



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.

PROPERTY 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: | Starr Surplus Lines Insurance Company (Non-Admitted) | | | | | | | | | | |
| POLICY NUMBER: | SLSTPTY11886323 | | | | | | | | | | |
| 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>\$1,131,669.00</td></tr><tr><td>TRIA</td><td>Rejected</td></tr><tr><td>Fees</td><td>\$1,000.00</td></tr><tr><td>Surplus Lines Taxes and Fees</td><td>\$55,783.95</td></tr><tr><td>Total</td><td>\$1,188,452.95</td></tr></tbody></table> | Premium | \$1,131,669.00 | TRIA | Rejected | Fees | \$1,000.00 | Surplus Lines Taxes and Fees | \$55,783.95 | Total | \$1,188,452.95 |
| Premium | \$1,131,669.00 | | | | | | | | | | |
| TRIA | Rejected | | | | | | | | | | |
| Fees | \$1,000.00 | | | | | | | | | | |
| Surplus Lines Taxes and Fees | \$55,783.95 | | | | | | | | | | |
| Total | \$1,188,452.95 | | | | | | | | | | |
| MINIMUM EARNED PREMIUM: | 30%, subject to Minimum Earned Premium Endorsement | | | | | | | | | | |
| COMMISSION: | 9.500% of premium excluding fees and taxes | | | | | | | | | | |
| SUBJECTIVITIES: | Per Attached | | | | | | | | | | |

SURPLUS LINES TAX SUMMARY

HOME STATE: Texas

FEES:

| Fee | Taxable | Amount |
|-----------------------|---------|-------------------|
| Market Inspection Fee | Yes | \$1,000.00 |
| Total Fees | | \$1,000.00 |

SURPLUS LINES TAX CALCULATION:

| State | Description | Taxable Premium | Taxable Fee | Tax Basis | Rate | Tax |
|---|-------------------|-----------------|-------------|----------------|--------|--------------------|
| Texas | Surplus Lines Tax | \$1,131,669.00 | \$1,000.00 | \$1,132,669.00 | 4.850% | \$54,934.45 |
| | Stamping Fee | \$1,131,669.00 | \$1,000.00 | \$1,132,669.00 | 0.075% | \$849.50 |
| Total Surplus Lines Taxes and Fees | | | | | | \$55,783.95 |

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

BINDER

NAMED INSURED: Freehold Management Inc.

POLICY NUMBER: SLSTPTY11886323

MAILING ADDRESS OF INSURED: 2929 Carlisle, Suite 170, Dallas, TX 75204

**DESCRIPTION AND LOCATION
OF PROPERTY INSURED: Real Estate - LRO Retail**

VALUES: Total Insured Value: \$226,950,316

TERRITORY: United States of America

**POLICY TERM: Effective: 09/30/2023 at 12:01 AM
Expiration: 09/30/2024 at 12:01 AM.**

**FORM: PR 001, PR 002, PR 003, PR 004 and accompanying
Endorsements as specified**

**COVERAGE: All Risks of direct physical loss or damage, covering Property
Damage, Business Interruption, Extra Expense and Boiler &
Machinery.**

POLICY LIMIT OF LIABILITY: \$10,000,000 any one occurrence excess of Policy deductibles

STARR SPECIALTY PARTICIPATION: 100%

BINDER

NAMED INSURED: Freehold Management Inc.

- VALUATION:** This Company's liability for loss under this policy for real and personal property (excluding stock) shall not exceed the smallest of the following amounts:
1. The amount of the policy applicable to the damaged or destroyed property;
 2. The REPLACEMENT COST of the property or any part thereof, with identical property or with like, kind and quality of such property on the same premises and intended for the same occupancy and use; or;
 3. The amount actually and necessarily expended in repairing or replacing said property, or any part thereof.
 4. ACTUAL CASH VALUE if the property is not repaired or replaced within 2 years.
- a. FINISHED STOCK sold but not delivered, at the Insured's net selling price of such property less all discounts and unincurred expenses to which such property would have been subject had no loss occurred. FINISHED STOCK not sold at REPLACEMENT COST.
 - b. RAW STOCK and STOCK IN PROCESS, at REPLACEMENT COST with like kind and quality.
 - c. TIME ELEMENT: Actual Loss Sustained.

BINDER

NAMED INSURED: Freehold Management Inc.

SUBLIMITS: Sublimits are per occurrence unless shown otherwise.

The following sublimits are part of and not in addition to the Policy Limit of Liability
Sublimits are 100% and are subject to Starr Specialty percentage participation.

| | | |
|---|--------------|---|
| <u>EARTH MOVEMENT</u> | \$10,000,000 | PER OCCURRENCE AND IN THE ANNUAL AGGREGATE, EXCEPT: |
| EARTH MOVEMENT in the State of Alaska, California or Hawaii | NOT COVERED | PER OCCURRENCE AND IN THE ANNUAL AGGREGATE, EXCEPT: |
| EARTH MOVEMENT in the PACIFIC NORTHWEST Seismic Zones (per Appendices A and B) | NOT COVERED | PER OCCURRENCE AND IN THE ANNUAL AGGREGATE, EXCEPT: |
| The maximum payable for ALL EARTH MOVEMENT losses in any one Policy term shall in no event exceed: | \$10,000,000 | |
| <u>FLOOD</u> | \$1,000,000 | PER OCCURRENCE AND IN THE ANNUAL AGGREGATE, EXCEPT: |
| FLOOD (Including Storm Surge) for any LOCATION Wholly or partially situated within an area defined as a Flood Zone A, A1-A30, AE, AH, AO, AR, A99, AOVEL Or V, V1-V30 and VE as designated by the Federal Emergency Management Agency (FEMA) In published FLOOD Hazard Base Maps Or Flood Insurance Rate Maps | \$1,000,000 | PER OCCURRENCE AND IN THE ANNUAL AGGREGATE, EXCEPT: |
| The maximum payable for all FLOOD (Including Storm Surge) losses in any One policy term shall in no event exceed: | \$1,000,000 | |

BINDER

NAMED INSURED: Freehold Management Inc.

SUBLIMITS(Continued)

| | |
|---|---|
| ACCOUNTS RECEIVABLE: | \$1,000,000 |
| COURSE OF CONSTRUCTION: | \$500,000 |
| DEBRIS REMOVAL: | THE GREATER OF 25% OF ADJUSTED DIRECT PROPERTY LOSS OR \$2,500,000 |
| ELECTRONIC DATA PROCESSING: | \$250,000 |
| EXTRA EXPENSE: | \$500,000 |
| FINE ARTS: | \$100,000 |
| FIRE AND POLICE DEPARTMENT SERVICE CHARGES: | \$50,000 |
| DEMOLITION AND INCREASED COST OF CONSTRUCTION, | \$5,000,000 EXCEPT: |
| DEMOLITION AND INCREASED COST OF CONSTRUCTION, (UNDAMAGED PORTION): | INCLUDED |
| LEASEHOLD INTEREST: | \$250,000 |
| LEASED OR RENTED EQUIPMENT: | \$50,000 |
| MARGIN CLAUSE | 110% PER LOCATION |
| MOBILE EQUIPMENT: | \$50,000 (\$10,000 max per item) |
| MISCELLANEOUS UNNAMED LOCATIONS: | \$50,000 |
| NEWLY ACQUIRED LOCATIONS: | \$1,000,000 |
| POLLUTION AND CONTAMINATION CLEAN UP: | \$50,000 PER OCCURRENCE AND IN THE ANNUAL AGGREGATE |
| PROTECTION AND PRESERVATION OF PROPERTY | \$100,000 |
| TEMPORARY REMOVAL OF PROPERTY: | \$50,000 |
| OFF PREMISES POWER: | 100,000 |
| SIGNS: | \$250,000 |
| SPOILAGE: | \$100,000 |
| TRANSIT: | \$100,000 |
| TREES AND SHRUBS: | \$25,000 (NOT TO EXCEED \$ 1,000 PER TREE OR SHRUB) |
| VALUABLE PAPERS AND RECORDS: | \$500,000 |
| VEHICLES: | NO COVERAGE |

BINDER

NAMED INSURED: Freehold Management Inc.

SUBLIMITS APPLICABLE TO INSURED LOCATIONS THAT ARE VACANT AT TIME OF LOSS:

| | |
|-----------------------------------|-----------|
| VANDALISM AND MALICIOUS MISCHIEF: | \$250,000 |
| WATER DAMAGE: | \$250,000 |
| THEFT: | \$250,000 |

BOILER AND MACHINERY:

INCLUDED IN POLICY
LIMIT OF LIABILITY

ANY ONE ACCIDENT

The following sublimits are part of and not in addition to the Boiler and Machinery Sublimit:

| | | |
|------------------------|-----------|------------------|
| AMMONIA CONTAMINATION: | \$100,000 | ANY ONE ACCIDENT |
| CONSEQUENTIAL DAMAGE: | \$100,000 | ANY ONE ACCIDENT |
| EXPEDITING EXPENSES: | \$100,000 | ANY ONE ACCIDENT |
| HAZARDOUS SUBSTANCES: | \$100,000 | ANY ONE ACCIDENT |
| WATER DAMAGE: | \$100,000 | ANY ONE ACCIDENT |

TIME LIMITS:

NO COVERAGE IS PROVIDED BY THIS POLICY BEYOND THE CORRESPONDING TIME LIMIT SPECIFIED BELOW:

| | |
|------------------------------|---------------------|
| CIVIL AND MILITARY AUTHORITY | 14 CONSECUTIVE DAYS |
| INGRESS/EGRESS | 14 CONSECUTIVE DAYS |
| NEWLY ACQUIRED LOCATIONS | 60 CONSECUTIVE DAYS |
| EXTENDED PERIOD OF INDEMNITY | 90 CONSECUTIVE DAYS |

WAITING PERIOD:

COVERAGE IS PROVIDED BY THIS POLICY ONLY IF THE CORRESPONDING WAITING PERIOD SPECIFIED IS EXCEEDED BY THE PERIOD OF INTERRUPTION OF THE INSURED'S BUSINESS. IF THE WAITING PERIOD IS EXCEEDED, THEN THE CORRESPONDING COVERAGE WILL APPLY:

| | |
|---------------------|---------------------------|
| OFF PREMISES POWER: | 48 HOUR(S) WAITING PERIOD |
|---------------------|---------------------------|

BINDER

NAMED INSURED: Freehold Management Inc.

DEDUCTIBLES:

ALL DEDUCTIBLES LISTED BELOW ARE PER OCCURRENCE EXCEPT WITH RESPECT TO COVERAGE PROVIDED UNDER THE BOILER & MACHINERY ENDORSEMENT, IF ATTACHED, WHICH SHALL BE ANY ONE ACCIDENT.

| | |
|---|----------|
| PROPERTY DAMAGE & TIME ELEMENT COMBINED | \$25,000 |
|---|----------|

EXCEPTIONS TO ABOVE DEDUCTIBLES:

FLOOD: **\$100,000**

FLOOD: \$500,000 PER BLDG, AND
\$500,000 PER BLDG CONTENTS, AND
\$100,000 TIME ELEMENT

FLOOD (Including Storm Surge) for any LOCATION Wholly or partially situated within an area defined as a Flood Zone A, A1-A30, AE, AH, AO, AR, A99, AOVEL Or V, V1-V30 and VE as designated by the Federal Emergency Management Agency (FEMA) In published FLOOD Hazard Base Maps Or Flood Insurance Rate Maps

EARTH MOVEMENT: \$100,000

WIND: (PROPERTY DAMAGE AND TIME ELEMENT COMBINED): 3% SUBJECT TO A \$25,000 MINIMUM PER OCCURRENCE

1. If the deductible is specified as a (%) percentage, whether separately or combined, the deductible is calculated as follows:

PROPERTY DAMAGE – **SEE ABOVE**% of the 100% value submitted to and accepted by the COMPANY at the time of loss, of the property insured at the LOCATION where the physical loss or damage occurred.

TIME ELEMENT – **SEE ABOVE**% of the 100% Time Element values that would have been earned in the 12 month period following the OCCURRENCE by use of the facilities at the LOCATION where the loss or damage occurred, plus that proportion of the 100% TIME ELEMENT values at all other LOCATIONS where TIME ELEMENT loss ensues that was directly affected by use of such facilities and that would have been earned in the 12 month period following the OCCURRENCE

2. If the deductible is specified in hours or days, liability shall exist only for such part of the determined period of interruption in excess of the first number of hours or days stated above, starting at the time of physical loss or damage.
3. When this POLICY insures more than one INSURED LOCATION, the deductible will apply against the total loss covered by this POLICY in any one OCCURRENCE except that a deductible that applies on a per LOCATION basis, if specified, will apply separately to each LOCATION where the physical damage occurred regardless of the number of Locations involved in the OCCURRENCE.

BINDER

NAMED INSURED: Freehold Management Inc.

4. Unless stated otherwise, if two or more deductibles apply to an OCCURRENCE, the total to be deducted will not exceed the largest deductible applicable. If two or more deductibles apply on a per INSURED LOCATION basis in an OCCURRENCE the largest deductible applying to each INSURED LOCATION will be applied separately to each such INSURED LOCATION.
5. If separate Property Damage and TIME ELEMENT deductibles are shown in the Declarations, then the deductible amount(s) shown in the Declarations shall apply separately to each such coverage.
6. The term "TIME ELEMENT" shall be defined as the actual loss sustained due to the necessary interruption of the Insured's NORMAL business operations including but not limited to, loss described in the BUSINESS INTERRUPTION SECTION, if attached, and the following TIME ELEMENT extensions, if endorsed hereon: Contingent Business Interruption, Contingent Extra Expense, Extra Expense, Ingress/Egress, Leasehold Interest, Rental Value, Off Premises Power Business Interruption, but this definition shall not otherwise expand or modify the coverage, if any, provided by this POLICY or its Endorsements.

COINSURANCE: 100% (Waived by Agreed Amount Endorsement)

ADDITIONAL TERMS AND CONDITIONS:

1. Coverages and/or Extensions of Coverage not specifically mentioned, even though they may be outlined in your submission, are not included.
2. 30% Minimum Earned Premium.
3. Any taxes imposed by virtue of the policy being written by an unauthorized insurer are the responsibility of the insured and a licensed producer.
4. Business Interruption coverage shall only apply to those locations where Business Interruption values have been declared.
5. 72 Hour Occurrence Definition applies to WIND, FLOOD, EARTH MOVEMENT, Riot, Riot attending a strike, civil commotion and vandalism and malicious mischief.
6. Owned electrical transmission and distribution lines and their supporting structures located beyond 1,000 feet from any Insured premises are excluded.
7. Signed Statement of Property Values to be provided within 30 days of effective date.
8. Completed BI Worksheet within 30 days.
9. Should this quotation be accepted, the Company will authorize BROKER to issue Certificates of Insurance for the policy issued by the Company solely as a matter of convenience or information for the addressee (s) or holder(s) of said Certificate of Insurance. Any policy issued by this Company may only be amended by an endorsement issued by the Company.

BINDER

NAMED INSURED: Freehold Management Inc.

10. TRIA Forms due within 15 days of binding or Insured will be billed for Terrorism

11. The following Endorsements/Additional Endorsements will attach to and form part of the policy. (additional endorsements may apply that are not listed here):

- | | |
|---|--------------------------------|
| a. Common Policy Conditions | IL 00 17 11 98 |
| b. Commercial Property Conditions | CP 00 90 07 88 |
| c. (OFAC) Advisory Notice to Policyholders | IL P 001 01 04 |
| d. Accounts Receivable Endorsement | PR 006 (02/12) |
| e. Agreed Amount Endorsement (Business Interruption) | PR 007 (02/12) |
| f. Agreed Amount Endorsement (Property) | PR 008 (02/12) |
| g. Biological Chemical Or Nuclear Exclusion | |
| h. Boiler and Machinery Endorsement | PR 012 (07/13) |
| i. Course of Construction Endorsement | PR 018 (02/12) |
| j. Data Distortion/Corruption Endorsement Covers Subsequent Damage from Named Perils and B&M | PR 020 (02/12) |
| k. Electronic Data Processing Endorsement | PR 023 (02/12) |
| l. Electronic Date Recognition Clause Endorsement (Combined) | PR 024 (02/12) |
| m. Extra Expense Endorsement | PR 028 (02/12) |
| n. Fire and Police Department Service Charges Endt | PR 029 (02/12) |
| o. Fine Arts Endorsement | PR 030 (11/16) |
| p. Demolition and Increased Cost of Construction | PR 034 (04/21) |
| q. Ingress/Egress Endorsement | PR 035 (02/12) |
| r. Leasehold Interest Endorsement | PR 037 (02/12) |
| s. Minimum Earned Premium Endorsement | |
| t. Mobile Equipment Endorsement | PR 041 (11/16) |
| u. Named Windstorm Definition | PR 042 (11/16) |
| v. Newly Acquired Locations Endorsement | PR 043 (11/16) |
| w. Occurrence Limit of Liability Endorsement | PR 044 (02/12) |
| x. Off Premises Power Endorsement | PR 045 (02/12) |
| y. Pollution and Contamination Clean-Up Endorsement | PR 049 (02/12) |
| z. Replacement Cost Endorsement | PR054 (09/14) |
| aa. Roof Limitation Endorsement | |
| bb. Schedule of Locations Endorsement | PR 056 (09/14) |
| cc. Temporary Removal of Property Endorsement | PR 059 (02/12) |
| dd. Terrorism Exclusion (For Certified Acts of Terrorism Under the Terrorism Risk Insurance Act, as amended) | # 61330 (01/15) |
| ee. Total Terrorism Exclusion | # 61331 (01/15) |
| ff. Trade or Economic Sanctions Endorsement | PR 067 (02/12) |
| gg. Transit Endorsement | PR 064 (07/13) |
| hh. Vacant Property Endorsement | PR 099 (04/21) 2D to be |
| amended to read : For purposes of this endorsement, a LOCATION is considered vacant or unoccupied when 75% or more of its square footage is either i) not rented or legally occupied or ii) not used to conduct customary operations. | |
| ii. Valuable Papers and Records Endorsement | PR 066 (07/13) |
| jj. War and Terrorism Exclusion (as respects transit) | NMA2918 |
| kk. Radioactive Contamination Exclusion Clause | |
| ll. Service of Suit – SSIL-0005 | |
| mm. Application of Sublimits Endorsement | |

BINDER

NAMED INSURED: Freehold Management Inc.

nn. Pre-Existing Damages Exclusion
oo. Communicable Disease Exclusion- Starr 4/20
pp. Appendix A – New Madrid Seismic Zone PR073 (02/12)
qq. Appendix B – Pacific Northwest Seismic Zone PR074 (02/12)
rr. Standard Exclusions: Asbestos, Authorities, Mold, political Risks as specified in Property Coverage Form – General Conditions PR002 (11/16)

STARR SPECIALTY PREMIUM: \$1,131,669 annual premium plus applicable State or Local Surcharges, Taxes and Fees, Countersignature Fees

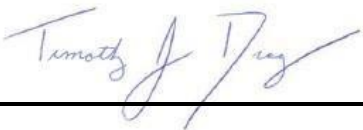
**STARR SPECIALTY
TERRORISM PREMIUM:** REJECTED

**STARR SPECIALTY LOSS
CONTROL ENGINEERING
INSPECTION FEE (mandatory):** \$1,000 The Engineering Fee is exclusive of any commissions, taxes, fees or surcharges

SECURITY: Starr Surplus Lines Insurance Company
CANCELLATION: 90 days except 10 days for nonpayment of premium.

The Insurance Company(ies) / Security(ies) named above, represented by Starr Specialty Lines Insurance Agency, LLC., each for itself, severally but not jointly are hereby bound by an insurance undertaking for the account of the Insured named herein, effective at the exact hour and date shown below and expiring at the exact hour and date shown below or upon issuance of the policy, whichever shall first occur and insures the property above described for the amount set opposite its name. The effective hour of commencement of this binder shall supersede any commencement hour provisions contained in the policy.

This binder contains a broad outline of coverage and does not include all the terms, conditions and exclusions of the policy (or policies) that may be issued to you. The policy (or policies) contain the full and complete agreement with regard to coverage. Please review the policy (or policies) thoroughly with your broker upon receipt and notify us promptly in writing if you have any questions. In the event of any inconsistency between the binder and the policy, the policy language shall control unless the parties agree to an amendment



AUTHORIZED REPRESENTATIVE:

Subject to the conditions above, the COMPANY hereby binds the insurance applied for, to become effective as of: 09/30/2023.

This Binder Expires: Upon issuance of Policy

BINDER

NAMED INSURED: Freehold Management Inc.

*******SURPLUS LINES NOTICE*******

The coverage as stated above is being bound on a surplus lines-non admitted basis. As a condition of binding the above coverage, the broker/agent warrants the following:

- 1) The broker/agent holds the surplus lines license in the state where coverage will be provided to the Insured, and accepts the full obligation to comply with each state's surplus lines laws and regulations in conjunction with this transaction.

- 2) The broker/agent accepts full responsibility for compliance, including but not limited to, the filing of the surplus lines affidavit (as per the state's requirements), and the collection and remittance of the surplus lines tax and any applicable stamping fee on 100% of the premium of this policy. The broker/agent's acceptance of these requirements is to be confirmed by completing, signing and dating the attached Surplus Lines Filings Confirmation form.

BINDER

NAMED INSURED: Freehold Management Inc.

POLICYHOLDER DISCLOSURE STATEMENT
UNDER
TERRORISM RISK INSURANCE ACT, AS AMENDED

You are hereby notified that under the federal Terrorism Risk Insurance Act of 2002, as amended (the "Act"), you now have a right to purchase insurance coverage for losses arising out of an Act of Terrorism, which is defined in the Act as an act certified by the Secretary of the Treasury in consultation with the Secretary of Homeland Security and the Attorney General of the United States (i) to be an act of terrorism, (ii) to be a violent act or an act that is dangerous to (A) human life; (B) property or (C) infrastructure, (iii) to have resulted in damage within the United States, or outside of the United States in case of an air carrier or vessel or the premises of a U.S. mission and (iv) 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 read the Act for the definition of an "Act of Terrorism" and other terms of the Act. The Secretary's decision to certify or not to certify an event as an Act of Terrorism and thus encompassed by this law is final and not subject to review. Coverage is subject to all policy exclusions (including nuclear hazard and war exclusions) and other policy provisions.

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, COVERAGE MAY BE REDUCED.

For your information, coverage provided by this policy for losses caused by an Act of Terrorism may be partially reimbursed by the United States under a formula established by the Act. Under this formula, the United States pays an 80% share of terrorism losses covered by this law exceeding a statutorily established deductible that must be met by the insurer. This deductible is based on a percentage of the insurer's direct earned premiums for the year preceding the Act of Terrorism.

Unless you reject coverage under the Act by so indicating below and returning this Policyholder Disclosure statement to us, you will have accepted Terrorism coverage under the Act.

Please indicate your selection below.

_____ I hereby elect to purchase coverage in accordance with the Act.

_____ I hereby reject coverage and accept the exclusion in accordance with the Act.

Signature of Insured

Date:

Print Name/Title

12/2020