the Nonadmitted and Reinsurance Act of 2010, 15. U.S.C §8201, etc. ("NRRA"). Some states require the producing broker to submit a written verification of the insured's Home State for our records. The applicable law (if any) of the Home State governing cancellation or non-renewal of non-admitted insurance, including whether any such laws apply to non-admitted risks, shall apply to this Policy.

Any amendments to coverage must be specifically requested in writing or by submitting a policy change request form and then approved by the Insurer. Coverage cannot be affected, amended, extended or altered through the issuance of certificates of insurance. Underlying Insurers must be rated A- VII or better by A.M. Best.



12700 Park Central Drive, Suite 2000
Dallas, TX 75251
Ph: 214-865-7200
www.rtspecialty.com

024445726

PREMIUM FINANCE (If not included in the quote document)

If the insured and the insurer agree to bind coverage and the premium will be financed, we will need the following information and, upon binding, please instruct the premium finance company to send documents to our attention. Premium Finance funds should always be paid to RT Specialty.

PRODUCER COMPENSATION:

RT Specialty is typically compensated through commission from the insurer for the placement of policies in most transactions. The amount of the commission varies by insurance line and by carrier. RT Specialty might also receive additional compensation. In order to place the insurance requested we may charge a reasonable fee for additional services such as performing a risk analysis, comparing policies, processing submissions, communication expenses, inspections, working with underwriters on the coverage proposal, issuing policies, or servicing the policy after issuance. Any fees charged are fully earned at inception of the policy. Third-party inspection or other fees may be separately itemized upon request. Our fees are applied to new policies, renewal policies, and endorsements. Fees applicable to each renewal and endorsement will be set forth in the quotes. It is the insurance carrier's decision whether to offer the insurance quoted, and your client's decision whether to accept the quote. Our fee is not imposed by state law or the Insurer.

Depending upon the Insurer involved with your placement, we might also have an agreement with the Insurer that we are proposing for this placement that might pay us future additional compensation. This compensation could be based on formulas that consider the volume of business placed with the Insurer, the profitability of that business, how much of the business is retained for the Insurer's account each year, and potentially other factors. The agreements frequently consider total eligible premium from all clients placed during a calendar year and any incentive or contingent compensation is often received at a future date. Because of variables in these agreements, we often do not have an accurate means at the time of placement to determine the amount of any additional compensation that might be attributable to any single placement.

You, as the retail broker with the direct relationship with the Insured, must comply with all applicable laws and regulations related to disclosure of and consent and agreement to, compensation, and informing the Insured that it may request more information about producer or broker compensation that might be paid in connection with the Insured's placement. If we request a copy of any legally required insured consent or agreement, you will provide us with a copy. If you need additional information about the compensation arrangements for services provided by RT Specialty affiliates, please contact your RT Specialty representative.

RT Specialty is a division of RSG Specialty, LLC. RSG Specialty, LLC is a Delaware limited liability company and a subsidiary of Ryan Specialty, LLC. In California: RSG Specialty Insurance Services, LLC (License # 0G97516).



12700 Park Central Drive, Suite 2000
Dallas, TX 75251
Ph: 214-865-7200
www.rtspecialty.com

024445726

NOTICE

Occurrence Limit of Liability (OLLE) Scheduled Limits

Blanket coverage for first-party property insurance risks has become increasingly difficult to secure and often is not available regardless of price.

Please note that your binder may not provide coverage on a blanket basis and, based on current market conditions, a blanket coverage option might not be available. Any reference(s) to an Occurrence Limit of Liability Endorsement (OLLE), margin clause, maximum amount payable, and/or scheduled limits indicate that blanket coverage is not provided. Instead, the amount of recovery afforded by the policy is limited in some respect to the amount(s) set forth on the Statement of Values (SOV) provided to the insurer. This potentially can materially reduce the insured's recovery in the event of a loss as compared to blanket coverage. Additionally, the policy language for these clauses may vary by insurer and some insurers limit the amount recoverable for extensions of coverage, additional coverages, and additional covered property to the values as shown on the SOV.

Please review this binder very carefully to determine if coverage is being offered or provided on a blanket, or some other more limited, basis.

As such, we strongly recommend that you confirm that the insured is in agreement that they have provided full and accurate amounts for the values set forth on the SOV. RT Specialty expressly disclaims any responsibility for the accuracy or adequacy of the values provided on an SOV. We also note that all decisions concerning coverage and the application of the terms, provisions, conditions, limitations or exclusions of the policy to any claim are made exclusively by the insurers.



12700 Park Central Drive, Suite 2000
Dallas, TX 75251
Ph: 214-865-7200
www.rtspecialty.com

024445726

The advertisement is enclosed in a black rectangular border. On the left side, the RT logo is at the top. Below it, the text reads: 'RT Specialty Now Accepts Online Payments', 'Simple payment form' (in green), and 'We've made it easier than ever to make a payment to RT Specialty. Just use the link below to pay via credit card or ACH. It's fast, easy, and mobile!'. The URL 'https://rtspecialty.epaypolicy.com' is provided. Below the text are logos for Visa, MasterCard, American Express, Discover, and JCB, along with a circular 'PCI DSS LEVEL 1 SERVICE PROVIDER' seal. At the bottom left is the 'ePayPolicy' logo. On the right side, a large smartphone is shown with the RT 'Make a Payment' form on its screen. The form includes fields for 'PAYER', 'EMAIL ADDRESS', and 'AMOUNT' (set to 0.00), and two buttons for 'Credit Card' and 'ACH/eCheck'. A smiling woman in a grey blazer stands to the right of the phone with her arms crossed.

RT

RT Specialty Now
Accepts Online
Payments

Simple payment form

We've made it easier than ever to make
a payment to RT Specialty. Just use the
link below to pay via credit card or
ACH. It's fast, easy, and mobile!

<https://rtspecialty.epaypolicy.com>

PCI DSS LEVEL 1 SERVICE PROVIDER

VISA MasterCard AMERICAN EXPRESS DISCOVER JCB

ePayPolicy

RT

Make a Payment

Please enter your payment information
below

PAYER
Payer

EMAIL ADDRESS
Email Address

AMOUNT
0.00

PAYMENT TYPE

Credit Card ACH/eCheck



SENECA

A FAIRFAX COMPANY

COMMERCIAL PROPERTY BINDER

LOCAL OFFICE ADDRESS:

220 Lake Drive East, Suite 305, Cherry Hill, NJ 08002

To: Jon Klement
Producer: RT Specialty - Dallas, TX

Date: 07/02/2024

Named Insured: Granada Terrace Apartments, LP
Policy Period: From 06/30/2024 to 06/30/2025

Version: 3
Policy #: SSP1803522
At 12:01 A.M., Standard Time at your mailing address shown.

Issuing Company: Seneca Specialty Insurance Company (A.M. Best "A" (Excellent), XV; Non-Admitted)

THE SURPLUS LINES BROKER SHOWN ABOVE IS RESPONSIBLE FOR ADDING TO THE QUOTED PREMIUM ANY STATE TAXES OR FEES AS REQUIRED BY LAW, AND MAY ALSO ADD REASONABLE FEES FOR SERVICES PROVIDED BY THE BROKER, WHICH SHALL BE SEPARATELY SHOWN AND DESCRIBED ON ANY QUOTATION TO AN INSURED AND NOT TO EXCEED 15% OF PREMIUM WITHOUT DISCLOSURE TO THE COMPANY OF ISSUANCE. THE BROKER IS FURTHER RESPONSIBLE FOR ALL FILINGS WITH ANY STATE REGULATORY BODY, INCLUDING BUT NOT LIMITED TO AFFIDAVITS, TAX SUMMARIES, TAXES AND FEES.

Coverages: Building and Personal Property Coverage Form

Causes Of Loss: Special

Additional Exclusions:

Cyber Incidents

Windstorm/Hail

Sprinkler Leakage

Renovations

Virus or Bacteria

Fungus

Computer Related Losses

Real Estate Warranties: This policy contains a Commercial Real Estate Warranties Endorsement that requires you to comply with certain warranties regarding the condition of the property – the failure to comply will subject you to the loss of coverage.

Existing Damage

Description of Premises:

Prem. # Bldg. #	LOCATION – ADDRESS, CITY, STATE ZIP	CONSTRUCTION / OCCUPANCY	PROTECTION CLASS
01-01	1301 Avenue A, South Houston, TX 77587	F / Apartments	6
01-02	1301 Avenue A, South Houston, TX 77587	F / Apartments	6
01-03	1301 Avenue A, South Houston, TX 77587	F / Apartments	6
01-04	1301 Avenue A, South Houston, TX 77587	F / Apartments	6
01-05	1301 Avenue A, South Houston, TX 77587	F / Apartments	6
01-06	1301 Avenue A, South Houston, TX 77587	F / Apartments	6
01-07	1301 Avenue A, South Houston, TX 77587	F / Apartments	6
01-08	1301 Avenue A, South Houston, TX 77587	F / Apartments	6
01-09	1301 Avenue A, South Houston, TX 77587	F / Apartments	6
01-10	1301 Avenue A, South Houston, TX 77587	F / Apartments	6

01-11	1301 Avenue A, South Houston, TX 77587	F / Apartments	6
01-12	1301 Avenue A, South Houston, TX 77587	F / Apartments	6
01-13	1301 Avenue A, South Houston, TX 77587	F / Apartments	6
01-14	1301 Avenue A, South Houston, TX 77587	F / Apartments	6
01-15	1301 Avenue A, South Houston, TX 77587	F / Apartments	6
01-16	1301 Avenue A, South Houston, TX 77587	F / Apartments	6
01-17	1301 Avenue A, South Houston, TX 77587	F / Maintenance	6
01-18	1301 Avenue A, South Houston, TX 77587	F / Maintenance	6
01-19	1301 Avenue A, South Houston, TX 77587	F / Laundry	6
01-20	1301 Avenue A, South Houston, TX 77587	F / Laundry	6
01-21	1301 Avenue A, South Houston, TX 77587	F / Laundry	6

Construction: FR = Fire Resistive; MFR = Modified Fire Resistive; MNC = Masonry Non-Combustible; NC = Non-Combustible;
JM = Joisted Masonry; F = Frame

Limits of Insurance and Coverages Provided:

Limit of Insurance: \$18,405,146

is the most we will pay for all loss or damage in any one occurrence; but not to exceed the scheduled Limits of Insurance for each coverage at each location shown, or the applicable Sub-Limits of Insurance shown, if any:

Prem. # Bldg. #	COVERAGE	CAUSES OF LOSS	COINSURANCE **	VALUATION	LIMIT OF INSURANCE
01-01	B	Special	Nil	RC	\$1,236,170
01-01	BPP	Special	80%	RC	\$15,000
01-01	BI/EE	Special	Nil	*	\$163,011
01-02	B	Special	Nil	RC	\$696,280
01-02	BI/EE	Special	Nil	*	\$98,890
01-03	B	Special	Nil	RC	\$683,800
01-03	BI/EE	Special	Nil	*	\$98,890
01-04	B	Special	Nil	RC	\$1,582,100
01-04	BI/EE	Special	Nil	*	\$98,890
01-05	B	Special	Nil	RC	\$683,800
01-05	BI/EE	Special	Nil	*	\$98,890
01-06	B	Special	Nil	RC	\$696,280
01-06	BI/EE	Special	Nil	*	\$99,154
01-07	B	Special	Nil	RC	\$1,127,880
01-07	BI/EE	Special	Nil	*	\$99,154
01-08	B	Special	Nil	RC	\$696,280
01-08	BI/EE	Special	Nil	*	\$99,154
01-09	B	Special	Nil	RC	\$683,800
01-09	BI/EE	Special	Nil	*	\$99,154
01-10	B	Special	Nil	RC	\$1,582,100
01-10	BI/EE	Special	Nil	*	\$219,944
01-11	B	Special	Nil	RC	\$683,800
01-11	BI/EE	Special	Nil	*	\$219,944
01-12	B	Special	Nil	RC	\$696,280
01-12	BI/EE	Special	Nil	*	\$162,559
01-13	B	Special	Nil	RC	\$1,141,400
01-13	BI/EE	Special	Nil	*	\$205,419
01-14	B	Special	Nil	RC	\$1,127,880
01-14	BI/EE	Special	Nil	*	\$205,419
01-15	B	Special	Nil	RC	\$1,132,560
01-15	BI/EE	Special	Nil	*	\$163,011
01-16	B	Special	Nil	RC	\$1,442,090
01-16	BI/EE	Special	Nil	*	\$163,011
01-17	B	Special	Nil	RC	\$58,500
01-17	BI/EE	Special	Nil	*	\$4,403

01-18	B	Special	Nil	RC	\$47,060
01-18	BI/EE	Special	Nil	*	\$6,359
01-19	B	Special	Nil	RC	\$30,290
01-20	B	Special	Nil	RC	\$30,290
01-21	B	Special	Nil	RC	\$26,250

Total Insurable Values: \$18,405,146

Coverage:

B = Building;

BPP = Business Personal Property including Stock;

BPPX = Business Personal Property excluding Stock;

S = Stock only;

FURN = Furniture;

FIXT = Fixtures;

M&E = Machinery & Equipment;

R = "Rental Value" only;

EE = Extra Expense only;

TI = Tenants' Improvements and Betterments;

Unit Owners I&A = Unit Owners' – Improvements & Alterations;

BPP w/ TI = BPP including Tenant Improvements;

Household PP = Household Personal Property;

PPO = Personal Property of Others;

BI w/o EE = Business Income without Extra Expense including "Rental Value";

BI w/o EEX = Business Income without Extra Expense excluding "Rental Value";

BI/EE = Business Income with Extra Expense including "Rental Value";

BI/EEX = Business Income with Extra Expense excluding "Rental Value";

Causes of Loss:

Basic = ISO Causes of Loss-Basic Form;

Broad = ISO Causes of Loss-Broad Form;

Special = ISO Causes of Loss-Special Form;

Valuation:

* = Valuation is per the respective Coverage Form;

ACV = Actual Cash Value;

RC = Replacement Cost;

ALS = Actual Loss Sustained;

FBV = Functional Building Valuation;

FPPV = Function Personal Property Valuation;

MVS = Market Value - Stock;

MSP = Manufacturer's Selling Price - Finished "Stock" Only;

Coinurance:

**** If Extra Expense Coverage, Limits on Loss Payment**

Optional Coverages: Applicable Only When Entries Are Made in the Schedule below.

Prem. # Bldg. #	COVERAGE	MONTHLY LIMIT OF INDEMNITY *** (FRACTION)	MAXIMUM PERIOD OF INDEMNITY (X)	EXTENDED PERIOD OF INDEMNITY **** (DAYS)
01-01	BI/EE			180 Days
01-02	BI/EE			180 Days
01-03	BI/EE			180 Days
01-04	BI/EE			180 Days
01-05	BI/EE			180 Days
01-06	BI/EE			180 Days
01-07	BI/EE			180 Days
01-08	BI/EE			180 Days
01-09	BI/EE			180 Days
01-10	BI/EE			180 Days
01-11	BI/EE			180 Days
01-12	BI/EE			180 Days
01-13	BI/EE			180 Days
01-14	BI/EE			180 Days
01-15	BI/EE			180 Days
01-16	BI/EE			180 Days
01-17	BI/EE			180 Days
01-18	BI/EE			180 Days

Monthly Limit of Indemnity: *** 1/12th, or 1/6th, or 1/4th, or 1/3rd, or 1/2 = Monthly Limitation applicable to Business Income

Extended Period of Indemnity: **** Applies to Business Income Only

Sub-limits of Insurance:

\$250,000 Water Damage per occurrence.

Ordinance or Law (SSI 330):

Prem. #	COVERAGE A (X)	COVERAGE B AND C COMBINED SUB-LIMIT OF INSURANCE	
All	X	10%	Any one Building
All	X	\$250,000	Any one occurrence

ALL SUB-LIMITS OF INSURANCE ARE CONTAINED WITHIN THE LIMIT OF INSURANCE IN ANY ONE OCCURRENCE,
AND ARE NOT IN ADDITION TO THE LIMIT OF INSURANCE.

Deductibles:

\$25,000 Per occurrence, except:

72 Hours Business Income Waiting Period

If two or more deductibles apply to any covered loss or damage, the highest single deductible will apply in any one occurrence.

Premium:	<u>Option A: Excluding Certified Acts of Terrorism Coverage</u>	<input checked="" type="checkbox"/>	
	Property Premium (if applicable, including Fire Following Premium):	\$	104,899
	Equipment Breakdown Premium (if applicable):	\$	Not Covered
	Total Premium excluding Certified Acts of Terrorism Coverage:	\$	104,899
	Plus any applicable surcharges and / or fees:	+ \$	500.00
	<u>Option B: Including Certified Acts of Terrorism Coverage</u>	<input type="checkbox"/>	
	Property Premium:	\$	104,899
	Equipment Breakdown Premium (if applicable):	\$	Not Covered
	Certified Acts of Terrorism Premium:	\$	3,681
	Total Premium including Certified Acts of Terrorism Coverage:	\$	108,580
	Plus any applicable surcharges and / or fees:	+ \$	500.00

Breakdown of Taxes / Surcharges / Fees:

\$500.00 Inspection Fee

THE INSURED MUST CHOOSE OPTION A OR B AT THE TIME OF BINDING. ATTACHED TO THIS PROPOSAL PLEASE FIND THE TERRORISM DISCLOSURE NOTICE, WHICH MORE FULLY EXPLAINS THE TERRORISM COVERAGE PROVIDED. WE SUGGEST THAT YOU SHARE THIS NOTICE WITH THE INSURED SHOULD YOU BIND COVERAGE WITH THE COMPANY.

PLEASE NOTE THIS QUOTE RELIES ON INFORMATION PROVIDED BY YOU IN THE ORIGINAL SUBMISSION AND SUBSEQUENT DOCUMENTATION OR CONVERSATIONS WITH YOU. THIS QUOTE INCLUDES ONLY THOSE COVERAGES, TERMS AND CONDITIONS LISTED HEREIN WHICH MAY BE DIFFERENT FROM THOSE REQUESTED. PLEASE REVIEW IT CAREFULLY AND LET US KNOW IF YOU HAVE ANY QUESTIONS. IF THERE IS ANY MATERIAL CHANGE IN THE LOSS HISTORY OR OTHER PERTINENT UNDERWRITING INFORMATION, WE RESERVE THE RIGHT TO AMEND OR WITHDRAW THIS QUOTATION OR BINDER.

THIS QUOTE IS VALID UNTIL THE SOONER OF 30 DAYS FROM THE DATE OF ISSUANCE OR THE REQUESTED EFFECTIVE DATE UNLESS THE COVERAGE IS BOUND BY THE COMPANY.

THIS QUOTE IS ALSO CONDITIONED UPON YOUR AGREEMENT TO ACCEPT DELIVERY OF THE POLICY AND ANY ENDORSEMENTS BY ELECTRONIC MEANS. YOUR ACCEPTANCE OF THE QUOTE (OR ANY MODIFIED VERSION) SIGNIFIES YOUR AGREEMENT TO THIS.

Coverage is subject to the following items indicated below:

- Receipt of Inspection contact name and phone number. Failure to provide this information within 3 business days may result in a Notice of Cancellation.

- Satisfactory Inspection and compliance with recommendations, if any.
- Signed Application.
- Signed Terrorism Disclosure Form (TODD Letter).
- Minimum Earned Premium: 25% of the Inception Premium.
- Heat Maintenance Condition (SSI 321) (Heat to be maintained in all buildings to 55 degrees Fahrenheit.)
- Sprinkler Leakage Exclusion – CP 10 56. As respects Loc # / Bldg #: As respects Loc # / Bldg #: All / All
- Burglary and Robbery Protective Safeguards Endorsement - CP 12 11 as specified:
 - “BR-4” : All unoccupied units must be locked and secured from unauthorized entry. (Loc #(s) / Bldg # (s): All - All)
- Commercial Protective Safeguards - SSI 325 as specified:
 - “P-6” : All unoccupied units must be locked and secured from unauthorized entry. (Loc #(s) / Bldg # (s): All - All)
 - “P-7” : Hard wired or battery powered smoke detectors. (Loc #(s) / Bldg # (s): All - All)
 - “P-9” : Warrant functional fire extinguishers per NFPA 10. (Loc #(s) / Bldg # (s): All - All)
- Commercial Real Estate Warranties - SSI 326 as specified:
 - There have been no losses at any scheduled location in the past 5 years other than the 0 claim(s) on file.
 - There is no aluminum wiring present at any covered location.
 - All repairs to covered locations/covered property will be performed by licensed and insured contractors including subcontractors. The contractors and subcontractors shall each maintain \$1,000,000 limit of Commercial General Liability Insurance.
 - A minimum occupancy rate of 85% will be maintained in all buildings.
 - There is no use of, storage of, or presence of any Pyrotechnics at or within any covered building, covered location or covered property. For purposes of the foregoing, Pyrotechnics includes but is not limited to sustained exothermic chemical reactions for entertainment purposes, fireworks, fire-crackers, catherine wheels and pinwheels, suns, pastilles, skyrockets, smoke devices and military flares, and all aerial or ground displays of such objects or devices.
 - There are no Federal Pacific Electric Stab-Lok® Electrical Panels or Circuit Breakers at any covered building.
 - There are no Zinsco® Electrical Panels or Circuit Breakers at any covered building.
 - Other: A written Grill policy in place governing the use of Barbecue grills. The policy must prohibit the use of charcoal, woodfired or gas barbecue grills situated on balconies, decks or patios at ground level within 10 feet of building or nearest roof overhang. We will check for enforcement at inspection. This condition is the NFPA guidelines for grills and habitational risks.
- Limitations on Coverage for Roof Surfacing - CP 10 36 as specified:
 - A: Replacement Cost coverage (if otherwise applicable to such property) does not apply to roof surfacing. Instead, we will determine the value of the roof surfacing at actual cash value as of the time of loss or damage. (Loc #(s) / Bldg # (s): All - All)



COMMERCIAL PROPERTY PROPOSAL (BINDER)

July 1, 2024

Thank you for choosing Catalytic Risk Managers, a premier general agency specializing in catastrophe risk. We are a communicative organization that actively develops positive relationships and delivers efficient customer service. We strive to provide a positive experience to all who work with us.

Named Insured

Grenada Terrace Apartments LP
11911 San Vicente Boulevard, Suite 355
Los Angeles, CA 90049

Wholesale Broker

To: Jon Klement
On Behalf of: Jon Klement
RSG Specialty LLC
12700 Park Central Drive
Suite 2000
Dallas, TX 75251

Claims Reporting

Catalytic Claims Services
350 10th Avenue, Suite 1450
San Diego, CA 92101
Claims@catalyticrisk.com

Inspections

Catalytic Risk Managers
350 10th Avenue, Suite 1450
San Diego, CA 92101

Field Inspectors

South Florida Inspections (SFI)
SCI Inspections
National Safety & Risk, Inc.

CHICAGO
20 North Wacker Drive, Ste. 3121
Chicago, IL 60606
00+1 (847) 864-9999
License No. 100689362

DENVER
908 Main Street, Ste. 310
Louisville, CO 80027-1897
00+1 (303) 551-1549
License No. 510817

SAN DIEGO
350 10th Avenue, Ste. 1450
San Diego, CA 92101
00+1 (619) 659-7166
License No. 0167798



NOTICE TO BROKER

This Binder is issued by Catalytic Risk Managers & Insurance Agency, LLC without any liability as an insurer.

The Terms and Conditions of this Binder may not match the specifications submitted for considerations. Please read the binder carefully and compare It against your specifications.

The Insurer(s) providing the coverage bound herein may be a non-admitted carrier and therefore not protected by State Guarantee Funds.

Named Insured: Grenada Terrace Apartments LP

CHICAGO
20 North Wacker Drive, Ste. 3121
Chicago, IL 60606
00+1 (847) 864-9999
License No. 100689362

DENVER
908 Main Street, Ste. 310
Louisville, CO 80027-1897
00+1 (303) 551-1549
License No. 510817

SAN DIEGO
350 10th Avenue, Ste. 1450
San Diego, CA 92101
00+1 (619) 659-7166
License No. 0I67798



BINDER

Date: 7/1/2024 Contract Number: CTW007673 Expiring Policy: New				THIS BINDER IS VALID FOR 90 DAYS	
Policy Term: Effective Date: 6/30/2024 Expiration Date: 6/30/2025				<u>Premium:</u> Property: \$115,000	
Catalytic Capacity Utilization:*				<u>Fees:</u> Catastrophe: \$1,000 Inspection: \$600 Total Premium & Fees: \$116,600	
Layer	Limit:	Part Of:	Excess Of:	Additional Products Premium: Any Applicable Taxes & Fees: The broker is required to file surplus lines taxes and fees for ALL states. Control Number: 4878444	
Wind	\$5,000,000	\$5,000,000	\$0		
Effective from 12:01 AM Standard Time at the Insured's Covered Location					

*The limits for Flood and Earthquake (if offered) are per occurrence and in the policy term aggregate.

Insurer	Limit
Wind	
• HDI Global Specialty SE (A XV)	\$212,300
• GuideOne National Insurance Company (A- X)	\$1,244,901
• Summit Specialty Insurance Company (A VIII)	\$992,613
• Underwriters at Lloyd's, London (A XV)	\$2,550,186

CHICAGO
20 North Wacker Drive, Ste. 3121
Chicago, IL 60606
00+1 (847) 864-9999
License No. 100689362

DENVER
908 Main Street, Ste. 310
Louisville, CO 80027-1897
00+1 (303) 551-1549
License No. 510817

SAN DIEGO
350 10th Avenue, Ste. 1450
San Diego, CA 92101
00+1 (619) 659-7166
License No. 0I67798



Policy Details

Perils: Windstorm or Hail Causes of Loss Excluding Earthquake and Flood

Losses: Per loss runs on file with Insurer(s), subject to no additional losses

Situate: Per Schedule of Values on file with Insurer(s)

Occupancy: Apartment

Total Insured Values: \$18,405,147

Section I – Coverages and Limits of Insurance

A. The coverage territory is the United States of America.

B. Limit of Liability – Per Catalytic capacity utilization shown above on this quotation.

C. Occurrence Limit of Insurance –72 hours

Section II – Sublimits of Insurance

A.	Accounts Receivable	NOT COVERED	See Accounts Receivable Coverage Extension attached to policy.
B.	Business Personal Property Temporarily in Portable Storage Units	\$10,000	
C.	Contingent Time Element	NOT COVERED	
D.	Debris Removal Additional Expense	\$25,000	
E.	Earthquake, Earthquake Sprinkler Leakage & Volcanic Eruption	NOT COVERED	Limit is policy term aggregate . See Earthquake, Earthquake Sprinkler Leakage & Volcanic Eruption Coverage Endorsement attached to policy.
F.	Electronic Data and Media	\$2,500	
G.	Errors and Omissions	\$5,000	
H.	Expediting Expense	\$5,000	
I.	Extended Time Element (Extended Period of Indemnity)	NOT COVERED	
J.	Fine Arts	NOT COVERED	
K.	Fire Department Service Charge	\$1,000	
L.	Fire Extinguishing Recharge	\$5,000	
M.	Flood	NOT COVERED	Limit is policy term aggregate . See Flood Coverage Endorsement attached to policy.
N.	Incidental Additions and Renovations	\$100,000	

CHICAGO
20 North Wacker Drive, Ste. 3121
Chicago, IL 60606
00+1 (847) 864-9999
License No. 100689362

DENVER
908 Main Street, Ste. 310
Louisville, CO 80027-1897
00+1 (303) 551-1549
License No. 510817

SAN DIEGO
350 10th Avenue, Ste. 1450
San Diego, CA 92101
00+1 (619) 659-7166
License No. 0I67798



O.	Increased Cost of Construction		NOT COVERED	
P.	Ingress/Egress		NOT COVERED	
Q.	Interruption by Civil Authority		NOT COVERED	
R.	Fungus		NOT COVERED	Limit is policy term aggregate .
S.	Limited Pollution		\$25,000	
T.	Lost (Or Theft Of) Key Consequential Loss / Lock Replacement		\$5,000	
U.	Newly Acquired or Constructed Property - Building		\$250,000	
V.	Newly Acquired or Constructed Property - Business Personal Property		\$100,000	
W.	Non-Owned Detached Trailers		\$5,000	
X.	Ordinary Payroll		NOT COVERED	
Y.	Personal Effects and Property of Others		\$2,500	
Z.	Preservation of Property	30 days and	\$5,000	
AA.	Property in Transit		NOT COVERED	
BB.	Property Off-Premises		\$10,000	
CC.	Reward Reimbursement		NOT COVERED	
DD.	Royalties		\$5,000	
EE.	Sewer Back Up		NOT COVERED	
FF.	Sinkhole		NOT COVERED	See Florida or All Other States Sinkhole Loss Coverage Endorsement attached to policy.
GG.	Valuable Papers and Records		NOT COVERED	See Valuable Papers and Records Coverage Extension attached to policy.
HH.	Wind Driven Rain		NOT COVERED	See Wind Driven Rain Endorsement attached to policy.

CHICAGO
20 North Wacker Drive, Ste. 3121
Chicago, IL 60606
00+1 (847) 864-9999
License No. 100689362

DENVER
908 Main Street, Ste. 310
Louisville, CO 80027-1897
00+1 (303) 551-1549
License No. 510817

SAN DIEGO
350 10th Avenue, Ste. 1450
San Diego, CA 92101
00+1 (619) 659-7166
License No. 0I67798



Section III – Policy Deductibles

Named Windstorm:

- ☐ Deductible applies on a calendar year basis if box is checked (See CAT7072)
☐ Deductible applies on a policy term aggregate basis if box is checked (see CAT7118)

5% of total insured values as stated on the latest Statement of Values on file with Insurer(s) per occurrence

- ☒ per building, subject to a minimum of \$100,000 per occurrence.
☐ per location, subject to a minimum of N/A per occurrence.
☐ per total insured values, subject to a minimum N/A per occurrence.

The **Named Windstorm** Deductible, as shown above, applies to covered loss or damage to Covered Property and **time element**/rental values by a **named windstorm**, regardless of any other cause or event that contributes concurrently or in any consequence to the damage or loss.

Hurricane:

- ☐ Deductible applies on a calendar year basis if box is checked (See CAT7073)
☐ Deductible applies on a policy term aggregate basis if box is checked (see CAT7117)

N/A of total insured values as stated on the latest Statement of Values on file with Insurer(s) per occurrence

- ☐ per building, subject to a minimum of N/A per occurrence.
☐ per location, subject to a minimum of N/A per occurrence.
☐ per total insured values, subject to a minimum N/A per occurrence.

The **Hurricane** Deductible, as shown above, applies to covered loss or damage to Covered Property and **time element**/rental values by a **hurricane**, regardless of any other cause or event that contributes concurrently or in any consequence to the damage or loss.

Windstorm:

\$100,000 per occurrence, or

N/A of total insured values as stated on the latest Statement of Values on file with Insurer(s) per occurrence

- ☐ per building, subject to a minimum of N/A per occurrence.
☐ per location, subject to a minimum of N/A per occurrence.
☐ per total insured values, subject to a minimum N/A per occurrence.

The **Windstorm** Deductible, as shown above, applies to covered loss or damage to Covered Property and **time element**/rental values by non-**named windstorm**, regardless of any other cause or event that contributes concurrently or in any consequence to the damage or loss.

CHICAGO
20 North Wacker Drive, Ste. 3121
Chicago, IL 60606
00+1 (847) 864-9999
License No. 100689362

DENVER
908 Main Street, Ste. 310
Louisville, CO 80027-1897
00+1 (303) 551-1549
License No. 510817

SAN DIEGO
350 10th Avenue, Ste. 1450
San Diego, CA 92101
00+1 (619) 659-7166
License No. 0I67798

**Wind Driven Rain:**

N/A per occurrence, or

N/A of total insured values as stated on the latest Statement of Values on file with Insurer(s) per occurrence

- ☐ per building, subject to a minimum of N/A per occurrence.
☐ per location, subject to a minimum of N/A per occurrence.
☐ per total insured values, subject to a minimum N/A per occurrence.

Flood:

N/A per occurrence, or

N/A of total insured values as stated on the latest Statement of Values on file with Insurer(s) per occurrence

- ☐ per building, subject to a minimum of N/A per occurrence.
☐ per location, subject to a minimum of N/A per occurrence.
☐ per total insured values, subject to a minimum N/A per occurrence.

N/A, except the deductible shall be equivalent to the maximum available National Flood Insurance Program (NFIP) limits for the real or personal property at each building, whether or not such coverage is purchased or maintained, and whether or not the real or personal property at each building is covered per the terms and conditions of the National Flood Insurance Program.

Earthquake, Earthquake Sprinkler Leakage, and Volcanic Eruption:

N/A per occurrence, or

N/A of total insured values as stated on the latest Statement of Values on file with Insurer(s) per occurrence

- ☐ per building, subject to a minimum of N/A per occurrence.
☐ per location, subject to a minimum of N/A per occurrence.
☐ per total insured values, as contained in the Statement of Values on file with the Company, subject to a minimum N/A per occurrence.

Water Damage:

N/A per occurrence.

All Other Perils:

N/A per occurrence.

Section IV – Covered Causes of Loss

This policy insures against the risks of direct physical loss or damage to covered property caused by a **covered cause of loss** occurring during the policy period, described in the causes of loss form attached to this policy, except as excluded.

CHICAGO
20 North Wacker Drive, Ste. 3121
Chicago, IL 60606
00+1 (847) 864-9999
License No. 100689362

DENVER
908 Main Street, Ste. 310
Louisville, CO 80027-1897
00+1 (303) 551-1549
License No. 510817

SAN DIEGO
350 10th Avenue, Ste. 1450
San Diego, CA 92101
00+1 (619) 659-7166
License No. 0I67798



Section V – Covered Property

Building(s)
Business Personal Property

Section VI – Valuation

Replacement Cost

Section VII – Business Income Coverages

Monthly Limit of Indemnity: 1/12th
Rental Value

Section VIII – Optional Coverages

See Section II Sublimits of Insurance.

Section IX – Policy Conditions

Cancellation: 60 days
Coinsurance: NIL

Hurricane season effective date (June 1 - November 30th) - See Hurricane Minimum Earned Premium Endorsement CAT7147, attached to this policy for hurricane minimum earned premium.

Effective dates outside of hurricane season – 35% minimum earned premium.

CHICAGO
20 North Wacker Drive, Ste. 3121
Chicago, IL 60606
00+1 (847) 864-9999
License No. 100689362

DENVER
908 Main Street, Ste. 310
Louisville, CO 80027-1897
00+1 (303) 551-1549
License No. 510817

SAN DIEGO
350 10th Avenue, Ste. 1450
San Diego, CA 92101
00+1 (619) 659-7166
License No. 0167798



Proposal Conditions

Acceptable inspection. Inspection contact name and phone number required at time of binding.
Buildings with EIFS cladding are excluded.
Catalytic will issue its own forms, including our mandatory endorsements as applicable. We will issue our form within 30 days of binding if not earlier.
Completed Surplus Lines Tax Affidavit at binding.
Coverage will not respond to any Named Storm at the time of binding.
Equipment Breakdown Coverage purchase is required and is included in the property premium.
Signed and dated Flood Acknowledgement at binding.
Signed and dated Statement of Values (SOV) is required at time of binding. (If single location, Acord 140 can be provided instead).
Signed and dated TRIA acceptance or rejection letter at binding.
The insured is not in foreclosure, repossession or bankruptcy or has not filed for bankruptcy at policy inception.
This policy will exclude any loss or damage directly or indirectly caused by, resulting from or contributed to by any pre-existing damage to any covered property.
This quotation has been issued in part by relying on the information and specifications provided in the account submission. A material change of or a misrepresentation in the submission information and specifications may void this quotation.
Validation of roof update(s) by inspection. Inspection will be ordered by Insurer.
Warrant occupancy of 31% or greater per Section IX – Conditions; Item BB. Vacancy, of the Diamond Commercial Property Form (CATDIAMOND) or Section VIII – Conditions; Item BB. Vacancy of the Diamond Condominium Association Form (CATDIAMONDCONDO).

Additional Policy Conditions

Insured warrants no outstanding claims litigation nor outstanding public adjuster open claims.
Insurer(s) shall not be liable for more than the proportional share of the sublimit amounts offered by this policy in any one occurrence.
Newly Acquired Location(s) must be submitted for prior approval.
No clean room exposures.
Seawalls, bulkheads and retaining walls are excluded from coverage.
Spray polyurethane foam roofs are excluded from coverage as is any resulting loss or damage directly caused by the presence or failure of any spray polyurethane foam roof.
Stock and resulting business income loss are excluded.
Vacant buildings are excluded from coverage.
Vehicles and resulting business income loss are excluded

Optional Endorsement Details

Roof Surfacing Coverage Limitation Endorsement

CHICAGO
20 North Wacker Drive, Ste. 3121
Chicago, IL 60606
00+1 (847) 864-9999
License No. 100689362

DENVER
908 Main Street, Ste. 310
Louisville, CO 80027-1897
00+1 (303) 551-1549
License No. 510817

SAN DIEGO
350 10th Avenue, Ste. 1450
San Diego, CA 92101
00+1 (619) 659-7166
License No. 0I67798



Wind Deductible Buy Back Option(s)
N/A Premium: N/A

Remarks

CHICAGO
20 North Wacker Drive, Ste. 3121
Chicago, IL 60606
00+1 (847) 864-9999
License No. 100689362

DENVER
908 Main Street, Ste. 310
Louisville, CO 80027-1897
00+1 (303) 551-1549
License No. 510817

SAN DIEGO
350 10th Avenue, Ste. 1450
San Diego, CA 92101
00+1 (619) 659-7166
License No. 0I67798



Coverage Forms

CAT7135 - Wind Subscription Policy Cover Page
CAT-OFAC - U.S. Treasury Notice OFAC
CAT-TX SL - Texas Surplus Lines Notice
CAT-TX Complaints - Texas Complaint Notice
CAT8011 - Claims Handling Notice
CAT3023 - U.S. Terrorism Risk Insurance Act of 2002 Not Purchased Clause
CAT3024 - Terrorism Exclusion Endorsement
CAT3050 - Declarations Page
CAT3045 - Subscription Participation Page
CAT8010 - Lloyds Syndicate List
CATAMEND-GO - GuideOne National Insurance Company Amendatory Endorsement
CATAMEND-HDI - HDI Amendatory Endorsement
CATAMEND-SUM - Summit Specialty Insurance Company Amendatory Endorsement
CATAMEND-L - Underwriters at Lloyd's Amendatory Endorsement
CAT3044 - Schedule of Forms
CAT3002 - Absolute Fungus Microorganisms Mold or Spores Exclusion
CAT7141 - Asbestos Endorsement
CAT7134 - Earth Movement Exclusion
CAT7034 - Earthquake Exclusion
CAT8002 - Electronic Date Recognition Exclusion EDRE
CAT8003 - Exclusion of Certain Computer Related Losses
CAT3037 - Exclusion of Loss Due to Virus or Bacteria
CAT7145 - Exterior Cosmetic Damage Exclusion
CAT7035 - Flood Exclusion
CAT8001 - Nuclear Biological Exclusion
CAT3018 - Pre-Existing Damage Exclusion
CAT8000 - Property Cyber and Data Exclusion
CAT3032 - Seepage and or Pollution and or Contamination Exclusion
CAT7079 - Sinkhole Loss Exclusion Endorsement
CAT7053 - Toxic Drywall Exclusion
CAT3020 - Toxic Materials Exclusion
CAT8009 - War and Civil War Exclusion
CATDIAMOND - Diamond Commercial Property Form
CAT7007 - Causes of Loss - Windstorm or Hail
CAT7147 - Hurricane Minimum Earned Premium Endorsement
CAT3003 - Additional Conditions Endorsement
CAT3008 - Equipment Breakdown Exclusion
CAT3009 - Joint or Disputed Loss Agreement
CAT7129 - Roof Surfacing Coverage Limitation Endorsement

CHICAGO
20 North Wacker Drive, Ste. 3121
Chicago, IL 60606
00+1 (847) 864-9999
License No. 100689362

DENVER
908 Main Street, Ste. 310
Louisville, CO 80027-1897
00+1 (303) 551-1549
License No. 510817

SAN DIEGO
350 10th Avenue, Ste. 1450
San Diego, CA 92101
00+1 (619) 659-7166
License No. 0I67798



SCHEDULE OF INSURERS

Peril	Insurer \ Binding Authority	Policy Number	Limit	Part Of	Excess of
Wind	HDI Global Specialty SE / Binding Authority # B0429BA2306845 Section 1	HDW001667	\$212,300	\$5,000,000	\$0
Wind	GuideOne National Insurance Company	553000561	\$1,244,901	\$5,000,000	\$0
Wind	Summit Specialty Insurance Company	SMW002019	\$372,230	\$5,000,000	\$0
Wind	Summit Specialty Insurance Company	ARW000313	\$620,383	\$5,000,000	\$0
Wind	Lloyd's UMR # / Binding Authority # B2429BW2402280 Section 3	QBW00537	\$74,446	\$5,000,000	\$0
Wind	Lloyd's UMR # / Binding Authority # B2429BW2403201 Section 1	XLW00486	\$165,435	\$5,000,000	\$0
Wind	Lloyd's UMR # / Binding Authority # B2429BW2404657 Section 2	TRW00251	\$206,794	\$5,000,000	\$0
Wind	Lloyd's UMR # / Binding Authority # B0429BA2204667 Section 1	BAW00494	\$655,951	\$5,000,000	\$0
Wind	Lloyd's UMR # / Binding Authority # B1868HT2400296	RRW00549	\$1,447,560	\$5,000,000	\$0
Wind Total Limit:			\$5,000,000		

This Insurance is effected with certain Insurance companies. (hereinafter called the "Insurers")

The liability of each insurer on this contract with the insured is limited to the participation amount shown in the schedule above. The liability of each insurer for any loss or losses or amounts payable is several as to each insurer joint liability of any insurer pursuant to this contract. An insurer shall not have its liability hereunder increased or decreased by reason of failure or delay of another insurer, its successors, assigns or legal representatives. This contract shall be construed as a separate contract between the insured and each of the insurers.

In witness whereof, the following company(ies) and/or underwriters execute and attest these presents, and subscribe for the amounts of the insurance provided hereunder as shown.

CHICAGO
20 North Wacker Drive, Ste. 3121
Chicago, IL 60606
00+1 (847) 864-9999
License No. 100689362

DENVER
908 Main Street, Ste. 310
Louisville, CO 80027-1897
00+1 (303) 551-1549
License No. 510817

SAN DIEGO
350 10th Avenue, Ste. 1450
San Diego, CA 92101
00+1 (619) 659-7166
License No. 0167798



SURPLUS LINE TAX FILING TABLE

Insurer/Binding Authority	Policy	Limit	Part Of	Excess Of	Premium Allocation	Fee Allocation	Total Premium + Fees
GuideOne National Insurance Company	553000561	\$1,244,901	\$5,000,000	\$0	\$28,633	\$177.78	\$28,810.78
Lloyd's UMR # / Binding Authority # B0429BA2204667 Section 1	BAW00494	\$655,951	\$5,000,000	\$0	\$15,087	\$177.78	\$15,264.78
	Syndicate	ID	Share	SLA Taxes			
	BRT 2987	2987	65.0000%	\$9,807			
	Kii 1618	1618	35.0000%	\$5,280			
HDI Global Specialty SE / Binding Authority # B0429BA2306845 Section 1	HDW001667	\$212,300	\$5,000,000	\$0	\$4,883	\$177.78	\$5,060.78
Lloyd's UMR # / Binding Authority # B2429BW2402280 Section 3	QBW00537	\$74,446	\$5,000,000	\$0	\$1,712	\$177.78	\$1,889.78
	Syndicate	ID	Share	SLA Taxes			
	QBE 1886	1886	100.0000%	\$1,712			
Lloyd's UMR # / Binding Authority # B1868HT2400296	RRW00549	\$1,447,560	\$5,000,000	\$0	\$33,294	\$177.78	\$33,471.78
	Syndicate	ID	Share	SLA Taxes			
	RNR 1458	1458	100.0000%	\$33,294			
Summit Specialty Insurance Company	ARW000313	\$620,383	\$5,000,000	\$0	\$14,269	\$177.78	\$14,446.78
	Syndicate	ID	Share	SLA Taxes			
	Summit Specialty (ARW)	ARW	100.0000%	\$14,269			
Summit Specialty Insurance Company	SMW002019	\$372,230	\$5,000,000	\$0	\$8,561	\$177.78	\$8,738.78
	Syndicate	ID	Share	SLA Taxes			
	Summit Specialty (SMW)	SMW	100.0000%	\$8,561			
Lloyd's UMR # / Binding Authority # B2429BW2403201 Section 1	XLW00486	\$165,435	\$5,000,000	\$0	\$3,805	\$177.78	\$3,982.78
	Syndicate	ID	Share	SLA Taxes			
	AXL 2003	2003	55.0000%	\$2,093			
	MRS 457	457	45.0000%	\$1,712			
Lloyd's UMR # / Binding Authority # B2429BW2404657 Section 2	TRW00251	\$206,794	\$5,000,000	\$0	\$4,756	\$177.78	\$4,933.78
	Syndicate	ID	Share	SLA Taxes			
	TRV 5000	5000	100.0000%	\$4,756			
Total HDI Global Specialty SE / Binding Authority # B0429BA2306845 Section 1 Premium:					\$4,883		
Total Lloyd's UMR # / Binding Authority # B0429BA2204667 Section 1 Premium:					\$15,087		
Total Lloyd's UMR # / Binding Authority # B1868HT2400296 Premium:					\$33,294		
Total Lloyd's UMR # / Binding Authority # B2429BW2402280 Section 3 Premium:					\$1,712		
Total Lloyd's UMR # / Binding Authority # B2429BW2403201 Section 1 Premium:					\$3,805		
Total Lloyd's UMR # / Binding Authority # B2429BW2404657 Section 2 Premium:					\$4,756		
Total GuideOne National Insurance Company Premium:					\$28,633		

CHICAGO
20 North Wacker Drive, Ste. 3121
Chicago, IL 60606
00+1 (847) 864-9999
License No. 100689362

DENVER
908 Main Street, Ste. 310
Louisville, CO 80027-1897
00+1 (303) 551-1549
License No. 510817

LOS ANGELES
2381 Rosecrans Avenue, Ste. 330
El Segundo, CA 90245-4917
00+1 (424) 236-4300
License No. 0167798

SAN DIEGO
350 10th Avenue, Ste. 1450
San Diego, CA 92101
00+1 (619) 659-7166
License No. 0167798



Total Summit Specialty Insurance Company Premium:	\$22,830
---	----------

RSG Specialty LLC is required to file surplus line taxes and fees for ALL states.

461010

CHICAGO
20 North Wacker Drive, Ste. 3121
Chicago, IL 60606
00+1 (847) 864-9999
License No. 100689362

DENVER
908 Main Street, Ste. 310
Louisville, CO 80027-1897
00+1 (303) 551-1549
License No. 510817

LOS ANGELES
2381 Rosecrans Avenue, Ste. 330
El Segundo, CA 90245-4917
00+1 (424) 236-4300
License No. 0167798

SAN DIEGO
350 10th Avenue, Ste. 1450
San Diego, CA 92101
00+1 (619) 659-7166
License No. 0167798

HURRICANE MINIMUM EARNED PREMIUM ENDORSEMENT

It is hereby understood and agreed that the following hurricane minimum earned premium terms and conditions apply to this policy:

- A. If the Insured cancels this policy, removes a location or reduces the amount of insurance on a location that coverage was in force at any time during the period of June 1st to November 30th, the amount of premium the Insurer(s) will return will be the unearned premium for the location. The unearned premium is the annual premium for the policy (or for the location removed or coverage reduced, as applicable) multiplied by the unearned factor noted below. The location premium is the 100% annual rate multiplied by the location value as shown on the most current Statement of Values on file with Insurer(s).

1 Year Policy

<u>Days Policy In Force</u>	<u>Unearned Factor</u>
1 to 180	20%
181 to 210	15%
211 to 240	10%
241 to 270	7.5%
271 to 300	5.0%
301 to 330	2.5%
331 to 365	0.0%

- B. If a location is added during the term of the policy and coverage was in force at any time during the period of June 1st to November 30th, the rate will be calculated as 100% of the annual required rate, based on new location risk characteristics and model metrics, less the unearned factor as calculated in A. above based upon the number of days remaining in the policy term.
- C. The provisions of this endorsement replace any short rate provisions stipulated in this policy and where coverage was in force at any time during the period of June 1st to November 30th.

EXTERIOR COSMETIC DAMAGE EXCLUSION

It is hereby understood and agreed that the following exclusion applies to the policy:

The following applies with respect to direct physical loss or damage from a **covered cause of loss** to a building or structure as shown on the latest Statement of Values on file with the Insurer(s).

Under this policy, the Insurer(s) will not pay for **cosmetic damage** to any **exterior surface** caused by a **covered cause of loss**.

As used in this endorsement, the following definitions apply:

Cosmetic damage means marring, pitting or other superficial damage that alters the appearance of the **exterior surface**, but such damage does not prevent the **exterior surface** from continuing to function as a barrier to entrance of the elements to the same extent as it did before the **cosmetic damage** occurred.

Exterior surface includes but is not limited to the shingles, tiles (including clay, concrete or any other type), cladding, metal or synthetic sheeting or similar materials covering any roof, and includes all materials used in securing any roof surface and all materials applied to or under any roof surface for moisture protection, as well as roof flashing, windows and window surfaces, doors, handrails and all exterior siding.

This exclusion applies regardless of any other cause or event that contributes concurrently or in any sequence to any such loss, damage, cost, claim, or expense.

ROOF SURFACING COVERAGE LIMITATION ENDORSEMENT

SCHEDULE

Premises Number	Building Number	Indicate Applicability
All	All	Actual cash value applies for roof surfacing that is 12 years old or older.

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

It is hereby understood and agreed that the following applies with respect to loss or damage from a **covered cause of loss** to a building or structure identified in the Schedule:

Replacement Cost valuation coverage (if otherwise applicable to such property) does not apply to **roof surfacing**. Instead, we will determine the value of **roof surfacing** at actual cash value as of the time of loss or damage.

For the purpose of this endorsement, **roof surfacing** means the shingles, tiles (including clay, concrete or any other type), cladding, metal or synthetic sheeting or similar materials covering the roof, and includes all materials used in securing the roof surface and all materials applied to or under the roof surface for moisture protection, as well as roof flashing.

July 2, 2024

Jon Klement
RT Specialty, LLC (Dallas)
12700 Park Central Dr Ste 2000
Dallas, TX 75251-1510

Policy No.: UTS2579954.24

Re: Granada Terrace Apartments LP

Dear Jon,

In accordance with your request, we are pleased to bind coverage as follows:

General Policy Details

1. Policy Period: 06/30/2024 to 06/30/2025
2. 100% Lloyd's syndicate paper which is rated A by A.M. Best Financial Size Category is Class XV.
3. General Terms and Conditions TR5 P0001 CW (09-17) applies to this policy in conjunction with the specific wording detailed in each section below.
4. Attached endorsements apply: E2007.8 - Lloyd's Syndicate (33) Endorsement, E2010.1 - Premium Payment Clause (Reinsurance), E2013.2 - Service of Suit Endorsement, E2017.3 - Policyholder Disclosure Notice of Terrorism Insurance Cover, E2081.1 - Amend War Exclusion Endorsement, and E2042.1 - Minimum Earned Premium Endorsement

Bind Premium Summary

Coverage Part	Layer Limit of Liability	Layer Premium	Hiscox Participation
Terrorism and Sabotage	\$ 18,405,147 Per Occurrence / \$ 18,405,147 Aggregate	\$ 2,000	100%
	Excess of: N/A		

For details about any applicable quota share arrangement, please see the corresponding Coverage Part below.

Total Layer Premium: \$ 2,000

Total Hiscox Premium: \$ 2,000

Binder Details:

Habitational Terrorism and Sabotage Coverage Part: TR5 P0006 CW (07-19)

Hiscox Participation:	100%
Hiscox Habitational Terrorism and Sabotage Limit of Liability:	\$ 18,405,147 Per Occurrence / \$ 18,405,147 Aggregate
Total Insured Value:	\$ 18,405,147
Business Interruption Sublimit	\$ 2,305,257
Civil or Military Authority Sublimit	\$ 1,000,000, 30 Day(s), and 1 Mile(s)
Debris Removal Expenses Sublimit	\$ 250,000
Decontamination Costs Excluding NCBR Sublimit	\$ 250,000
Demolition and Increased Cost of Construction Sublimit	\$ 1,000,000
Errors and Omissions Sublimit	\$ 250,000
Electronic Data Processing Media Sublimit	\$ 1,000,000
Extended Period of Indemnity Sublimit	\$ 0 and 180 Day(s)
Fine Art Sublimit	\$ 250,000
Ingress/Egress Sublimit	\$ 1,000,000, 30 Day(s), and 1 Mile(s)
Preservation of Property Sublimit	\$ 250,000
Professional Fees Sublimit	\$ 250,000
Relocation Expense Sublimit	\$ 250,000
Service Interruption Sublimit	\$ 1,000,000, 30 Day(s), 1 Mile(s)
Transit Sublimit	\$ 250,000
Valuable Papers Sublimit	\$ 250,000
Accounts Receivable Sublimit	\$ 250,000
Automatic Coverage Sublimit	\$ 1,000,000 and 30 Day(s)
Commissions, Profits, and Royalties Sublimit	\$ 250,000
Contingent Business Interruption – Named Suppliers/Customers Sublimit	\$ 0
Contingent Business Interruption – Unnamed Suppliers/Customers Sublimit	\$ 0
Delay in Startup Costs Sublimit	\$ 250,000
Fire Protective Systems Sublimit	\$ 10,000
Green Building Additional Expense Sublimit	\$ 250,000
Key and Lock Expense Sublimit	\$ 250,000
Landscaping Sublimit	\$ 10,000
Leasehold Interest Sublimit	\$ 0
Loss of Attraction Sublimit	\$ 0, 0 Day(s), and 0 Mile(s)
Miscellaneous Unnamed Locations Sublimit	\$ 1,000,000 and 30 Day(s)
Newly Acquired Locations Sublimit	\$ 1,000,000 and 90 Day(s)
Property In Course of Construction Sublimit	\$ 1,000,000
Rental Income Sublimit	\$ 2,305,257

Soft Costs Sublimit	\$ 250,000
Deductible:	\$ 5,000
Waiting Period:	0 Hour(s)
Terrorism and Sabotage Premium:	\$ 2,000
Endorsements:	NONE

Unless otherwise specified, all sublimits listed above apply on a per occurrence basis and are a part of, and not in addition to, the Habitational Terrorism and Sabotage limit of liability.

It is your responsibility to handle all E&S filings as well as collect and pay the E&S taxes if the above coverage is secured. Thank you for the bind order. Please give me a call if you have any questions or require anything further.

Sincerely,



Authorized Representative
Kevin Kerridge



Effective with UNDERWRITERS AT LLOYD'S, LONDON

Administered by Hiscox Inc.
5 Concourse Parkway Suite 2150, Atlanta, GA 30328
(646) 452-2353

Terrorism & Sabotage Insurance for Habitational Properties

DECLARATIONS

This insurance contract is with an insurer not licensed to transact insurance in this state and is issued and delivered as surplus line coverage under the Texas insurance statutes. The Texas Department of Insurance does not audit the finances or review the solvency of the surplus lines insurer providing this coverage, and the insurer is not a member of the property and casualty insurance guaranty association created under Chapter 462, Insurance Code. Chapter 225, Insurance Code, requires payment of 4.85 percent tax on gross premium.

Broker No.:	US 0001525	RT Specialty, LLC (Dallas)
Policy No.:	UTS2579954.24	12700 Park Central Dr Ste 2000
Renewal of:	New	Dallas, TX 75251-1510

1. Named insured: Granada Terrace Apartments LP
Address: 11911 San Vicente Blvd Ste 355
Los Angeles, CA 90049-6635

2. Policy period: **Inception Date:** 06/30/2024 **Expiration Date:** 06/30/2025
Inception date shown shall be at 12:01 A.M. (Standard Time) to Expiration date shown above at 12:01 A.M. (Standard Time) at the address of the Named Insured.

3. General terms and conditions wording: TR5 P0001 CW (09-17)
The General terms and conditions applies to this policy in conjunction with the specific wording detailed in each section below.

4. Endorsements: E2007.8 - Lloyd's Syndicate (33) Endorsement, E2010.1 - Premium Payment Clause (Reinsurance), E2013.2 - Service of Suit Endorsement, E2017.3 - Policyholder Disclosure Notice of Terrorism Insurance Cover, E2081.1 - Amend War Exclusion Endorsement, and E2042.1 - Minimum Earned Premium Endorsement

5. Location of property insured: 1301 Avenue A, Houston, TX, 77587

6. Notification of claims to: Hiscox Claims
5 Concourse Parkway, Suite 2150
Atlanta GA, 30328
Fax: 678-731-9501
Email: Terrorism.Claims@Hiscox.com

Additional notification requirements:

7. Policy premium: \$ 2,000

Terrorism & Sabotage Insurance for Habitational Properties

DECLARATIONS

8. Coverage summary:

Coverage Part	Layer Limit of Liability	Layer Premium	Hiscox Participation
Terrorism and Sabotage	\$ 18,405,147 Per Occurrence / \$ 18,405,147 Aggregate	\$ 2,000	100%
	Excess of: N/A		
<i>For details about any applicable quota share arrangement, please see the corresponding Coverage Part below.</i>			

Habitational Terrorism and Sabotage Coverage Part: TR5 P0006 CW (07-19)

Hiscox Participation:	100%
Hiscox Habitational Terrorism and Sabotage Limit of Liability:	\$ 18,405,147 Per Occurrence / \$ 18,405,147 Aggregate
Total Insured Value:	\$ 18,405,147
Business Interruption Sublimit	\$ 2,305,257
Civil or Military Authority Sublimit	\$ 1,000,000, 30 Day(s), and 1 Mile(s)
Debris Removal Expenses Sublimit	\$ 250,000
Decontamination Costs Excluding NCBR Sublimit	\$ 250,000
Demolition and Increased Cost of Construction Sublimit	\$ 1,000,000
Errors and Omissions Sublimit	\$ 250,000
Electronic Data Processing Media Sublimit	\$ 1,000,000
Extended Period of Indemnity Sublimit	\$ 0 and 180 Day(s)
Fine Art Sublimit	\$ 250,000
Ingress/Egress Sublimit	\$ 1,000,000, 30 Day(s), and 1 Mile(s)
Preservation of Property Sublimit	\$ 250,000
Professional Fees Sublimit	\$ 250,000
Relocation Expense Sublimit	\$ 250,000
Service Interruption Sublimit	\$ 1,000,000, 30 Day(s), and 1 Mile(s)
Transit Sublimit	\$ 250,000
Valuable Papers Sublimit	\$ 250,000
Accounts Receivable Sublimit	\$ 250,000
Automatic Coverage Sublimit	\$ 1,000,000 and 30 Day(s)
Commissions, Profits, and Royalties Sublimit	\$ 250,000
Contingent Business Interruption – Named Suppliers/Customers Sublimit	\$ 0



Effective with UNDERWRITERS AT LLOYD'S, LONDON

Administered by Hiscox Inc.
5 Concourse Parkway Suite 2150, Atlanta, GA 30328
(646) 452-2353

Terrorism & Sabotage Insurance for Habitational Properties

DECLARATIONS

Contingent Business Interruption – Unnamed Suppliers/Customers Sublimit	\$ 0
Delay in Startup Costs Sublimit	\$ 250,000
Fire Protective Systems Sublimit	\$ 10,000
Green Building Additional Expense Sublimit	\$ 250,000
Key and Lock Expense Sublimit	\$ 250,000
Landscaping Sublimit	\$ 10,000
Leasehold Interest Sublimit	\$ 0
Loss of Attraction Sublimit	\$ 0, 0 Day(s), and 0 Mile(s)
Miscellaneous Unnamed Locations Sublimit	\$ 1,000,000 and 30 Day(s)
Newly Acquired Locations Sublimit	\$ 1,000,000 and 90 Day(s)
Property In Course of Construction Sublimit	\$ 1,000,000
Rental Income Sublimit	\$ 2,305,257
Soft Costs Sublimit	\$ 250,000
Deductible:	\$ 5,000
Waiting Period:	0 Hour(s)
Terrorism and Sabotage Premium:	\$ 2,000
Endorsements:	NONE

Unless otherwise specified, all sublimits listed above apply on a per occurrence basis and are a part of, and not in addition to, the Habitational Terrorism and Sabotage limit of liability.

In accordance with the authorization granted to Hiscox Inc. under Contract No. B1234HISINC2024 by certain Underwriters at Lloyd's, London, whose names and the proportions underwritten by them can be ascertained by reference to the said Contract, which bears the Seal of Lloyd's Policy Signing Office and is on file at the office of the said Agency and in consideration of the premium specified herein, the said Underwriters do hereby bind themselves, each for their own part and not one for another, their heirs, executors and administrators, to insure as follows in accordance with the terms and conditions contained or endorsed hereon.

The Certificate terms and conditions contained herein or endorsed hereon and such other provisions, agreements or conditions as may be endorsed hereon or added hereto are hereby incorporated in this Certificate. No representative of the Underwriters shall have the power to waive or be deemed to have waived any provision or condition of this Certificate unless such waiver, if any, shall be written upon or attached hereto; nor shall any privilege or permission affecting the insurance under this Certificate exist or be claimed by the Insured(s) unless so written or attached.

IN WITNESS WHEREOF this Certificate has been signed at New York, New York



Effective with UNDERWRITERS AT LLOYD'S, LONDON

Administered by Hiscox Inc.

5 Concourse Parkway Suite 2150, Atlanta, GA 30328

(646) 452-2353

Terrorism & Sabotage Insurance for Habitational Properties

DECLARATIONS

A handwritten signature in black ink, appearing to read "Kevin Kerridge", is written over a horizontal line.

Authorized Representative
Kevin Kerridge

July 2, 2024

Hiscox Inc.

A tailor made insurance solution for today's threats and malicious activity.

Please read this wording, together with any endorsements and the declarations, very carefully. If anything is not correct, please notify **us** immediately. The policy describes **your** and **our** rights and duties.

Our promise to you

In return for the premium **you** have paid, **we** agree to insure **you** in accordance with the terms and conditions of the policy.

Your policy documents

Declarations Page

This contains a summary of policy information including the limits of liability and **deductible** amounts **you** have selected.

General Terms and Conditions

This contains terms and conditions which apply to the policy in its entirety.

Coverage Parts

This contains terms and conditions which apply only to the coverage part in which they appear.

Endorsements

These documents modify the declarations page, general terms and conditions and/or coverage parts.

Notices

These documents provide information that may affect **your** coverage as required by **your** state.

Reporting a claim or loss

Please inform **us** immediately if **you** have a claim or loss to report and refer to the Coverage Part claim or loss reporting provisions for further details.

Email: Terrorism.Claims@Hiscox.com

General Terms and Conditions

I. Our promise to you

In consideration of the premium charged, and in reliance on the statements made and information provided to **us**, **we** will pay **covered amounts** as defined in this policy, provided **you** properly notify **us** of **claims**, **events**, and **occurrences**, and meet **your** obligations to **us** in accordance with the terms of this policy.

II. Limits of liability

Regardless of the number of Coverage Parts **you** have purchased, the maximum **we** will pay for all **covered amounts** will be as follows:

- A. Aggregate limit
The Aggregate Limit identified in the Declarations (if applicable to the relevant Coverage Part) is the maximum amount **we** will pay for all **covered amounts** for all covered **occurrences**, **events**, or **claims**, unless a lower sublimit is specified, in which case the sublimit is the maximum amount **we** will pay for the type of covered loss to which the sublimit applies.
- B. Each occurrence limit
The Each Occurrence Limit identified in the Declarations (if **you** have purchased a relevant Coverage Part) is the maximum amount **we** will pay for all **covered amounts** for each covered **occurrence** or **event**, unless a lower sublimit is specified, in which case the sublimit is the maximum amount **we** will pay for the type of covered loss to which the sublimit applies. The Each Occurrence Limit, or any sublimit, will be in excess of any applicable **deductible** and will be a part of, and not in addition to, any applicable aggregate limit.
- C. Each claim limit
The Each Claim Limit identified in the Declarations (if **you** have purchased a relevant Coverage Part) is the maximum amount **we** will pay for all **covered amounts** for each covered **claim**, unless a lower sublimit is specified, in which case the sublimit is the maximum amount **we** will pay for the type of covered **claim** to which the sublimit applies. The Each Claim Limit, or any sublimit, will be in excess of any applicable **deductible** and will be a part of, and not in addition to, any applicable aggregate limit.
- D. Multiple Coverage Parts
If the same **claim** or related **claim**, **event**, or **occurrence** is covered under more than one Coverage Part, **we** will pay only under one Coverage Part, which will be the Coverage Part that provides the most favorable coverage.

Regardless of the Coverage Parts under which the same **claim** or related **claim**, **event**, or **occurrence** is covered, only one **deductible** will apply, which will be the highest applicable **deductible** of the triggered Coverage Parts.

III. Your obligations to us

- A. Named insured responsibilities
It will be the responsibility of the **named insured** (or, if there is more than one **named insured**, the first one listed on the Declarations) to act on behalf of all **insureds** with respect to the following:
 1. timely giving and receiving notice of cancellation or non-renewal;
 2. timely payment of premium;
 3. agreement to any endorsements to the policy;
 4. receipt of return premiums; and
 5. timely acceptance of changes to this policy.
- B. Your duty to cooperate
You must cooperate with **us** in the investigation, adjustment, defense, and settlement of any loss or **claim** notified to **us**, including but not limited to:
 1. submitting a signed proof of loss to **us** as soon as reasonably possible following any loss;
 2. notifying **us** immediately if **you** receive any settlement demands or offers, and sending **us** copies of any demands, notices, summonses, or legal papers;

General Terms and Conditions

3. submitting to examination and interrogation under oath by **our** representative and giving **us** a signed statement of **your** answers;
4. attending hearings, depositions, and trials as **we** request;
5. assisting in securing and giving evidence and obtaining the attendance of witnesses;
6. providing written statements to **our** representative and meeting with such representative for the purpose of investigation and/or defense;
7. providing all documents and information **we** may reasonably request, including authorizing **us** to obtain records; and
8. pursuing **your** right of recovery from others.

C. Your representations

You warrant that all representations made and all materials submitted by **you** or on **your** behalf in connection with the **application** for this policy are true, accurate, and not misleading, and agree they were relied on by **us** and were material to **our** decision to issue this policy to **you**. If **we** learn any of the representations or materials were untrue, inaccurate, or misleading in any material respect, **we** are entitled to treat this policy as if it had never existed.

IV. Other provisions affecting coverage

- | | |
|------------------------------|--|
| A. Alteration and assignment | No change in or modification of, or assignment of interest under this policy will be effective unless made by written endorsement to this policy signed by our authorized representative. |
| B. Bankruptcy or insolvency | Your bankruptcy or insolvency will not relieve us of any of our obligations under this policy. |
| C. Cancellation | <ol style="list-style-type: none"> 1. This policy may be canceled by the named insured by giving written notice, which must include the date the cancellation will be effective, to us at the address stated in the Declarations. However, the named insured may not cancel the policy after it has submitted or reported any loss or claim to us. 2. This policy may be canceled by us only for non-payment of premium. In such cases, we will mail to the named insured by registered, certified, or other first class-mail (or by email where allowed by applicable law), at the named insured's address (or email address) stated in Item 1 of the Declarations, written notice which must include the date the cancellation will be effective. The effective date of the cancellation will be no less than ten days after the date of the notice of cancellation. 3. The mailing (or emailing) of the notice will be sufficient proof of notice, and this policy will terminate at the date and hour specified in the notice. 4. If this policy is canceled by us or the named insured, we will return a pro rata proportion of the premium. 5. Payment or tender of any unearned premium by us will not be a condition precedent to the cancellation, but such payment will be made as soon as possible. |
| D. Change in circumstances | You must notify us as soon as reasonably possible of any change in your business operations during the policy period which will materially affect this insurance. This includes, but is not limited to, ownership or control of your business, any change in the nature of the business carried out at an insured location , or any change in your operating conditions. We may then vary the terms and conditions of this policy. If you have any doubt whether a change is material, you should consult your broker or agent. |
| E. Coverage territory | This policy will only apply to any claim , arbitration, or other proceeding (if you have purchased a relevant Coverage Part) brought against you within the United States, its territories or possessions, or Canada. |

General Terms and Conditions

- F. False or fraudulent claims If any **insured** commits fraud in connection with any claim under this policy, whether regarding the amount or otherwise, this insurance will become void as to that **insured** from the date the fraud is committed.
- G. Legal action against us No one may bring a legal action against **us** unless:
1. **you** have fully complied with all of the terms of this policy; and
 2. the action is brought within two years after the expiration or cancellation of this policy.
- H. Multiple insureds **We** will not pay any more than the amount stated in the Declarations applicable to each Coverage Part purchased, whether such amount consists of insured losses sustained by one **named insured** or multiple **named insureds**.
- I. Other insurance Any payment due under this policy will be primary with respect to, and will not contribute with, any other valid and collectible insurance covering the same loss.
- However, if **you** have purchased either the Terrorism and Sabotage Liability Coverage Part or the Nuclear, Chemical, Biological, and Radiological Terrorism Coverage Part:
1. with respect to any **claim** made against **you** under Section I. Insuring agreements – What is covered, Third-party liability, any payment due under that Coverage Part will be specifically excess of and will not contribute with any other valid and collectible workers compensation or employers' liability insurance, unless such other insurance is written specifically as excess over this policy; and
 2. with respect to any **claim** made against **you** under Section I. Insuring agreements – What is covered, Employers' liability, any payment due under that Coverage Part will be specifically excess of and will not contribute with any other valid and collectible insurance, unless such other insurance is written specifically as excess over this policy.
- J. Participation In the event this policy or any Coverage Part is written as part of a quota share arrangement, **our** obligations will be several and not joint and are limited solely to the extent of **our** individual participation, as described in the Declarations. **We** will not be responsible for the share of any other carrier who for any reason does not satisfy all or part of its obligations.
- K. Partial payments In the event **we** determine a covered loss exceeds the **deductible**, **we** will advance mutually agreed upon partial payment(s) on the covered loss, subject to all other policy provisions. **We** will only advance such payment(s) upon **our** receipt of a signed and sworn proof of loss submitted by **you**, which must include adequate supporting documentation and meet any other requirements described in the applicable Coverage Part.
- L. Recovery from third parties In the event of a claim in which there is potential for recovery from any third party, **we** will have the right to pursue resolution of that action in **your** name at **our** expense. In the event of any payment by **us** under this policy, **we** will be subrogated to all of **your** rights of recovery to that payment.
- You** will do nothing to prejudice **our** subrogation rights without **our** prior written consent.
- You** will do everything necessary to secure and preserve **our** subrogation rights, including but not limited to the execution of any documents necessary to allow **us** to bring suit in **your** name.
- You** (or any of **your** agents, contractors, or subcontractors) must use due diligence and do (and concur in doing and permit to be done) everything reasonably practicable to avoid or diminish any loss insured and to secure compensation for any such loss, including protecting rights and taking action against other parties to enforce any rights and remedies or to obtain relief or indemnity.
- M. Sanctions **We** will not provide any benefit under this policy where doing so would breach any sanction, prohibition, or restriction imposed by law.
- N. Titles Titles of sections of and endorsements to this policy are inserted solely for convenience of reference and will not be deemed to limit, expand, or otherwise affect the provisions to which they relate.

General Terms and Conditions

V. Definitions applicable to all Coverage Parts

The following definitions apply to all Coverage Parts **you** have purchased. If the same term is defined here and in a Coverage Part, then the definition in the Coverage Part will govern the coverage provided under that Coverage Part.

Application

means the signed application for the policy and any attachments and materials submitted with that application. If this policy is a renewal or replacement of a previous policy issued by **us**, **application** also includes all previous signed applications, attachments, and materials.

Covered amounts

means any amounts **we** have expressly agreed to pay under any Coverage Part **you** have purchased.

Deductible

means the amount identified as such in the Declarations.

Event

means a **malicious attack** or a **malicious threat**, as each is defined in the relevant Coverage Part.

Insured location

means a location on file with and agreed to by **us** as shown in Item 5 of the Declarations.

Named insured

means the entity identified in Item 1 of the Declarations.

Policy period

means the period of time identified in Item 2 of the Declarations.

We, us, or our

means Syndicate 33 at Lloyd's managed by Hiscox Syndicates Limited.

You, your, or insured

means the **named insured**.

Habitational Terrorism and Sabotage Coverage Part

I. Insuring agreement - What is covered

We will pay up to the Habitational Terrorism and Sabotage Limit of Liability stated in the Declarations for direct physical damage to or direct physical loss of **covered property** directly resulting from an **act of terrorism or sabotage** that occurs during the **policy period** and is reported to **us** in accordance with Section III. Your obligations.

II. Coverage enhancements

If an amount appears on the Declarations next to the name of the sublimit listed below, which indicates **you** have purchased the coverage, **we** will also pay up to the corresponding sublimit for the following loss **you** sustain directly resulting from an **act of terrorism or sabotage** to which this Coverage Part applies:

Business interruption

A. **business interruption costs.**

Civil or military authority

B. **income loss** directly caused by the prevention of ingress to or egress from an **insured location** or part of an **insured location** by order of a civil or military authority, sustained for a period greater than the **waiting period** but not to exceed the number of days stated in the Declarations.

Debris removal expenses

C. reasonable and necessary costs **you** incur to demolish and remove debris remaining at the **insured location(s)** which sustained direct physical damage. **We** will not take into consideration the cost of debris removal in establishing the value of any **covered property** physically damaged under this Coverage Part.

Decontamination costs (excluding NCBR)

D. **decontamination costs**, provided there is a law regulating contamination (including but not limited to the presence of pollution or hazardous material) in force at the time of the loss. **We** will only pay for **decontamination costs** in connection with the contaminated part(s) of **covered property**, and only to the extent such decontamination is needed to satisfy the applicable law.

Demolition and increased cost of construction

E. reasonable and necessary costs **you** incur to satisfy the minimum requirements of the enforcement of any law regulating the demolition, construction, repair, replacement, or use of physically damaged buildings or structures at an **insured location**, provided:

1. such law is in force on the date of the loss; and
2. its enforcement is a direct result of such loss or damage.

However, **we** will have no obligation to pay any costs:

- a. to demolish, repair, or rebuild any portion of **covered property** that was not physically damaged, unless such costs are incurred to rebuild the undamaged portion with materials and in a manner required to satisfy the law;
- b. due to any law **you** were required to comply with even if the loss had not occurred; or
- c. incurred as a result of the enforcement of any laws regulating any form of contamination, including but not limited to the presence of pollution or hazardous material.

Our maximum liability under this subsection E will not exceed the actual cost incurred to demolish the physically undamaged portion of the **covered property** plus the lesser of:

- i. the reasonable and necessary actual cost, excluding the cost of land, to rebuild on another site; or
- ii. the cost to rebuild on the same site.

Errors and omissions

F. physical damage to or loss of **covered property** which would have been covered by this Coverage Part except for an unintentional error or omission by **you** or anyone on **your** behalf regarding the:

1. description of where such property is physically located; or
2. failure to include any location as an **insured location**.

Habitational Terrorism and Sabotage Coverage Part

Coverage will apply under this subsection F only to the extent this Coverage Part would have applied had such error or unintentional omission not been made.

You must report and correct any unintentional error or omission regarding such property or its location(s) as soon as possible after **you** discover the error or omission.

In no event will there be any coverage under this subsection F for any property that is located:

- a. at a location covered under Coverage enhancement CC. Newly acquired locations; or
- b. within a **restricted area**.

Electronic data processing media

- G. physical damage to or loss of **computer equipment** or **electronic media** in **your** care, custody, or control at the affected **insured location(s)**, except that **we** will only pay for damage to or loss of **electronic media** if such damage or loss is a direct result of physical damage to the **computer equipment** on which the **electronic media** was stored.

Extended period of indemnity

- H. the actual amount of the reduction in leases or reservations sustained during the number of days stated in the Declarations, after the **period of restoration** has ended, but only if resulting from:

- 1. Restoration efforts: efforts to physically restore the business to the condition that would have existed had no **act of terrorism or sabotage** occurred; or
- 2. Contract cancellation: cancellation of contracts **you** entered into prior to the **act of terrorism or sabotage** for leases or reservations that would have been entered into during the time period described above.

Coverage under this subsection H will not include loss due to fines or penalties or damages for breach of contract or late or non-completion of orders.

If **you** could have minimized the total reduction in leases or reservations by:

- a. a complete or partial resumption of the business operations;
- b. making use of merchandise, stock, or other property at the **insured location** or elsewhere; and/or
- c. using or increasing business operations elsewhere,

then **we** will take such possible reduction of loss into account when calculating the amount of loss **we** will pay.

Fine arts

- I. physical damage to or loss of **fine arts**.

Ingress/egress

- J. **income loss** directly caused by the prevention of ingress to or egress from an **insured location** or part of an **insured location** during the **policy period**, for any reason other than by order of a civil or military authority, sustained for a period greater than the **waiting period** but not to exceed the number of days stated in the Declarations.

Preservation of property

- K. reasonable and necessary costs **you** incur to move **your** building components, contents, **computer equipment**, **electronic media**, **accounts receivable** records, **fine arts**, or **valuable papers** to or from their original location and/or temporarily store them at another location in order to protect them from imminent loss or damage. Coverage under this subsection K will not include costs incurred to move such items on behalf of **your** tenants or guests, whether incurred by **you**, **your** tenants, or **your** guests.

Professional fees

- L. reasonable costs **you** incur with **our** prior consent for the fees of **your** accountants, architects, auditors, engineers, or other professionals, plus the cost of using **your** employees, to produce and certify any particulars or details contained in **your** books or documents, or such other evidence **we** require in connection with a claim submitted under this Coverage Part.

However, **we** will not pay for any fees and costs of attorneys, public adjusters, or loss appraisers or loss consultants, or anyone retained on their behalf, who provide consultation on insurance coverage or who negotiate claims.

Habitational Terrorism and Sabotage Coverage Part

Relocation expenses

- M. reasonable and necessary expenses **you** incur to relocate **your** business to a functionally equivalent temporary location in order to avoid or mitigate **income loss you** would have sustained due to the interruption of **your** business operations. However, coverage under this subsection M will not apply to the reasonable and necessary expenses that **your** tenants or guests incur in moving to new locations, or that **you** incur in assisting their moves.

The most **we** will pay under this subsection M is the reasonable and necessary costs and expenses **you** actually incur to minimize the interruption to **your** business operations, or **your** expected **income loss**, whichever is less.

Service interruption

- N. physical damage to or loss of **covered property** and/or the actual **income loss** sustained because of:
1. the interruption of incoming electricity, gas, fuel, steam, water, or refrigeration services; or
 2. the lack of outgoing sewerage service,

due to physical loss or damage which prevents the supplier of such services from delivering those services to **you**.

We will only pay for **income loss**:

- a. directly caused by such service interruption for a period greater than the **waiting period** but not to exceed the number of days stated in the Declarations; and
- b. sustained at an **insured location(s)** located within the number of miles stated in the Declarations from the affected service supplier(s).

However, **we** will not pay for any **income loss** resulting solely from interruption to voice, data, video, internet, or other telecommunications services.

Transit

- O. 1. physical damage to or loss of **fine arts, valuable papers, accounts receivable** records, **computer equipment**, or **electronic media**, while such property is **in transit**; and
2. the cost of research and other reasonable expenses necessary to reproduce, replace, or restore such property that is damaged or lost while **in transit**.

We will only pay for property **in transit** that is:

- a. owned by **you**;
- b. shipped to customers under free on board, cost and freight, or similar terms;
- c. owned by others and in **your** care, custody, or control, but only to the extent **you** are legally liable for such property; or
- d. owned by others and sold by **you**, provided **you** have agreed prior to the loss to insure such property during the course of delivery.

However, coverage under this subsection O ceases:

- i. for import shipments, at the time ocean marine insurance ceases to cover such property, or if uninsured by ocean marine insurance, after discharge from overseas vessels or aircraft; and
- ii. for export shipments not insured under ocean cargo policies, at the time the property is loaded on board overseas vessels or aircraft.

Valuable papers

- P. physical damage to or loss of **valuable papers**.

Accounts receivable

- Q. physical damage to or loss of **your accounts receivable** records.

We will also pay:

1. reasonable and necessary expenses **you** incur to reproduce **your** accounting records, including support records such as invoices and accounting records on programs that are either purchased or written on a custom basis, which are regularly used with a computer system, or used to control and document the collection of money due from customers;

Habitational Terrorism and Sabotage Coverage Part

	<ol style="list-style-type: none"> interest on any loan that is required to offset amounts you are unable to collect pending our payment of such amounts; and reasonable and necessary collection expenses above your normal collection expenses.
Automatic coverage	<p>R. the amount by which any insured location(s) reported to us at the inception of the policy period increased in value between the inception date and the date of a covered occurrence at such insured location.</p> <p>The most we will pay under this subsection R is an increase of 10% of the initially reported total insured value of any such insured location.</p>
Commissions, profits, and royalties	<p>S. income loss during the period of restoration as a direct result of the interruption of the delivery of goods in whole or in part to you or for your account.</p> <p>In calculating income loss under this subsection S, we will only assess net income derived from:</p> <ol style="list-style-type: none"> income you would have received from the sale of goods not owned by you; amounts you would have received from the sale of goods belonging to you, in excess of the cost to you of such goods; and income you are not able to collect under royalty or licensing agreements, <p>to the extent such amounts are not realizable under any royalty, licensing fee, or commission agreement between you and another party.</p> <p>You must use reasonable efforts to influence the party(ies) with whom you have any agreement to deliver goods to you to use any other machinery, supplies, or locations to resume business to reduce the amount of loss you sustain, including by cooperating with such party to do so. We will have no obligation to cover your costs of cooperation unless we agree in writing.</p>
Contingent business interruption	<p>T. business interruption costs directly resulting from an act of terrorism or sabotage occurring at a location that is:</p> <ol style="list-style-type: none"> not owned or operated by you; and either: <ol style="list-style-type: none"> listed as a Named Contingent Business by endorsement to this policy; or an unnamed business, supplier, customer, or vendor on which you depend to maintain your business operations, except for any utilities or telecommunications provider, <p>whichever applies.</p> <p>In determining the limits applicable to coverage under this subsection T, the Contingent business interruption – Named Suppliers/Customers sublimit stated in the Declarations will apply to locations that are listed as Named Contingent Business(es), and the Contingent business interruption – Unnamed Suppliers/Customers sublimit stated in the Declarations will apply to locations you depend on that are not listed by endorsement to this policy.</p>
Delay in startup costs	<p>U. business interruption costs directly caused by a delay in starting your business operations, sustained for a period greater than the waiting period due to physical damage to or loss of property under construction at the insured location(s).</p>
Fire protective	<p>V. reasonable and necessary costs you incur:</p> <ol style="list-style-type: none"> as a result of fire department firefighting charges imposed after responding to a fire in, on, or exposing the covered property; to dispose of, restore, and recharge fire protection systems following the occurrence; or for the water used for fighting a fire in, on, or exposing the covered property.

Habitational Terrorism and Sabotage Coverage Part

Green building additional expense	<p>W. reasonable and necessary expenses you incur to upgrade covered property that was physically damaged or lost in order to meet "Green" standards, as defined by Leadership in Energy and Environment Design (LEED).</p> <p>Coverage under this subsection W does not apply to upgrades for any personal property, merchandise, or stock.</p>
Key and lock expense	<p>X. expenses you incur to replace locks, alarms, keys, and doors at any affected insured location(s).</p>
Landscaping	<p>Y. physical damage to or loss of outdoor trees, shrubs, plants, or lawns at any affected insured location(s). However, we will not pay for outdoor trees, shrubs, plants, or lawns grown commercially or held for sale by you, or for any growing crops.</p>
Leasehold interest	<p>Z. the unamortized value of undamaged tenant improvements and betterments if your lease is canceled due to direct physical damage to or loss of covered property, provided the cancellation is pursuant to a valid condition of your lease.</p>
Loss of attraction	<p>AA. the actual amount of the reduction in leases or reservations sustained for a period greater than the waiting period but not to exceed the number of days stated in the Declarations, provided the act of terrorism or sabotage takes place at a location that is not owned or operated by you and is situated within the number of miles stated in the Declarations of the affected insured location(s).</p>
Miscellaneous unnamed locations	<p>BB. physical damage to or loss of property at any location which is not on file with us as an insured location.</p> <p>Coverage will apply to such property only to the extent this Coverage Part would have applied had you declared the location to us and we agreed to add the location as an insured location.</p> <p>In no event will there be any coverage under this subsection BB for any property that is located:</p> <ol style="list-style-type: none"> at any location covered under Coverage enhancement CC. Newly acquired locations; or within a restricted area.
Newly acquired locations	<p>CC. physical damage to or loss of property at any location you construct, rent, lease, or purchase after the inception of the policy period.</p> <p>We will only provide this additional coverage if:</p> <ol style="list-style-type: none"> the additional values are reported to us within the number of days stated in the Declarations from the date of construction, rental, lease, or purchase; you pay any additional premium determined by us within 30 days of reporting the additional values; and such additional property is not insured by any other insurance policy or located in a restricted area. <p>With respect to any additional property(ies) that meet parts 1 and 2 but not part 3 above, we may still agree to provide coverage for such properties, but only if you report the additional property to us before it becomes your risk and pay any additional premium as we may reasonably require.</p> <p>If you fail to report any newly acquired location within the designated number of days stated in the Declarations, we may still agree to provide coverage for such property under Coverage enhancement BB. Miscellaneous unnamed locations, if purchased.</p> <p>We agree to return a portion of the premium paid for property divested during the policy period, provided you report any such divested property to us on a quarterly basis.</p> <p>However, we will not pay for damage to or loss of:</p> <ol style="list-style-type: none"> stock;

Habitational Terrorism and Sabotage Coverage Part

- b. contents at a fair, trade show, or exhibition; or
 - c. property of others temporarily in **your** possession in the course of:
 - i. installing or performing work on such property; or
 - ii. **your** manufacturing or wholesaling activities.
- Property in the course of construction DD. physical damage to or loss of property at any **insured location(s)** which is undergoing new construction, renovations, remodeling, or rehabilitation at the time of the **act of terrorism or sabotage**.
- Rental income EE. **income loss** and **extra expense** during the **period of restoration** directly caused by the loss of rental income at the **insured location(s)** sustained for a period greater than the **waiting period**. **We** will only pay for **income loss** sustained by those **insured location(s)** situated within the number of miles stated on the Declarations of the **act of terrorism or sabotage**. Loss due to **your** issuing partial or full refunds to **your** tenants or guests will be calculated as part of rental income.
- Soft costs FF. the following expenses, that are over and above normal expenses, incurred for any affected **insured location(s)** undergoing alterations or additions to existing property, or which has property in the course of construction at the time of the **act of terrorism or sabotage**:
 - 1. costs to rearrange loans necessary for the completion of construction, repairs, or reconstruction, including costs to arrange refinancing, fees for accountants or attorneys to prepare the restructured financing and documentation, and charges for loan renewals or extensions;
 - 2. the cost of returning any commitment fees received by prospective tenants, guests, or purchasers or the cost of re-leasing and marketing the **insured location(s)** due to loss of a tenant(s), guest(s), or purchaser(s);
 - 3. fees for architects, engineers, consultants, attorneys, or accountants needed for the completion of construction, repairs, or reconstruction; or
 - 4. carrying costs, building permits, additional interest on loans, insurance premiums, or property and realty taxes.

We will only pay expenses incurred from the time of the **occurrence** until the time when the property is restored to the same degree of completion as existed prior to the **occurrence**, such time period not to exceed 180 calendar days.

Our obligation to make any payments under this Section II ends when **we** have used up the Habitational Terrorism and Sabotage Limit of Liability stated in the Declarations.

You must incur loss in excess of the applicable **deductible** before **we** will be obligated to make any payments under this Section II, and all such payments will be a part of, and not in addition to, the Habitational Terrorism and Sabotage Limit of Liability stated in the Declarations.

III. Your obligations

- Notifying us of occurrences A. **You** must give written notice to **us** of any **act of terrorism or sabotage** as soon as reasonably possible.

All such notifications must be in writing and submitted to **us** via the designated email address or mailing address identified in Item 6 of the Declarations.
- Deductible B. **We** will not be obligated to make any payments under this Coverage Part unless the covered loss **you** sustain from an **occurrence**, regardless of the number of locations affected, is greater than the **deductible**, in which case **we** will only be responsible for the amount of loss in excess of such **deductible**.

If loss covered under this Coverage Part includes loss to which more than one **deductible** applies, **we** will apply only the single, highest deductible to the entire loss resulting from the same **occurrence**.

Habitational Terrorism and Sabotage Coverage Part

Emergency repairs

- C. In the event of an **act of terrorism or sabotage**, **you** must make any emergency repairs necessary to protect **covered property** from further loss or damage.

Proof of loss

- D. Before **we** make any claim payment, **you** must give **us** a signed proof of loss as soon as reasonably possible. If **we** have not received such proof from **you** within 12 months after the end of the **policy period**, **we** will have no obligation to make any payments with respect to that claim.

IV. Settlement and valuation

Salvage and recoveries

- A. All salvages, recoveries, and payments recovered or received subsequent to a loss settlement under this Coverage Part will be for **our** benefit.

Valuation

- B. 1. Accounts receivable:

When there is proof of physical damage to or loss of **your accounts receivable** records and **you** cannot accurately establish the total amount of **accounts receivable** outstanding as of the date of such damage or loss, **we** will calculate the amount of the loss by taking into consideration the following:

- a. the monthly average of **accounts receivable** during the 12 months immediately preceding the date of the **occurrence**;
- b. the trend of **your** business and variations before and after the **occurrence** so that allowances are made for any material variations or changed circumstances;
- c. the normal fluctuations in the amount of **accounts receivable** within the fiscal month involved; and
- d. the amount of **accounts receivable** supported by records which were not lost or damaged, or that **you** otherwise establish or collect to allow for probable bad debts which **you** normally would not have been able to collect.

If it is possible to reconstruct **accounts receivable** records so that no shortage is sustained, **we** will only pay the reasonable and necessary costs incurred to re-establish or reconstruct such records, and not for any costs covered by any other insurance.

2. Business interruption:

In calculating **income loss**, **we** will take into consideration:

- a. the actual earnings at the **insured location** during the 12 months immediately preceding the date of the **occurrence**; and
- b. the trend of **your** business and variations before and after the **occurrence** so that allowances are made for any material variations or changed circumstances, whether relating to market conditions or otherwise.

When fully adjusted, the **income loss** payable will represent as nearly as possible the earnings **you** would have realized during the **period of restoration** had the **occurrence** not occurred.

If **you** could have reduced the total **income loss** or **extra expense** resulting from the interruption of business by:

- i. a complete or partial resumption of the business operations;
- ii. making use of merchandise, stock, or other property at the **insured location(s)** or elsewhere; and/or
- iii. using or increasing business operations elsewhere,

we will take such possible reduction of loss into account when calculating the amount of loss **we** will pay.

Habitational Terrorism and Sabotage Coverage Part

If **we** and **you** do not agree on the amount of **income loss** and/or **extra expense**, either party may make a written demand for an appraisal of such loss. If such demand is made, each party will select a competent and impartial appraiser. The appraisers will then jointly select an umpire. If the appraisers cannot agree on an umpire, they may request that such selection be made by a judge of a court having jurisdiction. Each appraiser will separately state the amount of **income loss** and/or **extra expense**. If the appraisers do not agree on the amount of the loss, they will submit their differences to the umpire. Agreement by the umpire and at least one of the appraisers regarding the amount of the **income loss** and/or **extra expense** will be binding on **you** and **us**. Each party will pay their respective chosen appraiser and will equally share the costs of the umpire.

3. Fine arts:

In the event of physical damage to or loss of **fine arts**, the most **we** will pay is the least of the following:

- a. reasonable and necessary costs to repair or restore the item(s) to its condition on the date of loss;
- b. replacement cost; or
- c. value of the item(s), as declared to **us** and stated in Item 5 of the Declarations.

If an item is part of a pair or set and cannot be replaced, repaired, or restored to its condition on the date of loss, **we** will pay the lesser of the:

- i. full value of the pair or set; or
- ii. value of the item, as stated in the Declarations,

provided **you** surrender the pair or set to **us**.

4. Physical damage to other property:

In the event of physical damage to or loss of **covered property** other than **fine arts**, **we** will pay the cost of repairing, replacing, or reinstating (whichever is the least) such property on the same site, or nearest available site (whichever incurs the least cost) with material of like kind and quality without deduction for depreciation, subject to the following provisions:

- a. the repairs, replacement, or reinstatement must be executed promptly and with due diligence;
- b. until repairs, replacement, or reinstatement is made, **we** will have no obligation to pay more than the actual cash value at the time of loss; and
- c. if repairs, replacement, or reinstatement with material of like kind and quality is restricted or prohibited by any by-laws or law, **we** will have no obligation to pay any increased cost of replacement due to such restriction or prohibition.

Our liability for loss under this Coverage Part will not exceed the least of the following:

- i. the amount shown in the Declarations applicable to the destroyed or damaged property;
- ii. the replacement cost of the property or any part of such property which was intended for the same occupancy and use, as calculated at the time of the loss; or
- iii. the amount actually and necessarily spent in replacing the property or any part of it.

We will normally expect **you** to carry out repair or replacement of the damaged property, but if **we** and **you** agree it is not practicable or reasonable to do so, **we** will pay **you** an amount based on the repair or replacement costs, less an allowance for fees and associated costs not otherwise incurred.

Habitational Terrorism and Sabotage Coverage Part

V. Other provisions affecting coverage

- | | |
|----------------------|--|
| Abandonment | A. There may be no abandonment to us of any property. |
| Inspection and audit | <p>B. We will have the right to inspect any insured location at any time.</p> <p>Our right to make inspections, the making of any such inspections, and any report regarding such inspections will not constitute an undertaking to determine or warrant that any property is safe.</p> <p>We may examine and audit your books and records as they relate to this Coverage Part at any time during the policy period and up to two years afterward.</p> |
| Loss payees | <p>C. 1. In the event there is a specified lender loss payee or mortgagee ("loss payee") with an interest in covered property, we will pay for loss to such covered property to each loss payee under all present or future mortgages according to their respective interests. We will pay the loss payees in order of precedence of the mortgages.</p> <p>2. The loss payee agrees to notify us of any change in ownership, occupancy, or hazard, and agrees to pay any additional premium associated with such change, as we may reasonably require, within ten days of receiving a written request from us. If the loss payee fails to pay the additional premium, we will have the right to cancel this policy.</p> <p>However, we will not invalidate the interests of any loss payee under this Coverage Part because of any:</p> <ul style="list-style-type: none"> a. act of neglect of the debtor, mortgagor, or owner of the covered property; b. foreclosure, notice of sale, or similar proceedings with respect to the covered property; c. change in the title or ownership of the covered property; or d. change to a more hazardous occupancy. <p>3. If you fail to provide us with a proof of loss in accordance with Section III. Your obligations, the loss payee may provide it on your behalf. In that event, the loss payee will be subject to the provisions of this Coverage Part regarding our receipt and settlement of claims.</p> <p>4. If we cancel this policy and/or any interest of the loss payee under this Coverage Part, we will give the loss payee 90 days written notice before the effective date of cancellation, or ten days if the cancellation is due to nonpayment of premium. In the event of nonpayment of premium, the loss payee must pay the premium due on the debtor, mortgagor, or owner's behalf or we will cancel this policy.</p> <p>5. If you cancel this policy, coverage available to the loss payee will terminate ten days after we provide the loss payee written notice of cancellation, unless:</p> <ul style="list-style-type: none"> a. the loss payee authorizes or otherwise consents to your cancellation before we terminate the policy; or b. you replace this policy with insurance providing coverage for the interests of the loss payee, in which case coverage provided to the loss payee under this Coverage Part will terminate on the effective date of the replacement policy. <p>6. Notwithstanding anything to the contrary in the General Terms and Conditions, Section IV. Other provisions affecting coverage, L. Recovery from third parties, if we pay the loss payee for any loss but deny payment to the debtor, mortgagor, or owner, we will be subrogated to all of the rights of the loss payee.</p> <p>No subrogation will impair the right of the loss payee to sue or recover the full amount of its claim.</p> <p>7. At our option, we may pay to the loss payee the whole principal due on the debt or mortgage plus any accrued interest. In that event, all rights and securities will be assigned and transferred from the loss payee to us, and we will pay the remaining debt or mortgage.</p> |

Habitational Terrorism and Sabotage Coverage Part

Protection maintenance

D. **You** and **we** agree that any protection provided for the safety of **covered property** will be maintained in good order throughout the **policy period** and will be in use at all relevant times. **You** agree not to withdraw or vary this protection to the detriment of **our** interests without **our** consent.

Service interruption

E. In the event of an interruption to **your** business operations covered under Coverage enhancement N. Service interruption, **you** must immediately notify the applicable supplier(s) of the interruption to such services.

VI. Exclusions - What is not covered

We will have no obligation to pay any sums under this Coverage Part for any:

Biological/chemical weapons

1. loss caused directly or indirectly by the dispersal of or contamination by any biological or chemical agents, compounds, or pathogens, however such dispersal or contamination may have been caused.

Bookkeeping errors

2. loss arising out of bookkeeping, accounting, or billing errors or omissions, or any alteration, falsification, manipulation, concealment, destruction, or disposal of **accounts receivable** records.

Burglary/theft

3. loss arising out of burglary, housebreaking, looting, theft, or larceny.

Contraband

4. loss arising out of acts of contraband or illegal transportation or trade.

Electronic loss

5. loss by electronic means, including but not limited to computer hacking, the introduction of any form of computer virus or corrupting or unauthorized instructions or code, or the use of any electromagnetic weapon; however, this exclusion will not apply to otherwise covered loss or damage which arises from the use of any computer, computer system, computer software program, or any other electronic system in the launch or guidance system or firing mechanism of any weapon or missile.

Fines and penalties

6. fine, penalty, or other assessment against **you** or imposed by any court, government agency, public or civil authority, or any other person or entity.

Government enforcement

7. increase in loss caused by the enforcement of any law regulating the use, reconstruction, repair, or demolition of any property to which this Coverage Part applies; however, this exclusion will not apply to otherwise covered:

- a. **decontamination costs**; or
- b. costs under Coverage enhancement E. Demolition and increased cost of construction.

Government seizure

8. loss by confiscation, nationalization, requisition, detention, embargo, quarantine, seizure, or legal or illegal occupation, unless physical loss or damage is caused directly by an **act of terrorism or sabotage**.

However, this exclusion will not apply to otherwise covered **income loss** under Coverage enhancement B. Civil or military authority.

Indirect and consequential loss

9. a. loss of use, loss of income, or increased cost of working, except for covered **business interruption costs** and **income loss**;
b. delay or loss of markets, depreciation, or reduction in functionality; or
c. consequential or indirect loss or damage, except physical loss or damage not otherwise excluded by this Coverage Part and which results from an **act of terrorism or sabotage**.

Mysterious disappearance

10. loss caused directly or indirectly by mysterious disappearance or unexplained loss.

Habitational Terrorism and Sabotage Coverage Part

Nuclear incident	11. loss caused directly or indirectly by nuclear detonation, nuclear reaction, nuclear radiation, or radioactive contamination, however such nuclear detonation, nuclear radiation, nuclear reaction, or radioactive contamination may have been caused.
Pollution/environmental	12. loss arising out of any actual, alleged, or threatened discharge, dispersal, release, or escape of pollutants , including any direction or request to test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize pollutants ; however, this exclusion will not apply to otherwise covered decontamination costs .
Preventative measures	13. loss or damage caused by measures taken to prevent, suppress, or control any actual or potential act of terrorism or sabotage , unless we agree in writing prior to such measures taking place.
Protests/strikes/civil commotion	14. loss or damage caused by vandals or other persons committing malicious mischief, or arising out of any protest or strikes, labor unrest, riots, or civil commotion.
Threat or hoax	15. loss or increased cost as a result of a threat of an act of terrorism or sabotage or any hoax.
Transmission lines	16. income loss caused by loss or damage to overhead transmission lines located beyond one mile from the affected insured location(s) .
Utilities	17. loss caused directly or indirectly by cessation, fluctuation, or variation in, or insufficiency of, water, gas, electricity supplies, telecommunications, or any other type of utility or service; however, this exclusion will not apply to loss otherwise covered under Coverage enhancement N. Service interruption.
War	18. loss caused directly or indirectly by war, invasion, or warlike operations (whether or not war is declared), hostile acts of sovereign or local government entities, civil war, rebellion, revolution, insurrection, martial law, usurpation of power, or civil commotion assuming the proportions of or amounting to an uprising.

VII. Definitions

The following definitions apply to this Coverage Part. Additional definitions are contained in the General Terms and Conditions, Section V. Definitions applicable to all Coverage Parts.

Accounts receivable	means amounts due from your customers, guests, or tenants that you are not able to collect.
Act of terrorism or sabotage	means an act, subversive act, series of acts, or use of force or violence by any person or group(s) of persons, whether acting alone, on behalf of, or in connection with any organization(s), committed for political, religious, or ideological purposes, including the intention to influence any government and/or to put the public or any sector of the public in fear for such purposes.
Business interruption costs	means the actual income loss and extra expense you sustain during the period of restoration directly caused by an act of terrorism or sabotage which interrupts your business for a period greater than the waiting period .
Computer equipment	means: <ol style="list-style-type: none"> 1. computer mainframes, workstations, or portable computers; 2. discs, tapes, hard drives, cells, flash drives, data cards, or other magnetic or optical recording or storage devices regularly used with a computer system; 3. air conditioning or fire protection equipment used exclusively in computer operations; 4. telephone systems and their component parts; or 5. computer hardware and its related peripheral equipment, such as printers, video display monitors, modems, and servers.
Covered property	means the real property and any business personal property declared to us as shown in Item 5 of the Declarations.

Habitational Terrorism and Sabotage Coverage Part

Covered property will also include personal property whose value is declared to **us**, provided such property is located at an **insured location** and:

1. owned by **you**, including **your** interest in **tenant improvements and betterments**;
2. owned by **your** officers and employees; or
3. owned by others and in **your** care, custody, or control, but only to the extent:
 - a. **you** are under an obligation to keep such property insured under this policy; or
 - b. of **your** legal liability for such property, in which case **we** will have the right and duty to defend that portion of any claim against **you** seeking damages for such physical loss or damage.

We have the right to select and appoint counsel to defend **you** against any such claim, and **we** may investigate, negotiate, and settle the claim as **we** deem necessary. Any amounts incurred in the defense, investigation, negotiation, or settlement of such claim will be a part of, and not in addition to, the applicable limit of liability.

Covered property also includes any **water features** located at an **insured location**.

Covered property does not include:

- a. land or land values;
- b. power transmission, feeder lines, or pipelines not at an **insured location**;
- c. any building or structure, or property inside such building or structure, while such building or structure is vacant, unoccupied, or inoperative for more than 30 days, unless the building or structure is intended to be unoccupied in its normal operations;
- d. aircraft or any other aerial device, or watercraft;
- e. animals, plants, or living things of all types, except for any property covered under Coverage enhancement Y. Landscaping; or
- f. any land conveyance, including vehicles, locomotives, or rolling stock.

However, land motor vehicles designed for travel on public roads (including any attached machinery or equipment):

- i. that are expressly identified as **covered property** in the Declarations or on file with **us**;
 - ii. whose values have been declared to **us**; and
 - iii. that were located at an **insured location** at the time of damage,
- will be included as **covered property**.

Decontamination costs

means the costs **you** incur to decontaminate any **covered property** which becomes contaminated as a direct result of an **act of terrorism or sabotage** occurring at an **insured location**.

Decontamination costs does not include costs or expenses:

1. required for removing contaminated property that is not **covered property**; or
2. required to decontaminate, treat, or remediate any body of water, **water feature**, groundwater, or water contained within any enclosed tank, piping system, or any other processing equipment, although **decontamination costs** do include the cost to drain and refill a **water feature**.

Deductible

means:

1. for all loss other than **income loss, extra expense**, or **your** reduction in sales, the amount stated as the Property Damage Deductible under the Habitational Terrorism and Sabotage Coverage Part section of the Declarations;
2. for **income loss, extra expense**, or **your** reduction in sales, the amount stated as the Time Element Deductible under the Habitational Terrorism and Sabotage Coverage Part section of the Declarations; or

Habitational Terrorism and Sabotage Coverage Part

3. if there is no Property Damage Deductible or Time Element Deductible specified, the amount stated as the Deductible under the Habitational Terrorism and Sabotage Coverage Part section of the Declarations.

Electronic media

means software programs regularly used with a computer system, data recorded on such computer system, or any original source material used to enter or program such information.

Extra expense

means the reasonable and necessary expenses **you** incur to minimize the interruption to **your** business operations that are over and above the costs that normally would have been incurred in conducting the business during the same period had no **act of terrorism or sabotage** occurred.

At the end of the **period of restoration**, any remaining useful life or salvage value remaining in property for which **extra expense** was incurred during the **period of restoration** will be deducted and not included in **extra expense**.

The most **we** will pay for extra expense is the reasonable and necessary costs and expenses **you** actually incur to minimize the interruption to **your** business operations, or **your** expected **income loss**, whichever is less.

Extra expense does not include expenses covered under Coverage enhancement M. Relocation expenses.

Fine arts

means paintings, rare books, manuscripts, pictures, prints, etchings, drawings, tapestries, bronzes, statues, pottery, porcelain, marble, art glass, stained glass, valuable rugs, sculptures, musical instruments, jewelry, antique furniture, and other *bona fide* works of art or items of rarity or historical value.

Income loss

means the sum of the following:

1. the net income **you** would have earned had no **act of terrorism or sabotage** occurred; and
2. continuing normal operating expenses **you** incur, including ordinary payroll.

In transit

means the time period beginning when the property leaves the original point of shipment for transit, and ending when such property arrives at the agreed destination.

Occurrence

means any one **act of terrorism or sabotage** or series of **acts of terrorism or sabotage** having the same purpose or cause occurring during any period of 72 consecutive hours, which results in a loss or series of losses. Each **occurrence** will be subject to one **deductible** and a single per **occurrence** limit.

In no event will **we** have any obligation to make any payment under this Coverage Part for any loss resulting from an **occurrence** that first commences prior to the inception of the **policy period**.

If any part of the 72 consecutive hours of the **occurrence** takes place after the end of the **policy period**, **we** will deem all loss as sustained during the **policy period**.

Period of restoration

means the time period beginning on the date and time of the initial interruption of **your** business and ending on the date and time the interruption ends or could have ended had **you** acted with due diligence and dispatch. In no event will the **period of restoration** exceed 365 calendar days.

Pollutants

means any solid, liquid, gaseous, or thermal irritant or contaminant, including smoke, vapor, asbestos, silica, dust, nanoparticles, fibers, mold, spores, fungi, soot, ash, fumes, acids, alkalis, chemicals, germs, and waste. Waste includes, but is not limited to, materials to be recycled, reconditioned, or reclaimed. However, smoke, soot, ash, or fumes from a fire caused by an **act of terrorism or sabotage** are not **pollutants**.

Restricted area

means a physical location:

1. located within the Manhattan Borough; or
2. identified by any of the following zip codes: (i) 60601; (ii) 60602; (iii) 60603; (iv) 60604; (v) 60605; (vi) 60606; (vii) 60607; (viii) 60608; (ix) 60610; (x) 60611; (xi) 60612; (xii) 60614; (xiii) 60616; (xiv) 60622; (xv) 60654; (xvi) 60661; (xvii) 94102; (xviii) 94103; (xix) 94104; (xx) 94105; (xi) 94107; (xxii) 94108; (xxiii) 94109; (xxiv) 94111; (xxv) 94115; (xxvi) 94117; (xxvii)

Habitational Terrorism and Sabotage Coverage Part

Tenant improvements and betterments

94133; or (xxviii) 94158.
means fixtures, alterations, installations, or additions **you**:

1. make to a part of a building **you** occupy but do not own; and
2. acquire or make at **your** expense but cannot legally remove.

Valuable papers

means information that is inscribed, printed, written, recorded, or otherwise stored on:

1. documents, manuscripts, or records, including lease agreements and sublease agreements;
2. account books or card index systems;
3. deeds, maps, abstracts, or mortgages; or
4. other physical materials on which specific information is stored.

However, **valuable papers** does not include computer data, **electronic media**, library stock, currency, money, or securities.

Waiting period

means the number of hours stated as such in the Declarations commencing from the date and time on which:

1. the initial interruption to **your** business occurs; or
2. **your** ingress to or egress from an **insured location** is prevented, whether by order of a civil or military authority or otherwise.

For any Coverage Enhancement to which a **waiting period** applies, **we** will pay otherwise covered loss only if the interruption to **your** business, prevention of ingress to or egress from the **insured location**, or reduction in sales at the **insured location(s)**, continues for a period greater than the **waiting period**, in which case **we** will pay for **income loss** or **extra expense** sustained from the date and time the interruption, prevention, or reduction first began, and ending on the time limitation stated in the Coverage Enhancement to which the **waiting period** applies.

Water feature

means an artificial body of water or structure containing non-potable water that is intended for recreation or aesthetics, such as swimming pools and decorative fountains. However, **water feature** does not include the water contained in such structure.

Endorsement 1

NAMED INSURED: Granada Terrace Apartments LP

E2007.8 Lloyd's Syndicate (33) Endorsement

Proportion Percent: 100%

Syndicate: 33

Contract #: B1234HISINC2024

DCH #: DA-SC-231030-0001

Authorization Date: December 22, 2005

Endorsement effective: 06/30/2024

Certificate No.: UTS2579954.24

Endorsement No: 1

Processed Date: 07/02/2024

Hiscox Inc.



Authorized Representative
Kevin Kerridge

Endorsement 2

NAMED INSURED: Granada Terrace Apartments LP

E2010.1 Premium Payment Clause (Reinsurance)

In consideration of the premium charged, and on the understanding this endorsement leaves all other terms, conditions, and exclusions unchanged, it is agreed:

Notwithstanding any provision to the contrary within this contract or any endorsement hereto, in respect of nonpayment of premium only, the following clause will apply.

The (Re)Insured undertakes that premium will be paid in full to (Re)Insurers within 30 days of inception of this contract (or, in respect of installment premiums, when due).

If the premium due under this contract has not been so paid to (Re)Insurers by the 30th day from the inception of this contract (and, in respect of installment premiums, by the date they are due) (Re) Insurers will have the right to cancel this contract by notifying the (Re)Insured via the broker in writing. In the event of cancellation, premium is due to (Re)Insurers on a pro rata basis for the period that (Re) Insurers are on risk but the full contract premium will be payable to (Re)Insurers in the event of a loss or occurrence prior to the date of termination which gives rise to a valid claim under this contract.

It is agreed that (Re)Insurers will give not less than 30 days prior notice of cancellation to the (Re) Insured via the broker. If premium due is paid in full to (Re)Insurers before the notice period expires, notice of cancellation will automatically be revoked. If not, the contract will automatically terminate at the end of the notice period.

If any provision of this clause is found by any court or administrative body of competent jurisdiction to be invalid or unenforceable, such invalidity or unenforceability will not affect the other provisions of this clause which will remain in full force and effect.

Endorsement effective: 06/30/2024

Certificate No.: UTS2579954.24

Endorsement No: 2

Processed Date: 07/02/2024

Hiscox Inc.



Authorized Representative
Kevin Kerridge

Endorsement 3

NAMED INSURED: Granada Terrace Apartments LP

E2013.2 Service of Suit Endorsement

In consideration of the premium charged, and on the understanding this endorsement leaves all other terms, conditions, and exclusions unchanged, it is agreed:

In the event **we** fail to pay any amount claimed to be due under this policy, **we** agree to submit to the jurisdiction of a Court of competent jurisdiction within the United States at **your** request. Nothing in this clause is intended to constitute a waiver of **our** right to commence an action in any Court of competent jurisdiction in the United States, to remove an action to a United States District Court, or to seek a transfer of a case to another Court as permitted by the laws of the United States or of any state in the United States.

With the exception of any risks located in the jurisdictions below, service of process in any suit against **us** may be made on:

Hiscox Inc.
5 Concourse Parkway Suite, 2150
Atlanta GA, 30328
Attn: Head of Claims

For any policy in the jurisdictions listed below, service of process in any suit against **us** must be made on the following nominees:

1. For California risks, service of process must be made on:
Wilson, Elser, Moskowitz, Edelman & Dicker
555 S. Flower Street
Suite 2900
Los Angeles, CA 90071

2. For Illinois risks, service of process must be made on:

Lloyd's Illinois, Inc.
181 West Madison Street
Suite 3870
Chicago, IL 60602-4541

It is not necessary for the Director of Insurance to be specifically named or for their address to be specified.

3. For Kentucky risks, service of process must be made on:
Lloyd's Kentucky, Inc.
341 West Main Street
Frankfort, KY 40601-18082

If the policy is in any of the following jurisdictions, service of process may also be made upon the below:

1. For Guam risks, service of process may also be made on either of the following:

Thomas Sterling, Esq.
Blair, Sterling, Johnson, Martinez, P.C.
Suite 1008 DNA Building

Agent Name: N/A
Agent Address: N/A

Endorsement 3

NAMED INSURED: Granada Terrace Apartments LP

238 Archbishop F.C. Flores Street

Hagatna, Guam 96910-5205

Telephone: (671) 477-7857

Facsimile: (671) 472-4290

Email: tcsterling@kbsjlaw.com

2. For Oklahoma risks, service of process may also be made on:

Oklahoma Insurance Commissioner

Oklahoma Insurance Department

4157 S. Harvard, Suite 121

Tulsa, OK 74135

3. For Puerto Rico risks, service of process may also be made on:

Commissioner of Insurance

Office of the Commissioner of Insurance, Commonwealth of Puerto Rico

GAM Tower, Urb. Tabonuco, Suite 400

Guaynabo, Puerto Rico 00968-3020

Telephone: (787) 304-8686

Facsimile: (787) 273-6365

In the event service of process is made on the Commissioner of Insurance, the Commissioner must forward any papers he or she has received to **us** at the address specified above.

In any suit instituted against **us**, **we** agree to abide by the final decision of such Court, or in the event of an appeal, of any Appellate Court.

The above named are authorized to accept service of process on **our** behalf in any such suit and will enter a general appearance on **our** behalf in the event such suit is instituted.

Further, pursuant to any statute of any state, territory, or district of the United States which makes provision therefore, **we** designate the Superintendent, Commissioner, or Director of Insurance, or other officer specified for that purpose in the statute, as **our** agent for service of process in any action, suit, or proceeding instituted by **you** or on **your** behalf, or any other beneficiary under this policy, and designate the above named as the person to whom such agent is authorized to mail process.

Endorsement effective: 06/30/2024

Certificate No.: UTS2579954.24

Endorsement No: 3

Processed Date: 07/02/2024

Hiscox Inc.

Endorsement 3

NAMED INSURED: Granada Terrace Apartments LP



Authorized Representative
Kevin Kerridge

Endorsement 4

NAMED INSURED: Granada Terrace Apartments LP

E2017.3 Policyholder Disclosure Notice of Terrorism Insurance Cover

YOU ARE HEREBY NOTIFIED THAT FOLLOWING THE TERRORISM RISK INSURANCE ACT OF 2002, AS AMENDED, COVERAGE PROVIDED BY THIS POLICY FOR LOSSES CAUSED BY CERTIFIED ACTS OF TERRORISM IS PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. UNDER THIS FORMULA, THE UNITED STATES GOVERNMENT REMIBURSES 80% OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURER(S) PROVIDING THE COVERAGE.

YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS A \$100 BILLION CAP THAT LIMITS THE U.S. GOVERNMENT REIMBURSEMENT AS WELL AS INSURERS' LIABILITY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM WHEN THE AMOUNT OF SUCH LOSSES IN ANY ONE CALENDAR YEAR EXCEEDS \$100 BILLION IN ANY ONE CALENDAR YEAR. IF THE AGGREGATE OF SUCH LOSSES FOR ALL INSURERS EXCEEDS \$100 BILLION, COVERAGE MAY BE REDUCED.

As defined in Section 102(1) of the Act, as amended: The term "Act of Terrorism" means any act or acts that are certified by the Secretary of the Treasury, in consultation with the Secretary of Homeland Security and the Attorney General of the United States, to be an Act of Terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and 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.

Notwithstanding the TRIA program, this Policy insures against all terrorism perils in accordance with the terms, conditions and exclusions of this insurance. Your policy includes coverage for terrorism losses that are outside the TRIA definition of an "Act of Terrorism" as above. It also provides coverage for you according to your Policy terms, conditions, exclusions and limits, irrespective of any cap.

The allocation of the premium for TRIA coverage is provided below and does not include any charges for the portion of loss covered by the United States government under the Act.

The allocation we have made in respect of US exposures to Acts of Terrorism, as defined under TRIA, is 80% of your current premium. This premium allocation applies to expiry of the risk or 12:00 midnight December 31, 2027, the date on which the TRIA program is scheduled to terminate, whichever is sooner.

PLEASE RETAIN A COPY OF THIS DISCLOSURE NOTICE FOR YOUR RECORDS

Endorsement effective:	06/30/2024	Certificate No.:	UTS2579954.24
Endorsement No:	4	Processed Date:	07/02/2024

Hiscox Inc.

Endorsement 4

NAMED INSURED: Granada Terrace Apartments LP



Authorized Representative
Kevin Kerridge

Endorsement 5

NAMED INSURED: Granada Terrace Apartments LP

E2081.1 Amend War Exclusion Endorsement

In consideration of the premium charged, and on the understanding this endorsement leaves all other terms, conditions, and exclusions unchanged, it is agreed:

I. In Exclusions – What is not covered, the “War” exclusion is deleted in its entirety and replaced with the following:

- | | |
|----------------------------------|---|
| War, civil war, and cyberwarfare | based upon or arising out of, directly or indirectly occasioned by, happening through, or in consequence of: <ol style="list-style-type: none">1. war, invasion, acts of foreign enemies, hostilities (whether war is declared or not), civil war, rebellion, revolution, insurrection, military, or usurped power;2. confiscation, nationalization, requisition, destruction of, or damage to property by or under the order of any government, public, or local authority; or3. cyberwarfare, to the extent not otherwise excluded by paragraph 1. |
|----------------------------------|---|

II. For purposes of this Endorsement, the following definition applies:

- Cyberwarfare** means any:
1. unauthorized access to, or use, alteration, corruption, damage, manipulation, misappropriation, theft, deletion, or destruction of, any computer hardware or electronic data;
 2. creation, transmission, or introduction into a computer system, computer network, or electronic data of a computer virus or harmful code; or
 3. restriction or inhibition of access to a computer system, computer network, or electronic data, including through a denial-of-service (DoS) attack,
- committed by, or on behalf of, a **state**.
In determining by whom any action listed in parts 1. through 3. above is committed **we** will consider to whom any governing body (including the governing body’s intelligence, law enforcement, or military services) attributes such action, regardless of whether:
- A. the computer system, computer network, or electronic data is physically located within the jurisdiction of that governing body; or
 - B. there are inconsistent statements within different branches or agencies of that governing body (including intelligence, law enforcement, or military services) as to whom the action is attributable to.
- However, if:
- i. a governing body has not attributed any such action to a **state**, or any person, group, association, or entity acting on the **state’s** behalf; and
 - ii. there is at least one **media report** or a cybersecurity forensic firm report indicating that such action is attributed to a **state** or any person, group, association, or entity acting on the **state’s** behalf,
- then **we** will not pay any **damages, claim expenses**, or any other amounts resulting from any action listed in parts 1. through 3. above until any governing body attributes such action to a **state** or any person, group, association, or entity acting on the **state’s** behalf.
If a governing body does not attribute such action to a **state** or any person, group, association, or entity acting on the **state’s** behalf, or declares it is unable to do so, then a **media report** or cybersecurity forensic firm report will be conclusive evidence that the act was committed by, or on behalf of, a **state**.
For purposes of this definition, “**media report**” means an article published by the Associated Press, Reuters, Wall Street Journal, or the British Broadcasting Corporation.

Endorsement 5

NAMED INSURED: Granada Terrace Apartments LP

For purposes of this definition, "**state**" means a sovereign state, state-like entity, quasi-state, proto-state, or a state-sponsored actor or group.

Endorsement effective:	06/30/2024	Certificate No.:	UTS2579954.24
Endorsement No:	5	Processed Date:	07/02/2024
Hiscox Inc.			



Authorized Representative
Kevin Kerridge

Endorsement 6

NAMED INSURED: Granada Terrace Apartments LP

E2042.1 Minimum Earned Premium Endorsement

In consideration of the premium charged, and on the understanding this endorsement leaves all other terms, conditions, and exclusions unchanged, it is agreed:

As respects Item 7 of the Declarations, a 25% minimum earned premium condition applies at the inception of the **policy period**.

Endorsement effective: 06/30/2024

Certificate No.: UTS2579954.24

Endorsement No: 6

Processed Date: 07/02/2024

Hiscox Inc.



Authorized Representative
Kevin Kerridge



Important Notice/Aviso Importante

Have a complaint or need help?

If you have a problem with a claim or your premium, call your insurance company first. If you can't work out the issue, the Texas Department of Insurance may be able to help.

Even if you file a complaint with the Texas Department of Insurance, you should also file a complaint or appeal through your insurance company. If you don't, you may lose your right to appeal.

To get information or file a complaint with your insurance company:

Call: Hiscox Inc.

Claims assistance/complaints: 1-866-424-8508

General assistance/complaints: 1-855-941-3304

Email: InquiryUSA@hiscox.com

Mail:

5 Concourse Parkway, Suite #2150, Atlanta, GA 30328

Texas Department of Insurance

To get help with an insurance question or file a complaint with the state:

Call with a question: 1-800-252-3439

File a complaint: www.tdi.texas.gov

Email: ConsumerProtection@tdi.texas.gov

Mail: Consumer Protection, MC: CO-CP, Texas Department of Insurance, P.O. Box 12030, Austin, TX 78711-2030



Important Notice/Aviso Importante

¿Tiene una queja o necesita ayuda?

Si tiene un problema con una reclamación o con su prima de seguro. Llame primero a su compañía de seguros. Si no puede resolver el problema, es posible que el Departamento de Seguros de Texas (Texas Department of Insurance, por su nombre en inglés) pueda ayudar.

Aun si usted presenta una queja ante el Departamento de Seguros de Texas, también debe presentar una queja a través del proceso de quejas o de apelaciones de su compañía de seguros. Si no lo hace, podría perder su derecho para apelar.

Para obtener información o para presentar una queja ante su compañía de seguros:

Llame a: Hiscox Inc. al:

Asistencia con las reclamaciones o quejas: 1-866-424-8508

Asistencia general o quejas: 1-855-941-3304

Correo electrónico: InquiryUSA@hiscox.com

Dirección postal:

5 Concourse Parkway, Suite #2150, Atlanta, GA 30328

El Departamento de Seguros de Texas

Para obtener ayuda con una pregunta relacionada con los seguros o para presentar una queja ante el estado:

Llame con sus preguntas al: 1-800-252-3439

Presente una queja en: www.tdi.texas.gov

Correo electrónico: ConsumerProtection@tdi.texas.com

Dirección postal: Consumer Protection, MC: CO-CP, Texas Department of Insurance, P.O. Box 12030, Austin, TX 78711-2030



CONFORMITY NOTICE

(This does not amend, extend, or alter the coverages or any other provisions contained in your policy)

Whenever the symbol "\$" is used in this policy, it shall mean United States Dollars (USD).

Hiscox is committed to complying with trade and economic sanctions. To that end:

- I. No (re)insurer shall be deemed to provide cover and no (re)insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that (re)insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, Australia, United Kingdom or United States of America.
- II. The U.S. Department of Treasury Office of Foreign Assets Control (OFAC) administers and enforces economic sanctions policy based on Presidential declarations of national emergency. OFAC has identified and listed numerous foreign agents, front organizations, terrorists, and narcotics traffickers as Specially Designated Nationals (SDN's) and Blocked Persons. OFAC has also identified Sanctioned Countries. A list of Specially Designated Nationals, Blocked Persons and Sanctioned Countries may be found on the United States Treasury's web site <http://www.treas.gov/offices/enforcement/ofac/>.

Economic sanctions prohibit all United States citizens (including corporations and other entities) and permanent resident aliens from engaging in transactions with Specially Designated Nationals, Blocked Persons and Sanctioned Countries. Hiscox may not accept premium from or issue a policy to insure property of or make a claim payment to a Specially Designated National or Blocked Person. Hiscox may not engage in business transactions with a Sanctioned Country.

A Specially Designated National or Blocked Person is any person who is determined as such by the Secretary of Treasury.

A Sanctioned Country is any country that is the subject of trade or economic embargoes imposed by the laws or regulations of the United States.

In accordance with laws and regulations of the United States concerning economic and trade embargoes, this policy may be rendered void from its inception with respect to any term or condition of this policy that violates any laws or regulations of the United States concerning economic and trade embargoes including, but not limited to the following:

- (1) Any insured under this Policy, or any person or entity claiming the benefits of such insured, who is or becomes a Specially Designated National or Blocked Person or who is otherwise subject to US economic trade sanctions;
- (2) Any claim or suit that is brought in a Sanctioned Country or by a Sanctioned Country government, where any action in connection with such claim or suit is prohibited by US economic or trade sanctions;
- (3) Any claim or suit that is brought by any Specially Designated National or Blocked Person or any person or entity who is otherwise subject to US economic or trade sanctions;
- (4) Property that is located in a Sanctioned Country or that is owned by, rented to or in the care, custody or control of a Sanctioned Country government, where any activities related to such property are prohibited by US economic or trade sanctions; or
- (5) Property that is owned by, rented to or in the care, custody or control of a Specially Designated National or Blocked Person, or any person or entity who is otherwise subject to US economic or trade sanctions.



ECONOMIC AND TRADE SANCTIONS POLICYHOLDER NOTICE

Please read your Policy carefully and discuss with your broker/agent or insurance professional. You may also visit the US Treasury's website at <http://www.treas.gov/offices/enforcement/ofac/>.



Policyholder Notice Complaints or Comments

Any complaints or comments may be sent:

- By Mail to:

Legal Department
Hiscox USA
520 Madison Avenue, 32nd Floor
New York, NY 10022; or

- By Email to:

us_helpdesk_rfl@hiscox.com

EQUIPMENT BREAKDOWN
INSURANCE BINDER



Granada Terrace Apartments, LP

11911 San Vicente Boulevard, Suite 355
Los Angeles, CA 90049

Effective: 6/30/2024 - 6/30/2025

Prepared for: **RSG SPECIALTY, LLC**

Jon Klement
12700 Park Central Drive Suite 2000
Dallas, TX 75251
214-855-7747
Jon.klement@rtspecialty.com

Policy Number: YB2-L9L-478388-014

To request a Jurisdictional Inspection please call 877-526-0020 or email: LMEBInspections@libertymutual.com

EQUIPMENT BREAKDOWN INSURANCE BINDER

Date Issued	7/1/2024		
Effective Date	6/30/2024	Expiration Date	6/30/2025
Insured's Name	Granada Terrace Apartments, LP		
Insured's Address	11911 San Vicente Boulevard, Suite 355		
City/State/Zip	Los Angeles, CA 90049		
Policy Number	YB2-L9L-478388-014		

Covered Premises: This binder applies to the locations listed in the Statement of Values on file with us.

Insurance applies only to a coverage for which a Limit of Insurance, a number of Days/Hours or the word INCLUDED is shown. If INCLUDED is shown, then the limit for that coverage is part of the Limit Per Breakdown.	
Coverage	Limit Of Insurance Or Days/Hours
Limit Per Breakdown	\$20,000,000
1. Property Damage	Included
2. Expediting Expenses	\$250,000
3. Business Income	Included
a. Extra Expense	Combined with Business Income
b. Extended Period Of Restoration (# Of Days Of Coverage)	90 Days
c. Data Or Media	\$250,000
4. Spoilage Damage	\$250,000
5. Utility Interruption The maximum limit for Utility Interruption, subject to any applicable lower coverage limits, including business income, extra expense, and/or spoilage, respectively)	\$1,000,000
Coverage applies only if the interruption of services lasts at least:	24 Hours
6. Newly Acquired Premises	\$1,000,000
a. (Number Of Days Of Coverage)	90 Days
7. Ordinance Or Law	\$1,000,000
8. Errors And Omissions	Included
9. Brands And Labels	Included
10. Contingent BI and/or EE	Excluded
a. Covered Premises:	
b. Delivery of Services or Materials; or Sales:	

Unless a higher limit or INCLUDED is shown, the most we will pay for direct damage to covered property is \$25,000 for each of the following. These limits are part of, not in addition to, the Property Damage or Limit Per Breakdown.	
Coverage Limitations	Limit Of Insurance
Ammonia Contamination	\$250,000
Consequential Loss	\$250,000
Data And Media	\$250,000
Hazardous Substance	\$250,000
Water Damage	\$250,000

EQUIPMENT BREAKDOWN
INSURANCE BINDER

Limited Coverage for Fungus, Wet Rot and Dry Rot	
Limit	\$15,000
Business Income and/or Extra Expense – Number of Days	30 Days
Increased Cost of Loss and Related Expenses for “Green” Upgrades	
Property Damage Limit	\$100,000
Business Income and/or Extra Expense – Number of Days	30 Days
Conditions And Optional Coverages	
Business Income Report Date	
Business Income Annual Value	
Business Income Coinsurance Percentage	Waived
Diagnostic Equipment (Included Or Excluded)	Included
Equipment Breakdown Enhancement Endorsement (See attached form for full details) – Key Enhancements include:	Included
<ul style="list-style-type: none"> - Civil Authority extension within 100 miles/4 weeks - Ingress/Egress - \$250,000 sublimit - Claim Preparation Fees - \$250,000 sublimit - Dependent Location extension for Contingent BI/EE - 150% replacement cost for Safety Improvements 	
Deductibles	
Combined Deductible	
Property Damage Coverages	\$10,000
Business Income	24 Hours
Extra Expense	Included in BI
Spoilage	Included in PD
Other:	

Other Conditions/Additional Coverage Extensions/Restrictions:

Exclusion Amendatory Endorsement	
TERRORISM RISK INSURANCE ACT	
<input checked="" type="checkbox"/> Accepted	<input type="checkbox"/> Rejected
Premium / Agency Billed	
Policy Term Premium	\$1,000
State Fees and Surcharges	\$0*
Total Policy Term Premium with State Fees and Surcharges	\$1,000

*Taxes are estimated and subject to change at time of policy production due to a change in tax rates or location addition/deletions in different tax territories.

TIV as Submitted: \$18,405,147

THIS INSURANCE IS SUBJECT TO THE TERMS, CONDITIONS AND LIMITATIONS OF THE POLICY(IES) IN CURRENT USE BY LIBERTY MUTUAL FIRE INSURANCE COMPANY. This Binder may be cancelled by you surrendering this Binder or by written notice to us stating when cancellation will be effective. We may cancel this Binder by notifying you in accordance with the policy conditions. This Binder is cancelled when replaced by a policy. If this Binder is not replaced by a policy, we are entitled to charge premium according to the Rules and Rates in use by us.

PowerPro Select™

EQUIPMENT BREAKDOWN INSURANCE BINDER



Issued by Liberty Mutual Fire Insurance Company

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EQUIPMENT BREAKDOWN ENHANCEMENT ENDORSEMENT

This endorsement modifies insurance provided under the following:

EQUIPMENT BREAKDOWN PROTECTION COVERAGE FORM

A. The following coverage(s) are added to **A.2. Coverages Provided** of the EQUIPMENT BREAKDOWN PROTECTION COVERAGE FORM:

k. Civil Authority

If the Declarations show you have business income and/or extra expense coverage:

- (1)** The applicable coverage is extended to cover loss caused by the action of civil authority that prohibits access to the premises described in the Declarations. The action of civil authority must directly result from a "Breakdown" to "Covered Equipment" or to equipment of the type covered by this policy that is located within 100 miles of a premise shown in the Declarations.
- (2)** Coverage provided under **(1)** above will commence 24 hours after the time of the civil authority action and will continue until the earlier of:
 - a.** 4 consecutive weeks thereafter; or
 - b.** The date access is restored.

l. Ingress/Egress

We will pay for the actual loss of business income that you sustain if your ingress to, or egress from the premises described in the Declarations is prevented as a direct result of a "Breakdown" to "Covered Equipment" or to equipment of the type covered by this policy that is located off of the premises described in the declarations. This coverage does not apply if the ingress to or egress from your premises is prohibited by civil authority.

The most we will pay for actual loss of Business Income you sustain under this coverage is \$250,000.

m. Claim Preparation Fees

- (1)** We will pay the reasonable expenses that you incur when we require you to provide us with property value assessments, income statements, and other related documentation to show the extent of loss. This includes the cost of taking inventories, assessing property values, preparing income statements, and preparing other similar documentation.

PowerPro Select™

EQUIPMENT BREAKDOWN INSURANCE BINDER



(2) We will not pay for:

- a. Any expenses incurred for, billed by or payable to attorneys or adjusters, or their associates or subsidiaries
- b. Any costs in connection with **E. Conditions, 1 Loss Conditions, b. Appraisal**; or
- c. Any expenses incurred for, billed by or payable to insurance brokers or agents, or their associates or subsidiaries, without our written consent prior to such expenses being incurred.

(3) The most we will pay for preparation of claim data expenses under this Coverage Extension in any "One Breakdown" is \$250,000. This limit is part of, not in addition to, any applicable Limit per Breakdown as shown in the Declaration.

B. Item f. (4) Newly Acquired Premises of A.2. Coverages Provided is deleted and replaced by the following:

f.(4) The limit available for this coverage is the amount shown as the Newly Acquired Premises Limit in the Declarations. If the coverages and deductibles vary for existing premises, then the coverages for the newly acquired premises will be the broadest coverage and highest limits and deductible applicable to the existing premises. However, in no circumstance will the limit available for the newly acquired premises exceed the amount shown as the Newly Acquired Premises Limit in the Declarations.

C. Item j. Contingent Business Income and Extra Expense or Extra Expense Only Coverage of A.2. Coverages Provided is deleted and replaced by the following:

j. Dependent Location

If you have selected the Business Income Coverage Extension or Extra Expense Coverage Extension, that applicable coverage is extended to cover loss caused by the necessary partial or total interruption of your business during the "Period of Restoration" for a "Dependent Location". The interruption must be caused by direct physical loss or damage at a "Dependent Location," shown in the Declarations or elsewhere in this Coverage Part, caused by or resulting from "Breakdown" to equipment of the type insured by this policy.

However, coverage under this Coverage Extension does not apply when the only loss to "Dependent Location" is loss or damage to "Electronic Data, including destruction or corruption of "Electronic Data".

"Dependent Location" means property operated by others whom you depend on to:

- (1) Deliver materials or services to you or to others for your account. But any property which delivers any of the following services is not a Supplying Location with respect to such utility services: air conditioning, communication services, electric power, gas, heating, refrigeration, steam, water or waste treatment.

PowerPro Select™

EQUIPMENT BREAKDOWN INSURANCE BINDER



- (2) Accept your products or services;
- (3) Manufacture products for delivery to your customers under contract of sale; or
- (4) Attract customers to your business.

D. The last paragraph of **7. Increased Cost of Loss And Related Expenses For "Green" Upgrades** of section **C. Limits Of Insurance** is deleted and replaced by the following:

Unless a different limit or INCLUDED is shown in the Declarations, the most we pay under this "Green" upgrades coverage is an amount equal to 50% of the total Property Damage loss otherwise recoverable.

E. Item **I. (2) Valuation** of **E.1. Loss Conditions** is deleted and replaced by the following:

If "Covered Equipment" requires replacement due to a "Breakdown", we will pay the additional cost to replace the equipment with equipment that we and you agree improves the environment, increases efficiency or enhances safety while maintaining the existing function, subject to the following conditions:

- (a) We will not pay more than one hundred fifty percent (150%) of what the cost would have been to replace with like kind and quality;
- (b) We will not pay to increase the size or capacity of the equipment;
- (c) This provision only applies to property damage coverage;
- (d) This provision does not increase any of the applicable limits;
- (e) This provision does not apply to any property valued on an "Actual Cash Value" basis; and
- (f) This provision does not apply to the replacement of component parts.

F. Item **16. "Period of Restoration"** under **F. Definitions** is deleted and replaced with the following:

16. "Period of Restoration" means the period of time that:

- a. Begins at the time of the "Breakdown"; and
- b. Ends on the earlier of:
 - (1) The number of consecutive days indicated for the applicable "Period of Restoration" shown in the Declarations or elsewhere in this Coverage Part after the date when the property at the Covered Premises should be repaired, rebuilt or replaced with reasonable speed and similar quality; or
 - (2) The date when business is resumed at a new permanent location.



The RT Property Team is an exceptional collection of creative, proactive and highly skilled problem solvers. We work as an extension of our retail clients assisting them in creating the optimal solution for their clients' risks. RT Property is there through thick and thin, from coverage strategy and conception through claim activity.

Property Claims can be submitted 24/7 to kcclaims@rtspecialty.com

CONTACT

Agents and brokers, for more information contact your local RT Specialty broker:

RT SPECIALTY - CHICAGO

180 North Stetson Avenue
Suite 4600
Chicago, IL 60601
(312) 784-6001

RTSPECIALTY.COM



Claims Management Services

As part of our commitment to better serve you, a vital part of our services is providing powerful and convincing advocacy for insureds in the unfortunate event of a claim. In order for us to provide the highest level of claims management services on your behalf, we have an experienced staff of well-respected claims advocates, namely:

Todd Mannschreck is RT Specialty's President of Claims and Chief Claims Officer. As head of the RT Claims Department, Todd is responsible for developing and implementing all policies and procedures for the department and ensuring accurate claims handling. His 30 year tenure provides a long view and deep experience that greatly assists in attaining favorable claims resolutions.

RT Property's Assistant Vice President, Claims, **David Gleason**, has adjusted and managed commercial property and inland marine claims for both admitted and excess and surplus lines for national and international insurance carriers. He holds numerous insurance industry certifications including CPCU, AIC, AFSB and is a certified Six Sigma Black Belt. With a continued focus on customer service and prompt resolution of claims, he brings his experience from over 35 years of complex claims handling and litigation management in the HPR, primary and quota share markets, to support RT Property's teams and their clients.

RT's property claims resources also includes several other team members whose cumulative experience is well in excess of 75 years. This team of talented and motivated claim professionals are here to assist clients on all claim issues. This is a unique approach within the wholesale industry and one that has proved to be a valuable asset to retail brokers and their clients.

With these unparalleled claims resources, RT is uniquely positioned to provide superior claims management assistance and advocacy.

"Todd Mannschreck has built an incredible team of claims professionals. The top-quality service our claims team provides for our key partners has been a critical differentiator in elevating the RT National Property Team as the best in the country!"

Brenda (Ballard) Austenfeld
President - National Property Practice
Managing Director

R-T Specialty, LLC (RT), a subsidiary of Ryan Specialty Group, LLC, provides wholesale brokerage and other services to agents and brokers. RT is a Delaware limited liability company based in Illinois. As a wholesale broker, RT does not solicit insurance from the public. Some products may only be available in certain states, and some products may only be available from surplus lines insurers. In California: R-T Specialty Insurance Services, LLC License 0G97516. © 2020 Ryan Specialty Group, LLC