



7557 Rambler Road Suite 300 Dallas, TX 75231 Phone: 214-363-7636 Fax: 214-691-5460

Oct 03, 2023

Amy Green, CIC, CRM
Marsh USA - Dallas
4400 Comercia Bank Tower
1717 Main Street
Dallas, TX 75201-7357

RE: August Real Estate Co.
Policy: CENPP22202317100 6/23/2023 to 6/23/2024

Dear Amy:

Attached please find the original policy for the above account. Please review and advise if there are any discrepancies or corrections needed.

If you have any questions or need anything further, please do not hesitate to give us a call.

Sincerely,

A handwritten signature in black ink, appearing to read "Lori Scott".

Lori Scott
Account Executive
Phone: 214-363-7636
Fax: 214-691-5460
Email: loscott@crcgroup.com

Enclosure

Sub#: 11636293

CONFIDENTIAL



7557 Rambler Road Suite 300 Dallas, TX 75231 Phone: 214-363-7636 Fax: 214-691-5460

MINIMUM EARNED PREMIUM MINIMUM AND DEPOSIT PREMIUM

The following terms are often misunderstood, particularly among insureds or producers not accustomed to dealing with surplus lines insurance companies. It is important that the definitions are understood.

MINIMUM AND DEPOSIT

This is the amount of premium due at inception. Although the policy is subject to adjustment based on a rate per exposure unit, under no circumstances will the annual earned premium be less than the minimum premium. Therefore, the policy may generate an additional premium on audit, but not a return.

If such a policy is cancelled mid-term, the earned premium is the GREATER of the annual minimum times the short rate or pro-rata factor, or the actual earned premium as determined by audit, subject to a short rate penalty if applicable.

MINIMUM EARNED PREMIUM

A minimum earned premium endorsement can be attached to either a flat charge policy or an adjustable policy. In either case, this amount is the LEAST that will be retained by the insurance company once the policy goes into effect. The amount retained would be the GREATER of the actual earned premium whether calculated on a pro-rate or short rate basis, or the minimum earned premium.

FLAT CANCELLATIONS

Surplus lines insurance companies normally do not allow flat cancellations. Once the policy is in effect, some premium will be earned. The collection and payment of premium are the responsibility of the retail agent.

If you need further explanation, please do not hesitate to contact us.

01/2007 - Premium Definition

Figure: 28 TAC §1.601(a)(2)(B)

Have a complaint or need help?

If you have a problem with a claim or your premium, call your insurance company or HMO 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 or HMO. If you don't, you may lose your right to appeal.

Palomar Excess and Surplus Insurance Company

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

Call: Palomar Excess and Surplus Insurance Company at 619-567-5290

Toll-free:

Online:

Email:

Mail: 4400 W. 78th Street Suite 120
Minneapolis, MN 55435

The 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: MC 111-1A, P.O. Box 149091, Austin, TX 78714-9091

¿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 o HMO. 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 o HMO. Si no lo hace, podría perder su derecho para apelar.

Palomar Excess and Surplus Insurance Company

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

Llame a: Palomar Excess and Surplus Insurance Company al 619-567-5290

Teléfono gratuito:

En Línea:

Correo electrónico:

Dirección postal: 4400 W. 78th Street Suite 120
Minneapolis, MN 55435

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.gov

Dirección postal: MC 111-1A, P.O. Box 149091, Austin, TX 78714-9091

Texas Tax Information:

Risk Location: Per Schedule on File ,

Guaranty Fund Nonparticipation Notice

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 a 4.85 percent tax on gross premium.

Surplus Lines Agent: CRC Insurance Services, License #18530

Address: 1 Metroplex Drive, Suite 400, Birmingham, AL 35209

Policy Premium:	\$65,132.00
TRIPRA Premium:	
TRIPRA Status:	REJECTED
Surplus Lines Tax:	\$3,158.90
Stamping Office Fee:	\$48.85
:	
:	
:	
:	
:	
Grand Total:	\$68,339.75



EXCESS PROPERTY POLICY DECLARATIONS

NAMED INSURED AND MAILING ADDRESS:

August Real Estate Co.
3612 Amherst Avenue,
Dallas, TX 75225-7421

Producer: CRC - Dallas

Policy Number:

CENPP-22-2023171-00

Producer Code: PSIC-23-71

Effective Date:

6/23/2023 To 6/23/2024

(12:01 a.m. standard time at the Named Insured's mailing address)

Issued by the insurance companies indicated below, herein called the Company:

PALOMAR EXCESS & SURPLUS INSURANCE COMPANY (PESIC) (A-IX EXCELLENT)

In return for the payment of premium and subject to all the terms and conditions of the policy, we agree with you to provide the insurance as stated in the policy. The premium is due and payable at inception.

PREMIUM FOR THIS COVERAGE	
POLICY PREMIUM:	\$65,132.00
TERRORISM PREMIUM:	EXCLUDED
TOTAL PREMIUM:	\$65,132.00
MINIMUM PREMIUM:	\$10,000.00

PRIMARY INSURER(S) AND POLICY NUMBER	
PRIMARY POLICY INSURER:	Ambris/Lloyd's America
PRIMARY POLICY NUMBER:	B1306P558822300
PRIMARY POLICY PERIOD:	6/23/2023-6/23/2024

COVERED PROPERTY AT THE FOLLOWING LOCATION(S):

Insurance is provided at those locations and for those coverages and Limits of Insurance shown on the most recent Statement of Values:

AS PER SCHEDULE ON FILE WITH THIS COMPANY AS OF 6/2/2023 WITH TOTAL INSURED VALUES OF \$46,847,553

PERILS COVERED:

All Risk of direct physical loss of damage excluding Earth Movement, Earth Movement Sprinkler Leakage, Flood and Water Damage and Terrorism.

Please review all forms and endorsements to understand coverage(s) provided by this policy.

LIMIT OF INSURANCE:

The most this Company will pay for loss or damage arising from any one occurrence is the Limit of Insurance of \$36,847,553.

The Limit of Insurance covers its pro rata portion of \$36,847,553 part of \$36,847,553 excess of the sum of \$10,000,000.

This policy will pay for the loss or damage only when the amount of covered loss or damage arising out of one occurrence exceeds the sum of \$10,000,000 and all Underlying Insurer(s) have paid or have admitted liability for the full amount of there respective "ultimate net loss" liability.

In no event, shall this Company be liable for more than the Limit of Insurance shown above in any one occurrence regardless of the number of coverages or locations involved and regardless of any additional coverages provided under this policy.

ADDITIONAL NAMED INSUREDS:



NAMED INSURED: August Real Estate Co.

POLICY NUMBER: CENPP-22-2023171-00

EFFECTIVE DATE: 6/23/2023 To 6/23/2024

The following policy form(s) and endorsement(s) have been attached to and made part of the policy shown above.

FORM NAME	FORM NUMBER
EXCESS PROPERTY DECLARATIONS	PESIC ELP-1001 01 22
EXCESS PROPERTY COVERAGE FORM (FOLLOWING FORM)	PESIC ELP-1002 01 22
COMMON POLICY CONDITIONS	PESIC ELP-1003 01 22
COMMERCIAL PROPERTY CONDITIONS	PESIC ELP-1004 01 22
ELECTRONICALLY DELIVERED POLICIES	PESIC ELP-1005 01 22
OFFICE OF FOREIGN ASSETS CONTROL ("OFAC")	PESIC ELP-1006 01 22
ECONOMIC AND TRADE SANCTIONS CLAUSE	PESIC ELP-1007 01 22
SURPLUS LINES POLICY NOTICE	PESIC ELP-DOI
IMPORTANT NOTICE - SURPLUS COMPLAINT	PESIC ELP-COMPLAINT
SERVICE OF SUIT CLAUSE	PESIC-SOS V20_09
ASBESTOS EXCLUSION	PESIC-ELP-1101 01 22
BREAKDOWN EXCLUSION	PESIC-ELP-1103 01 22
CYBER AND COMPUTER RELATED LOSS EXCLUSION	PESIC-ELP-1104 01 22
EARTH MOVEMENT EXCLUSION	PESIC-ELP-1105 01 22
EARTH MOVEMENT SPRINKLER LEAKAGE EXCLUSION	PESIC-ELP-1120 01 22
EXISTING DAMAGE EXCLUSION	PESIC-ELP-1124 01 22
PATHOGENIC OR POISONOUS BIOLOGICAL OR CHEMICAL MATERIALS EXCLUSION	PESIC-ELP-1109 01 22
FLOOD AND WATER DAMAGE EXCLUSION	PESIC-ELP-1110 01 22
FUNGUS, WET ROT, DRY ROT AND BACTERIA EXCLUSION	PESIC-ELP-1111 01 22
MICROORGANISM EXCLUSION	PESIC-ELP-1113 01 22
OCCURRENCE LIMIT OF LIABILITY (INCL. MARGIN CLAUSE)	PESIC-ELP-1114 01 22
POLLUTION EXCLUSION	PESIC-ELP-1116 01 22
TERRORISM EXCLUSION	PESIC-ELP-1118 01 22
IMPORTANT NOTICE - IN WITNESS CLAUSE	PESIC-SIG/WIT V20_07
PRIORITY OF PAYMENT	PESIC-ELP-1125 04 23
CLAIM REPORTING PROCEDURES	ELP CLAIMS V20_4



POLICY NUMBER: CENPP-22-2023171-00

EXCESS PROPERTY COVERAGE FORM (FOLLOWING FORM)

Various provisions in this Policy restrict coverage. You are presumed to have read this policy, understand its terms, whether this the first policy year or a renewal of a prior policy. Please review the entire policy immediately and contact us or your agent or broker with any questions you may have.

Throughout this Policy, the phrase "this Policy" refers to the Excess Property Coverage Form – Following Form and the attached Excess Property Policy Declarations ("Declarations"), and all forms and endorsements. The word "Insured" refers to any Insured shown in the Declarations, and the phrase "this Company" refers to the Excess Insurance Company shown in the Declarations.

1. INSURING AGREEMENT

This Insuring Agreement together with the Premium Summary, Forms and Endorsements List, Declarations, Policy Forms, and Endorsements comprise this policy.

This Company will pay for direct physical loss of or damage to Covered Property caused by or resulting from any Covered Cause of Loss in excess of coverage provided by the primary and underlying policy(ies) covering the identical Covered Property.

This Policy shall follow the terms, definitions, conditions and exclusions of Primary Insurance policy(ies) shown on the Declarations subject to the policy period, policy limits, premiums and all other terms, definitions, conditions and exclusions of this Policy.

The terms and conditions of this Policy shall apply in the event any of the terms or conditions in the underlying policy(ies) conflict with this Policy. In no event shall this Policy provide broader coverage than that provided by the underlying policy(ies). The coverage provided by this Policy is limited to the terms and conditions set forth herein and to the extent any other coverages are provided by the underlying policy(ies), those underlying coverages do not apply to extend coverage under this Policy to perils that are either excluded from coverage or are not specifically listed as a covered peril of this Policy.

2. SUBLIMITS

The maximum limit of recovery in any one occurrence for any coverage, peril or location subject to a sublimit specified in any underlying insurance policy(ies) will be the sublimit provided in the underlying insurance policy(ies). And, in no event shall this Company be liable for any amounts over the sublimit contained in the underlying insurance policy(ies) for the coverage(s) or peril(s) to which that sublimit applies.

3. MINIMUM PREMIUM

In the event of cancellation of this policy at the request of the Insured(s), the Minimum Premium will be the dollar amount shown on the Declarations. The failure of the Insured(s) to make a timely payment of premium will be considered a request by the Insured(s) for the Company to cancel. If the Company cancels for non-payment of premium, the minimum retained premium or minimum earned premium, whichever is greater, will be immediately due and payable.



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4. WARRANTY CLAUSE:

It is warranted by the Insured that the underlying insurance policy(ies) will be maintained in full force and effect during the policy period of this policy. In the event the Insured elects to cancel the underlying insurance policy(ies), the Company will be notified in writing before such cancellation becomes effective.

The Company will be furnished a complete copy of the Primary Policy and the insured will immediately notify the Company of any change in coverage. Failure of the Insured to report such change will not invalidate this policy, but in the event of failure to report such change, the Company will only be liable for loss to the same extent as it would have been had no change been made.

If there is no recovery available because of the bankruptcy, insolvency, or a declaration of impairment or insolvency of the Underlying Insurer(s), coverage under this policy shall apply in excess of the applicable Limits of Insurance provided by the Underlying Insurer(s) as shown on the Declarations. This policy shall apply as if the primary and/or underlying policy(ies) were valid and collectible.

5. CANCELLATION:

The Named Insured shown in this policy may cancel this policy by mailing or delivering to this Company advance notice of cancellation.

The Company may cancel this policy by mailing or delivering to the Named Insured written notice of cancellation at least:

Number of days before the effective date of cancellation if cancelled for nonpayment of premium: 10 days

Number of days before the effective date of cancellation if cancelled for any other reason: 90 days

The Company will mail or deliver this notice to the Named Insured's last mailing address known to the Company.

This Notice of Cancellation will state the effective date of cancellation and the policy period will end on that date.

If this Policy is cancelled the Company will send the Named Insured any premium refund due. If the Company cancels this policy the refund will be pro rate. If the Named Insured cancels this policy the refund may be less than pro rate. Cancellation will be effective even if the Company has not made or offered a refund.

If Notice of Cancellation is mailed, proof of mailing will be sufficient proof of notice.

6. NOTICE OF CLAIMS

The Insured will notify the Company in writing immediately of any occurrence likely to give rise to a claim, any claim for loss or damage, and any subsequent developments thereto, which may involve the Limit of Insurance provided by this policy.

Loss, if any, is to be adjusted with and payable to the Insured or as specified by the Primary Insurance Policy.

7. EXCESS INSURANCE

Permission is granted to you to have excess insurance over the Limits of Insurance set forth in this policy without prejudice to this policy, and the existence of such insurance, if any, will not reduce any liability under this policy.



8. DEFINITIONS

- i. **Occurrence:** The word “occurrence” means any one loss, disaster, casualty, incident or series of losses, disasters, casualties or incidents, not otherwise excluded by this policy and arising out of a single or originating cause and includes all resultant or concomitant insured losses. The “occurrence” must occur during the policy period.
- ii. **Ultimate Net Loss:** The words “ultimate net loss” means the actual amount of loss or damage sustained by the Insured as a result of direct physical loss of or direct physical damage to covered property and caused by perils insured under this Policy, after making deductions for all salvages, recoveries and other valid collectible insurance (other than recoveries under the underlying insurance policy(ies)).
- iii. **Underlying Insurance:** The words “underlying insurance” means the Primary Underlying Insurance policy(ies) and all other Excess Insurance policy(ies) below our attachment point.
- iv. **Underlying Insurer(s):** The words “Underlying Insurer(s)” means the Primary Insurer(s) and all other Excess Insurer(s), if any, issuing policy(ies) below our attachment point.



POLICY NUMBER: CENPP-22-2023171-00

COMMON POLICY CONDITIONS

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

A. CANCELLATION

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

B. CHANGES

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent.

This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

C. EXAMINATION OF YOUR BOOKS AND RECORDS

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

D. INSPECTIONS AND SURVEYS

1. We have the right to:
 - a. Make inspections and surveys at any time;
 - b. Give you reports on the conditions we find; and
 - c. Recommend changes.
2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
 - a. Are safe or healthful; or
 - b. Comply with laws, regulations, codes, or standards.
3. Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.
4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.



E. Premiums

The first Named Insured shown in the Declarations:

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

F. Transfer of Your Rights and Duties Under This Policy

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

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

G. Loss Prevention Services

1. At our cost, we may provide or recommend a broad range of loss prevention services designed to improve the acceptability of an insured. These services may require your cooperation to make them effective.
2. We provide these services based on need as indicated by the size, hazard and experience of your operation. We may elect to provide these services through another entity.
3. In addition to inspections and surveys, referenced in **D. Inspections and Surveys**, these services may include, but not limited to, safety and prevention training, consultations, safety devices, health screenings and analyses of accident causes.

We are not obligated to provide any loss prevention services and any inspections, surveys, reports or

- a. are safe or healthful; or
- b. comply with laws, regulations, codes or standards.

H. Fraud and Misrepresentation

1. This policy was issued based on the information supplied on an application and other correspondence including your claim or loss history. This information is considered to be part of this policy.
2. You should review this information carefully as the truth of this information was of paramount importance in influencing our decision to issue this policy.
3. You, for all the Insureds under this policy, do warrant the truth of such information to the best of your knowledge at the inception date of this policy.
4. If such information is false or misleading, it may cause denial of coverage or voiding of the policy.

I. PREMIUM FINANCING/CANCELLATION OF FINANCED POLICY

1. When we received notification that the premium for this policy has been advanced by a premium financed company, we will acknowledge receipt of the premium finance agreement to the finance company on our form, when requested, but we will not amend or extend this policy.
2. When we otherwise become aware that you financed all or part of this policy's premium, regardless of whether or not we received a notice of premium financing, we will not be bound as respects coverage we provide, by the terms or your finance agreement. This policy alone governs coverage.



POLICY NUMBER: CENPP-22-2023171-00

3. When you sign a premium finance agreement, by the terms of the agreement, you may be giving the premium finance company the right, under certain conditions, to cancel this policy on your behalf. When we receive notice of cancellation from the finance company, we will recognize their request for termination of this insurance and we will pay any return premium due as directed by the premium finance company. The return premium will be calculated on a pro-rata basis.
4. The premium finance company will usually require that payment of any return premium be made directly to them and we will honor that request. If the requested termination date set by the premium finance company conflicts with other policy provisions or the operation of law, we will comply with the policy provision and/or applicable law. You must resolve any resulting premium differences directly with the finance company.
5. The minimum earned premium shown in the Declaration may not be financed as it is not refundable.



COMMERCIAL PROPERTY CONDITIONS

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

A. CONCEALMENT, MISREPRESENTATION OR FRAUD

This coverage part is void in any case of fraud by you as it relates to this coverage Part at any time. It is also void if you or any other insured, at any time, intentionally conceal or misrepresent a material fact concerning:

1. This Coverage Part;
2. The Covered Property;
3. Your interest in the Covered Property; or
4. A claim under this Coverage Part.

B. CONTROL OF PROPERTY

Any act or neglect of any person other than you beyond your directions or control will not affect this insurance.

The breach of any condition of this Coverage Part at any one or more locations will not affect coverage at any location where, at the time of the loss or damage, the breach condition does not exist.

C. INSURANCE UNDER TWO OR MORE COVERAGES

If two or more of this policy's coverages apply to the same loss or damage, we will not pay more than the actual amount of the loss or damage.

D. LEGAL ACTION AGAINST US

No one may bring legal action against us under this Coverage Part unless:

1. There has been full compliance with all of the terms of this Coverage Part; and
2. The action is brought within 12 months after the date on which the direct physical loss or damage occurred.

E. LIBERLIZATION

If we adopt any revision that would broaden coverage under this Coverage Part without additional premium within 45 days prior to or during the policy period, the broadened coverage will immediately apply to this Coverage Part.

F. NO BENEFIT TO BAILEE

No person or organization, other than you, having custody of Coverage Property will benefit from this insurance.

G. OTHER INSURANCE

1. You may have other insurance subject to the same plan, terms, conditions and provisions as the insurance under this Coverage Part. If you do, we will pay our share of the covered loss or damage. Our share is the proportion that the applicable Limit of Insurance under this Coverage Part bears to the Limits of Insurance of all insurance covering on the same basis.
2. If there is other insurance covering the same loss or damage, other than that described in 1. above, we will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable Limit of Insurance.

H. POLICY PERIOD, COVERAGE TERRITORY

Under this Coverage Part:

1. We cover loss or damage commencing:
 - a. During the policy period shown in the Declarations; and
 - b. Within the coverage territory.



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2. The coverage territory is:
 - a. The United States or America (including its territories and possessions);
 - b. Puerto Rico; and
 - c. Canada

I. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

If any person or organization to or for whom we make payment under this Coverage Part has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after loss to impair them.

1. Prior to a loss to your Covered Property or Covered Income.
2. After a loss to your Covered Property or Covered Income only if, at time of loss, that party is one of the
 - a. Someone insured by this insurance;
 - b. A business firm:
 - 1) Owned or controlled by you; or
 - 2) That owns or controls you; or
 - c. Your tenant.

This will not restrict your insurance.



POLICY NUMBER: CENPP-22-2023171-00

ELECTRONICALLY DELIVERED POLICIES

ADVISORY NOTICE TO POLICY HOLDERS

This notice does not form part of your policy. No coverage is provided by this Notice nor can it be construed to replace any provision of your policy. You should read your policy and review your Declarations page for complete information on the coverages you are provided. If there is any conflict between the Policy and this Notice, **THE PROVISIONS OF THE POICY SHALL PREVAIL.**

Carefully read your policy, including endorsements attached to your policy.

This Notice provides information concerning a method by which to obtain copies of your electronically delivered policy, including policies posted to our website, if applicable. You may obtain paper or electronic copies of the policy by contacting your agent and requesting a copy.



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U.S. TREASURY DEPARTMENT'S OFFICE OF FOREIGN ASSETS CONTROL ("OFAC")

ADVISORY NOTICE TO POLICY HOLDERS

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

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

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

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

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

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



POLICY NUMBER: CENPP-22-2023171-00

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ECONOMIC AND TRADE SANCTIONS CLAUSE

This endorsement modifies insurance provided under the following:

EXCESS PROPERTY COVERAGE FORM (FOLLOWING FORM)

This insurance does not apply to the extent that trade or economic sanctions or other laws or regulations prohibit us from providing insurance.



POLICY NUMBER: CENPP-22-2023171-00

TEXAS SURPLUS LINES NOTIFICATION - IMPORTANT NOTICE:

1. THE INSURANCE POLICY THAT YOU ARE APPLYING TO PURCHASE IS BEING ISSUED BY AN INSURER THAT IS NOT LICENSED BY THE STATE OF TEXAS. THESE COMPANIES ARE CALLED "NONADMITTED" OR "SURPLUS LINE" INSURERS.
2. THE INSURER IS NOT SUBJECT TO THE FINANCIAL SOLVENCY REGULATION AND ENFORCEMENT THAT APPLY TO TEXAS LICENSED INSURERS.
3. THE INSURER DOES NOT PARTICIPATE IN ANY OF THE INSURANCE GUARANTEE FUNDS CREATED BY TEXAS LAW. THEREFORE, THESE FUNDS WILL NOT PAY YOUR CLAIMS OR PROTECT YOUR ASSETS IF THE INSURER BECOMES INSOLVENT AND IS UNABLE TO MAKE PAYMENTS AS PROMISED.
4. THE INSURER SHOULD BE LICENSED EITHER AS A FOREIGN INSURER IN ANOTHER STATE IN THE UNITED STATES OR AS A NON-UNITED STATES (ALIEN) INSURER. YOU SHOULD ASK QUESTIONS OF YOUR INSURANCE AGENT, BROKER, OR "SURPLUS LINE" BROKER OR CONTACT THE TEXAS DEPARTMENT OF INSURANCE AT THE FOLLOWING TOLL-FREE TELEPHONE NUMBER: 1-(800) 252-3439 OR INTERNET WEB SITE WWW.TDI.TEXAS.GOV. ASK WHETHER OR NOT THE INSURER IS LICENSED AS A FOREIGN OR NON-UNITED STATES (ALIEN) INSURER AND FOR ADDITIONAL INFORMATION ABOUT THE INSURER. YOU MAY ALSO CONTACT THE NAIC'S INTERNET WEB SITE AT WWW.NAIC.ORG.
5. FOREIGN INSURERS SHOULD BE LICENSED BY A STATE IN THE UNITED STATES AND YOU MAY CONTACT THAT STATE'S DEPARTMENT OF INSURANCE TO OBTAIN MORE INFORMATION ABOUT THAT INSURER.
6. FOR NON-UNITED STATES (ALIEN) INSURERS, THE INSURER SHOULD BE LICENSED BY A COUNTRY OUTSIDE OF THE UNITED STATES AND SHOULD BE ON THE NAIC'S INTERNATIONAL INSURERS DEPARTMENT (IID) LISTING OF APPROVED NONADMITTED NON-UNITED STATES INSURERS. ASK YOUR AGENT, BROKER, OR "SURPLUS LINE" BROKER TO OBTAIN MORE INFORMATION ABOUT THAT INSURER.
7. TEXAS MAINTAINS A LIST OF APPROVED SURPLUS LINE INSURERS. ASK YOUR AGENT OR BROKER IF THE INSURER IS ON THAT LIST, OR VIEW THAT LIST AT THE INTERNET WEB SITE OF THE TEXAS DEPARTMENT OF INSURANCE: WWW.TDI.TEXAS.GOV.



POLICY NUMBER: CENPP-22-2023171-00

8. IF YOU, AS THE APPLICANT, REQUIRED THAT THE INSURANCE POLICY YOU HAVE PURCHASED BE BOUND IMMEDIATELY, EITHER BECAUSE EXISTING COVERAGE WAS GOING TO LAPSE WITHIN TWO BUSINESS DAYS OR BECAUSE YOU WERE REQUIRED TO HAVE COVERAGE WITHIN TWO BUSINESS DAYS, AND YOU DID NOT RECEIVE THIS DISCLOSURE FORM AND A REQUEST FOR YOUR SIGNATURE UNTIL AFTER COVERAGE BECAME EFFECTIVE, YOU HAVE THE RIGHT TO CANCEL THIS POLICY WITHIN FIVE DAYS OF RECEIVING THIS DISCLOSURE. IF YOU CANCEL COVERAGE, THE PREMIUM WILL BE PRORATED AND ANY BROKER'S FEE CHARGED FOR THIS INSURANCE WILL BE RETURNED TO YOU.

Date: 8/10/2023

Insured: August Real Estate Co.



POLICY NUMBER: CENPP-22-2023171-00

**IMPORTANT NOTICE
TEXAS**

TO OBTAIN INFORMATION OR TO MAKE A COMPLAINT

This notice is to advise you that should any complaints arise regarding this insurance, you may contact Palomar Excess & Surplus Insurance Company (PESIC) at the following address:

Palomar Excess & Surplus Insurance Company
Attn: President
4400 W 78th Street, Suite 120
Bloomington, MN 55435

Or you may call the following toll-free telephone number to present inquiries, obtain information about coverage or to gain assistance in resolving complaints:

619-567-5290

If you (a) need the assistance of the governmental agency that regulates insurance; or (b) have a complaint you have been unable to resolve with your insurer you may contact the Texas Department of Insurance by mail, telephone or email:

Texas Department of Insurance
333 Guadalupe
Austin, TX 78701
1-(800) 252-3439

Complaints can be filed electronically at WWW.TDI.TEXAS.GOV

ATTACH THIS NOTICE TO YOUR POLICY

This notice is for information only and does not become a part or condition of the attached document.



POLICY NUMBER: CENPP-22-2023171-00

PALOMAR EXCESS & SURPLUS INSURANCE COMPANY

SERVICE OF SUIT

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

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

Palomar Excess and Surplus Insurance Company

Attn: President
4400 W 78th Street, Suite 120
Bloomington, MN 55435

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



POLICY NUMBER: CENPP-22-2023171-00

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ASBESTOS EXCLUSION

This endorsement modifies insurance provided under the following:

EXCESS PROPERTY COVERAGE FORM (FOLLOWING FORM)

This policy will not pay for loss or damage caused directly or indirectly by, consisting in whole or in part of, any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

1. asbestos material removal, unless the asbestos itself is damage by fire, lightning, aircraft impact, explosion, riot, civil commotion, smoke, vehicle impact, windstorm or hail, vandalism, malicious mischief, leakage or accidental discharge from automatic fire protective systems;
2. demolition or increased cost of construction, repair, debris removal or loss of use necessitated by the enforcement of any law or ordinance regulating asbestos material; or
3. any governmental direction declaring that asbestos material present in or part of or utilized on any undamaged portion of the Insured's property can no longer be used for the purpose for which it was intended or installed and must be removed or modified.

All other terms and conditions remain unchanged.



POLICY NUMBER: CENPP-22-2023171-00

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BREAKDOWN EXCLUSION

This endorsement modifies insurance provided under the following:

EXCESS PROPERTY COVERAGE FORM (FOLLOWING FORM)

This policy will not pay for loss or damage caused directly or indirectly by, consisting in whole or in part of, any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

1. Artificially generated electrical current, including electric arcing, that disturbs electrical devices, appliance or wires. But if artificially generated electrical current results in fire, we will pay for the loss or damage caused by that fire.
2. Mechanical breakdown, including rupture or bursting caused by centrifugal force. But if mechanical breakdown results in elevator collision, we will pay for the loss or damage caused by that elevator collision.
3. Explosion of steam boilers, steam pipes, steam engines or steam turbines owned or leased by you, or operated under your control. But if explosion of steam boilers, steam pipes, steam engines or steam turbines results in fire or combustion explosion, we will pay for the loss or damage caused by that fire or combustion explosion. We will also pay for loss or damage caused by or resulting from the explosion of gases or fuel within the furnace or any fired vessel or within the flues or passages through which the gases of combustion pass.

All other terms and conditions remain unchanged.



POLICY NUMBER: CENPP-22-2023171-00

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CYBER AND COMPUTER RELATED LOSS EXCLUSION

This endorsement modifies insurance provided under the following:

EXCESS PROPERTY COVERAGE FORM (FOLLOWING FORM)

A. We will not pay for any loss, damage, expense, or threat, whether direct or indirect, related to "computer data and related equipment":

1. Arising from "computer virus" or "computer hacking";
2. Caused by the transfer or delivery of covered property from a covered location or your computer to a person or place;
3. Arising from electrical disturbance including electromagnetic pulse, solar flare, magnetic damage, disturbance of;
4. Arising from power supply disturbance including interruption of power supply, power surge, blackout, or brownout;
5. Arising from the failure, malfunction or inadequacy of:
 - a. Such "computer data and related equipment" whether belonging to you or to others; or
 - b. Any products, and any services, data or functions that directly or indirectly use or rely on, in any manner, such "computer data and related equipment" due to the inability to correctly recognize, process, distinguish, interpret, or accept one or more dates or times.
6. Any actual or alleged loss of goods, money or securities resulting from "Social Engineering"; or
7. Arising from any advice, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement or

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

B. However, if direct physical loss or damage not otherwise excluded by this policy results, then subject to all of its terms and conditions, we will only pay for the resulting direct physical loss or damage.

C. DEFINITIONS

1. "Computer virus" means the introduction of an electronic data processing code or other programming that:
 - a. Results in the deletion, destruction, generation, access, or modification of data;
 - b. Alter, contaminate, corrupt, degrade, or destroy the integrity, quality, or performance of data;
 - c. Damage, destroy, or cause malfunction, inadequacy, degradation, or corruption of any hardware or processing, recording, or storage media used with hardware; or
 - d. Result in the denial of access to or denial of services from your computer, your computer network, or
 - e. Malware, including but not limited to, ransomware, spyware, worms, Trojan Horses, or any other harmful code or similar instruction designed to damage, destroy, disrupt, or gain access to "computer data and related equipment."



2. "Computer hacking" means an intrusion by an individual or group of individuals, whether employed by you or not, into "computer data and related equipment" that can:
 - a. Result in the deletion, destruction, generation, access, or modification of data;
 - b. Alter, contaminate, corrupt, degrade, or destroy the integrity, quality, or performance of data;
 - c. Result in the scanning or copying of data;
 - d. Cause damage, destruction, inadequacy, malfunction, degradation, or corruption of any hardware or processing, recording, or storage media used with hardware; or
 - e. Result in the denial of access to or denial of services from your computer, your computer network, or web
3. "Computer data and related equipment" includes the following items:
 - a. Computer hardware, including microprocessors;
 - b. Computer application software;
 - c. Computer operating systems, data, applications, code, or related software;
 - d. Computer networks, including but not limited to network facilities, cloud network, internet, intranet, and virtual private networks (VPN);
 - e. Microprocessors (computer chips) not part of any computer system;
 - f. Any other electronic equipment, communications system, or electronic device or components; or
 - g. Any other products, and any services, data or functions that directly or indirectly use or rely upon, in any manner, any of the items listed in items a. through f. above. This includes any advice, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement or supervision provided or done by you or for you to determine, rectify or test for, any potential problems with items listed in a. through f. above.
4. "Social Engineering" means the reliance upon a deceptive misrepresentation which you believe to be genuine.

All other terms and conditions remain unchanged.



POLICY NUMBER: CENPP-22-2023171-00

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EARTH MOVEMENT EXCLUSION

This endorsement modifies insurance provided under the following:

EXCESS PROPERTY COVERAGE FORM (FOLLOWING FORM)

This policy will not pay for loss or damage caused directly or indirectly by, consisting in whole or in part of, any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

A. We will not pay for loss or damage caused directly or indirectly by:

1. Earth Movement; or
2. Sprinkler Leakage as a result of Earth Movement.

B. **EARTH MOVEMENT** means any natural or manmade:

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

But if Earth Movement, as described in B. (1) through (4) above results in fire or explosion, we will pay for the loss or damage caused by that fire or explosion.

5. Volcanic Eruption Explosion or Effusion:

Volcanic action means direct loss or damage resulting from the eruption of a volcano when the loss or damage is caused by:

- a. Airborne volcanic blast or airborne shock waves;
- b. Ash, dust or particulate matter; or
- c. Lava flow.

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

But, if volcanic eruption, explosion or effusion results in fire, building glass breakage or Volcanic Action, we will pay for the loss or damage caused by that fire, building glass breakage, or Volcanic Action.

All other terms and conditions remain unchanged.



POLICY NUMBER: CENPP-22-2023171-00

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EARTH MOVEMENT SPRINKLER LEAKAGE EXCLUSION

This endorsement modifies insurance provided under the following:

EXCESS PROPERTY COVERAGE FORM (FOLLOWING FORM)

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

Earth Movement shall be defined as:

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

All other terms and conditions remain unchanged.



POLICY NUMBER: CENPP-22-2023171-00

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXISTING DAMAGE EXCLUSION

This endorsement modifies insurance provided under the following:

EXCESS PROPERTY COVERAGE FORM (FOLLOWING FORM)

This policy is not intended to and does not provide coverage for any damages which occurred prior to the policy inception. This exclusion applies regardless of whether such damages were apparent at the time of inception of this policy.

This policy is not intended to and does not provide coverage for any claims of damages arising out of workmanship, repairs and / or lack of repairs arising from damage which occurred prior to the policy inception.

This policy does not provide coverage for any stated amount until and unless all structures have been fully and completely repaired. Prior to such completion of repairs, coverage will be limited to the greater of (1) the actual cash value of the property at the time of a covered loss occurring during this policy period; or (2) the cost of repairing the property to a state at which it existed at the time of a covered loss, provided such repairs have been made.

All other terms and conditions remain unchanged.



POLICY NUMBER: CENPP-22-2023171-00

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PATHOGENIC OR POISONOUS BIOLOGICAL OR CHEMICAL MATERIALS EXCLUSION

This endorsement modifies insurance provided under the following:

EXCESS PROPERTY COVERAGE FORM (FOLLOWING FORM)

A. The exclusion set forth in paragraph **B.** applies to all coverages under all forms and endorsements that comprise this Coverage Part or Policy, including but not limited forms or endorsements that cover property damage to buildings or personal property and forms or endorsements that cover business income, extra expense, or action of civil authority.

B. We will not pay for loss or damage caused by or resulting from any virus, bacterium or other microorganism that induces or is capable of inducing physical distress, illness or disease.

However, this exclusion does not apply to loss or damage caused by or resulting from "fungus" wet rot or dry rot. Such loss or damage is addressed in a separate exclusion in this Coverage Part or Policy.

C. With respect to any loss or damage subject to the exclusion in paragraph **B.** such exclusion supersedes any exclusion relating to "pollutants."

D. The following provisions in the Coverage Part or Policy are hereby amended to remove reference to bacteria:

1. Exclusion of "Fungus," Wet Rot, Dry Rot and Bacteria; and
2. Additional Coverage – Limited Coverage for "Fungus," Wet Rot, Dry Rot and Bacteria, including any endorsement increasing the scope or amount of coverage.

E. The terms of the exclusion in paragraph **B.**, or the inapplicability of this exclusion to a particular loss, do not serve to create coverage for any loss that would otherwise be excluded under this Coverage Part or Policy.

All other terms and conditions remain unchanged.



POLICY NUMBER: CENPP-22-2023171-00

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FLOOD AND WATER DAMAGE EXCLUSION

This endorsement modifies insurance provided under the following:

EXCESS PROPERTY COVERAGE FORM (FOLLOWING FORM)

This policy will not pay for loss or damage caused directly or indirectly by, consisting in whole or in part of, any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

A. FLOOD AND WATER DAMAGE

1. Flood, surface water, waves, storm surge, rising waters, tidal waters, overflow of any body of water, or spray from any of these, all whether or not driven by wind;
2. Mudslide or mudflow;
3. Water that backs up or overflows or is otherwise discharges from a sewer, drain, sump, sump pump, or related
4. Water that seeps, leaks or flows from below the ground;
5. The rising, overflowing or breaking of boundaries of natural or man-made bodies of water;
6. The release of water held by a dam, levee or dike or by a water or flood control device;
7. Inundation of normally dry land by natural or man-made cause; or
8. Water inundation from any cause whatsoever.

This exclusion applies regardless of whether any of the above in Paragraphs 1. through 8., is caused by an act of nature or is otherwise caused. An example of a situation to which this exclusion applies is the situation where a dam, levee, seawall or other boundary or containment system fails in whole or in part, for any reason, to contain the water.

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

All other terms and conditions remain unchanged.



POLICY NUMBER: CENPP-22-2023171-00

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.
FUNGUS, WET ROT, DRY ROT AND BACTERIA EXCLUSION

This endorsement modifies insurance provided under the following:

EXCESS PROPERTY COVERAGE FORM (FOLLOWING FORM)

This policy will not pay for loss or damage caused directly or indirectly by, consisting in whole or in part of, any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

A. FUNGUS, WET ROT, DRY ROT AND BACTERIA

Presence, growth, proliferation, spread or any activity of "fungus", wet or dry rot or bacteria.

But if "fungus, wet rot or dry rot or bacteria results in a "specified cause of loss", this policy will pay for the loss or damage caused by that "specified cause of loss."

This exclusion does not apply:

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

This exclusion applies whether or not the loss event results in widespread damage or affects a substantial area.

DEFINITIONS

Fungus means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products or released by fungi.

Specified Causes of Loss means the following: Fire; lightning; explosion, windstorm or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; sinkhole collapse; volcanic action; falling objects; weight of snow, ice or sleet; water damage.

Water damage means accidental discharge or leakage of water or steam as the direct result of the breaking apart or cracking of any part of a system or appliance (other than a sump system including its related equipment and parts) containing water or steam.

All other terms and conditions remain unchanged.



POLICY NUMBER: CENPP-22-2023171-00

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MICROORGANISM EXCLUSION (ABSOLUTE)

This endorsement modifies insurance provided under the following:

EXCESS PROPERTY COVERAGE FORM (FOLLOWING FORM)

This policy does not insure any loss, damage, claim, cost, expense or other sum directly or indirectly arising out of or relating to:

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

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

This Exclusion replaces and supersedes any provision in the Policy that provides insurance, in whole or in part, for these matters.

All other terms and conditions remain unchanged.



POLICY NUMBER: CENPP-22-2023171-00

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

OCCURRENCE LIMIT OF LIABILITY ENDORSEMENT

This endorsement modifies insurance provided under the following:

EXCESS PROPERTY COVERAGE FORM (FOLLOWING FORM)

1. The premium for this policy is based upon the Statement of Values on file with the Company or attached to this policy. In the event of loss or damage to Covered Property, our liability, subject to the terms or paragraph 2. below shall be limited to the lesser of the following:

- A. The actual adjusted amount of loss or damage, less limits of all underlying insurance and applicable deductible(s) or self-insured retention(s);
- B. The Total Insured Value for the category of Covered Property or Business Income/Time Element coverage, as shown on the latest Schedule of Values, Limits of Insurance, by coverage, will be multiplied by the applicable Margin Percentage shown below, for each Covered Property that sustains loss or damage, less limits of all underlying insurance and applicable deductible(s) or self-insured retention(s);

Building and Contents Margin Percentage:	100%
Business Income/Time Element Margin Percentage:	100%

- C. The Limit of Liability, Limit of Insurance or Amount of Insurance shown on the Declarations Page or endorsed onto this policy, or applicable sublimit(s).

2. The Limit of Liability, Limit of Insurance or Amount of Insurance shown on the Declarations Page of this policy, or endorsed onto this policy, is the total limit of our liability applicable to each occurrence. Notwithstanding any other terms and conditions of this policy, in no event shall our liability exceed this limit or amount, irrespective of the number of locations involved.

All other terms and conditions remain unchanged.



POLICY NUMBER: CENPP-22-2023171-00

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

POLLUTION EXCLUSION

This endorsement modifies insurance provided under the following:

EXCESS PROPERTY COVERAGE FORM (FOLLOWING FORM)

This policy will not pay for loss or damage caused directly or indirectly by, consisting in whole or in part of, any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

Discharge, dispersal, seepage, migration, release or escape of "pollutants" unless the discharge, dispersal, seepage, migration, release or escape is itself caused by any of the "specified causes of loss." But if the discharge, dispersal, seepage, migration, release or escape or "pollutants" results in a "specified cause of loss," we will pay for the loss or damage caused by that "specified cause of loss."

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

"Specified Causes of Loss" means the following: Fire; lightning; explosion, windstorm or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; sinkhole collapse; volcanic action; failing objects' weight of snow, ice or sleet; water damage.

A. Sinkhole collapse means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite. This cause of loss does not include:

1. the cost of filling sinkholes; or
2. sinking or collapse of land into man-made underground cavities.

B. Falling objects does not include loss or damage to:

1. personal property in the open; or
2. the interior of a building or structure, or property inside a building or structure unless the roof or an outside wall of the building or structure is first damaged by a falling object.

C. Water damage means accidental discharge or leakage of water or stream as the direct result of the breaking apart or cracking of any part of a system or appliance (other than a sump system including its related equipment and parts) containing water or steam.

All other terms and conditions remain unchanged.



POLICY NUMBER: CENPP-22-2023171-00

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TERRRORISM EXCLUSION

This endorsement modifies insurance provided under the following:

EXCESS PROPERTY COVERAGE FORM (FOLLOWING FORM)

A. Notwithstanding any provision to the contrary within this insurance or any endorsement to this policy, we will not pay for loss, damage, cost or expense caused by, resulting from or in connection with:

1. Any act of "terrorism";
2. The use or threatened use of biological, chemical, radiological or nuclear substances for the apparent purpose of or with the result of harming or intimidating a civilian population, whether in time of peace or war, and regardless of who commits the acts; or
3. Any action taken to control, counter, prevent, respond to, mitigate or suppress either 1. or 2. above; regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

B. For the purpose of this endorsement, "terrorism" means an activity that involves a violent act or the use of force, including the threat of any such activity or the preparation for any such activity, that is committed for political, religious, ideological, economic, social, or cultural purposes, by any person or group(s) of persons, whether acting alone or on behalf of or in concert with or in connection with any organization(s), government(s), or other political entity(ies), and:

1. Has been labeled, identified or described as a terrorist act by the executive branch of the United States government; or
2. Causes either:
 - a. Damage to property;
 - b. Injury to person(s);
 - c. Disruptions of financial, governmental, transportation, communication, computer or utility services; or
3. Appears to be intended to:
 - a. Disrupt any segment of an economy;
 - b. Intimidate, harm, coerce or punish a civilian population;
 - c. Put the public, or any section of the public, in fear;
 - d. Influence the policy of a government by intimidation, coercion or punishment; or
 - e. Affect the conduct of a government by destruction, assassination, kidnapping or hostage-taking.

In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder will remain in full force and effect.

However, this exclusion does not apply to "Certified Acts of Terrorism" if such coverage is purchased and made part of this policy.

"Certified Acts of Terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act.

All other terms and conditions remain unchanged.



POLICY NUMBER: CENPP-22-2023171-00

PALOMAR EXCESS AND SURPLUS INSURANCE COMPANY

Important Notice - In Witness Clause

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

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

A handwritten signature in black ink, appearing to read "Jim Knutzen".

PESIC PRESIDENT & SECRETARY

QUESTIONS REGARDING YOUR INSURANCE ?

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

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



POLICY NUMBER: CENPP-22-2023171-00

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PRIORITY OF PAYMENT ENDORSEMENT

This endorsement modifies insurance provided under the following:

EXCESS PROPERTY COVERAGE FORM (FOLLOWING FORM)

Notwithstanding anything contained herein to the contrary it is hereby agreed that in the event of a claim hereunder which involves more than one interest and/or coverage and/or peril, it shall be at the sole option of the Insured to apportion recovery under this policy when submitting final proof of loss, subject to the overall amount of claim not exceeding the overall limit of liability contained herein for any one loss.

For the purpose of attachment of coverage for excess layers, it is further agreed that loss involving any interest and/or peril covered in primary or underlying excess layers, but excluded in higher excess layers, shall be recognized by such excess layers as eroding or exhausting the occurrence limits of the primary and/or underlying excess layer(s). Nothing herein, however, shall be deemed to extend coverage in such layers(s) to include loss from the specifically excluded peril in the excess layer(s) itself.

All other terms and conditions remain unchanged.

PALOMAR EXCESS & SURPLUS INSURANCE COMPANY

CLAIM REPORTING PROCEDURES

Email:	TPA@pibadjusters.com
Mail:	Peninsula Insurance Bureau 2842 Lent Road Apopka, FL 32712
Website:	www.pibadjusters.com
Phone:	866-781-3143

To expedite the handling of your claim please provide the following information:

- 1. Named Insured:** August Real Estate Co.
- 2. Policy Number:** CENPP-22-2023171-00

The Peninsula Insurance Bureau Intake Center will review all claims notices upon receipt and assign to the appropriate Peninsula branch office. A claim acknowledgement will then be transmitted to the designated individuals notifying them of the Peninsula claim number and the adjuster assigned to the claim.
