



Amwins Insurance Brokerage, LLC
5910 North Central Expressway
Suite 500
Dallas, TX 75206

amwins.com

October 2, 2023

Frank Swingle
Swingle, Collins and Associates
13760 Noel Road
Suite 600
Dallas, TX 75240

RE: Freehold Management, Inc.

FLOOD CONFIRMATION OF COVERAGE

Dear Frank:

In accordance with your instructions to bind, please find the attached Binder for Freehold Management, Inc. which confirms that coverage is bound for your client as follows:

DATE OF ISSUANCE:	10/2/2023								
INSURED:	Freehold Management, Inc.								
MAILING ADDRESS:	2929 Carlisle, Suite 170 Dallas, TX 75204-4067								
CARRIER:	Aspen Specialty Insurance Company (Non-Admitted)								
POLICY NUMBER:	PX00XQ923								
POLICY PERIOD:	From 9/30/2023 to 9/30/2024 12:01 A.M. Standard Time at the Mailing Address shown above								
POLICY PREMIUM:	<table><tbody><tr><td>Premium</td><td>\$90,000.00</td></tr><tr><td>TRIA</td><td>Rejected</td></tr><tr><td>Surplus Lines Taxes and Fees</td><td>\$4,432.50</td></tr><tr><td>Total</td><td>\$94,432.50</td></tr></tbody></table>	Premium	\$90,000.00	TRIA	Rejected	Surplus Lines Taxes and Fees	\$4,432.50	Total	\$94,432.50
Premium	\$90,000.00								
TRIA	Rejected								
Surplus Lines Taxes and Fees	\$4,432.50								
Total	\$94,432.50								
MINIMUM EARNED PREMIUM:	35%								
COMMISSION:	10.000% of premium excluding fees and taxes								
SUBJECTIVITIES:	Per Attached								

SURPLUS LINES TAX SUMMARY

HOME STATE: Texas

SURPLUS LINES TAX CALCULATION:

State	Description	Taxable Premium	Taxable Fee	Tax Basis	Rate	Tax
Texas	Surplus Lines Tax	\$90,000.00	\$0.00	\$90,000.00	4.850%	\$4,365.00
	Stamping Fee	\$90,000.00	\$0.00	\$90,000.00	0.075%	\$67.50
Total Surplus Lines Taxes and Fees						\$4,432.50

Important Notice: Surplus Lines Tax Rates and Regulations are subject to change which could result in an increase or decrease of the total Surplus Lines Taxes and Fees owed on this placement. If a change is required, we will promptly notify you. Any additional taxes owed must be promptly remitted.

TAX FILING REQUIREMENTS:

- Agent and Agency must hold a valid **Texas Insurance License**
- **AT BINDING**, you – or your agent - will **provide full details** on the **three carriers who declined to write the risk**, including Company Name, Underwriter, Full Address, Telephone Number, Date of Declination and the reason they declined the risk by completing the **Diligent Effort form**. **Note:** For all policies effective January 1, 2018 and later, diligent effort form is NOT required if insured qualifies as an **Industrial Insured**. However, insured must confirm in writing by completing and returning the Industrial Insured Checklist

The attached Binder from the carrier sets forth the coverage as bound. Please review carefully with your client to ensure the bound coverage matches the terms and conditions of the bind order. It is your responsibility to ensure the bound terms and conditions are accurate and consistent with the agreed bind order terms.

If after reviewing you should have any questions or requested changes, please let us know as soon as possible so we can discuss with the carrier.

Thank you for your business. We truly appreciate it.

Sincerely,

Maddie White

Technical Assistant

T 214.561.6856 | F 214.528.9101 | maddie.white@amwins.com

Amwins Insurance Brokerage, LLC

5910 North Central Expressway | Suite 500 | Dallas, TX 75206 | amwins.com

On behalf of,

Scott Wolf

Executive Vice President | CA License 0G05417

T 214.561.6854 | M 469.222.1877 | F 214.528.9101 | scott.wolf@amwins.com

Amwins Insurance Brokerage, LLC

In California: Amwins Brokerage Insurance Services | License 0F19710

5910 North Central Expressway | Suite 500 | Dallas, TX 75206 | amwins.com

SURPLUS LINES DISCLOSURE

Texas

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 Licensee Name: Amwins Insurance Brokerage, LLC

Aspen Specialty Insurance Company

Policy Number: PX00XQ923

Effective Date: 09/30/2023

This letter will confirm your instructions to bind the coverage(s) shown below.

The policy form, terms, conditions and premium for each line of business is outlined in the attached binder. The coverages will be confirmed by the policy itself.

The terms of this binder and the policy and its endorsements supersede any specific requests that you may have provided and may also subject to specific conditions as noted in the proposal itself.

Please forward the net premiums to Aspen Specialty Insurance Company in accordance with normal procedures. If you have any questions, please do not hesitate to contact me directly.

Policy Number: PX00XQ923

Commercial Property Binder

APPLICANT INFORMATION

Account Name: Freehold Management Inc
Mailing Address: 2929 Carlisle, Suite 170
Dallas, TX 75204

PROGRAM PARAMETERS

Covered Location(s): As per statement of values on the company Total Insured Value
\$226,950,314

Policy Period: 09/30/2023 to 09/30/2024

Issuing Company: Aspen Specialty Insurance Company, A.M. Best Rating A (Excellent) XV

Operations: Retail and commercial

Perils: Flood **Excluding** ALL OTHER PERILS

Covered Property: Real Property, Personal Property, Business Income including Extra Expense

Limit of Liability: \$2,500,000 Part Of \$2,500,000 Per Occurrence and in the Annual Aggregate

Excess Of \$2,500,000 Per Occurrence and in the Annual Aggregate, which in turn is excess of
underlying deductibles

Sub-Limit: As Per Primary Policy Form

Program sublimits apply on a ground-up basis, over all layers of insurance. Sublimits shown
for specific zones, states or regions, if any, are all part of and not in addition to the overall
sublimit for that specific peril. Our participation in any program sublimit shall not exceed
our proportionate share of the risk.

Deductibles: As Per Primary Policy Form

Total Insured Values: \$226,950,314

Equipment Breakdown: EXCLUDED

Valuation: Replacement Cost

Coinsurance: n/a

PREMIUM

Premium: \$90,000
TRIA: Insured rejected

Total Premium: \$90,000

FORMS & ENDORSEMENTS

SNTX 0121	TEXAS SURPLUS LINES NOTICE
ASPCO1122 0623	TEXAS IMPORTANT NOTICE
ASPPR011DEC 1017	COMMON POLICY DECLARATIONS
ASPCO098 0213	SIGNATURE PAGE
ASPPR006 0404	SCHEDULE OF APPLICABLE FORMS

ASPPR074 1010	EXCESS PHYSICAL DAMAGE SCHEDULE ENDORSEMENT
ASPPR055 0806	PROPERTY - EXCESS LIABILITY COVERAGE FORM
IL0953 0115	EXCLUSION OF CERTIFIED ACTS OF TERRORISM
ASPCO002 0821	GENERAL SERVICE OF SUIT NOTICE
ASPCO021 0616	OFAC ENDORSEMENT
ASPCO023 1016	NBCR TERRORISM EXCLUSION
ASPPR010 0504	PRIORITY OF PAYMENTS ENDORSEMENT
ASPPR035 0205	GENERAL PRE EXISTING DAMAGE EXCLUSION ENDORSEMENT
ASPPR072 0807	MINIMUM EARNED PREMIUM CLAUSE
ASPPR081 0122	SEEPAGE AND/OR POLLUTION AND/OR CONTAMINATION EXCLUSION, INCLUDING DEBRIS REMOVAL AND COST OF CLEAN UP EXTENSION AND AUTHORITIES EXCLUSION ENDORSEMENT
ASPPR086 0312	LOSS ADJUSTMENT ENDORSEMENT
ASPPR089 0907	EXCLUSION AND LIMITED ADDITIONAL COVERAGE FOR FUNGUS
ASPPR092 0517	ALL RISK PERILS EXCLUSION ENDORSEMENT
ASPPR116 0709	ALL RISK UNDERLYER WARRANTY
ASPPR138 0112	COMMON POLICY CONDITIONS
ASPPR166 0920	WAIVER PROVISIONS ENDORSEMENT
ASPPR169 0617	OCCURRENCE LIMIT OF LIABILITY ENDORSEMENT
ASPPR179 1022	NEW LOCATIONS WITH FRAME OR JOISTED MASONRY CONSTRUCTION AND WITHIN FIVE MILES OF A COASTAL WATERWAY EXCLUSION
ASPPR182 0623	AMENDATORY ENDORSEMENT I
CP0090 0788	COMMERCIAL PROPERTY CONDITIONS
IL0935 0702	EXCLUSION OF CERTAIN COMPUTER-RELATED LOSSES
LMA5400 1119	PROPERTY CYBER AND DATA ENDORSEMENT
LMA5393 0320	COMMUNICABLE DISEASE ENDORSEMENT
ASPPR100 0916	POLICYHOLDER'S GUIDE TO REPORTING A PROPERTY CLAIM

CONDITIONS

This Binder is subject to the following conditions. Please read them carefully.

- All amendments, updates, and/or changes to the Statement of Values on File with us are subject to underwriting approval and pricing adjustments in line with the exposure.
- Any mandatory state forms will apply.
- Copy of primary policy required.
- Minimum Earned Premium of 35% will apply.
- No coverage provided for COC, Renovation or Testing of any kind.
- Please be advised that this policy will be issued through a surplus lines insurer. In order to bind coverage, we will need the resident surplus lines license name, address and license number prior to binding (for New Jersey business, we will also need the surplus lines transaction number). The resident surplus lines producer is responsible for compliance with all applicable laws and the payment of all taxes, fees and filings. Applicable taxes and fees are not included in the quoted premium.
- Please confirm your choice to purchase or decline Terrorism coverage as outlined in the quote by returning the signed Terrorism forms.
- Unless a valid Rate Matrix has been agreed upon, any new locations in High Hazard Earthquake, High Hazard Flood and/or High Hazard Named Storm Zones will be underwritten and rated in accordance with our guidelines at the time we are requested to add them.
- Waiver Provisions - No permission affecting this insurance shall exist or waiver of any provision be valid, unless granted herein or expressed in writing added hereto. No provision, stipulation or forfeiture shall be held to be waived by any requirement or proceeding on our part relating to appraisal or to any examination provided for herein.
- Aspen agrees to follow the primary form as issued by Voyager Indemnity, except as amended or endorsed herein. The primary policy will carry the following flood deductibles:

\$100,000 except as respects SFHA, the deductible shall be \$500,000 building, \$500,000 contents and \$100,000 BI - deductible applies per building
- Any New Location(s) added to this Policy or increases in values at existing locations may be subject to separate rating and/or may require higher deductibles
- Aspen reserves the right to review, amend or retract this quote if there is a material change in risk or deterioration of losses
- Aspen agrees to a 110% margin clause

POLICYHOLDER DISCLOSURE
NOTICE OF TERRORISM INSURANCE COVERAGE

You are hereby notified that under the Terrorism Risk Insurance Act, as amended, you have a right to purchase insurance coverage for losses resulting from acts of terrorism, as defined in Section 102(1) of the Act: The term “act of terrorism” means any act that is certified by the Secretary of the Treasury—in consultation with the Secretary of Homeland Security, and the Attorney General of the United States—to be an act of terrorism; to be 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.

YOU SHOULD KNOW THAT WHERE COVERAGE IS PROVIDED BY THIS POLICY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM, SUCH LOSSES MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. HOWEVER, YOUR POLICY MAY CONTAIN OTHER EXCLUSIONS WHICH MIGHT AFFECT YOUR COVERAGE, SUCH AS AN EXCLUSION FOR NUCLEAR EVENTS. UNDER THE FORMULA, THE UNITED STATES GOVERNMENT GENERALLY REIMBURSES 85% THROUGH 2015; 84% BEGINNING ON JANUARY 1, 2016; 83% BEGINNING ON JANUARY 1, 2017; 82% BEGINNING ON JANUARY 1, 2018; 81% BEGINNING ON JANUARY 1, 2019 AND 80% BEGINNING ON JANUARY 1, 2020 OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURANCE COMPANY PROVIDING THE COVERAGE. THE PREMIUM CHARGED FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS THAT MAY BE COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

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

- ☐ I hereby **elect** to purchase the federal terrorism insurance coverage for the premium of \$0
- ☐ I hereby **reject** this offer of the federal terrorism insurance coverage and elect to have a terrorism exclusion, sublimit or other limitation included in my policy. I understand that I will have no, or limited, coverage for losses arising from acts of terrorism under my policy.

<hr style="border: none; border-top: 1px solid black; margin-bottom: 5px;"/> <div>Applicant/Named Insured Signature</div>	<div>PX00XQ923</div> <hr style="border: none; border-top: 1px solid black; margin-top: 5px;"/> <div>Policy Number</div>
<hr style="border: none; border-top: 1px solid black; margin-top: 20px;"/> <div>Print Name</div>	<div>Aspen Specialty Insurance Company</div> <hr style="border: none; border-top: 1px solid black; margin-top: 5px;"/> <div>Name of Insurer</div>
<hr style="border: none; border-top: 1px solid black; margin-top: 20px;"/> <div>Date</div>	