



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:	Homeland Insurance Company of New York (Non-Admitted)								
POLICY NUMBER:	795023756								
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>\$75,000.00</td></tr><tr><td>TRIA</td><td>Rejected</td></tr><tr><td>Surplus Lines Taxes and Fees</td><td>\$3,693.75</td></tr><tr><td>Total</td><td>\$78,693.75</td></tr></tbody></table>	Premium	\$75,000.00	TRIA	Rejected	Surplus Lines Taxes and Fees	\$3,693.75	Total	\$78,693.75
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TRIA	Rejected								
Surplus Lines Taxes and Fees	\$3,693.75								
Total	\$78,693.75								
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	\$75,000.00	\$0.00	\$75,000.00	4.850%	\$3,637.50
	Stamping Fee	\$75,000.00	\$0.00	\$75,000.00	0.075%	\$56.25
Total Surplus Lines Taxes and Fees						\$3,693.75

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

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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

EXCESS PROPERTY BINDER CONFIRMATION

Policy Period: From: 9/30/2023 Policy Number: 795023756
To: 9/30/2024 Renewal Of: 795019968
Insured: Freehold Management, Inc.

Excess Insurance Company: Homeland Insurance Company of New York
Non-admitted

Premium:	
<u>Coverages</u>	<u>Coverage Premium</u>
Excess Property Coverages:	\$ 75,000
Terrorism Coverage	Rejected
Total Premium	\$ 75,000
	\$ 26,250
Minimum Earned Premium:	35% of the premium is earned at inception.

**** NO FLAT CANCELLATIONS ****

The premium amount in this quote does not include any taxes and fees. Homeland Insurance Company of New York is a non-admitted company in the home state of the insured. Note that as the producer of this business, you are solely responsible for compliance with all surplus lines regulations including, but not limited to, licensing, collection and remittance of applicable taxes and/or fees, submission of policies to any state stamping offices, attaching required notices to the application and/or policy, and ensuring that proper due diligence with respect to authorized company declinations has been conducted and documented to the extent required by state regulations.

Surplus Lines Taxes to be filed in the insured’s Home State of : TX

EXCESS PROPERTY BINDER CONFIRMATION

Thank you for the opportunity to provide you with this binder.
We are able to bind coverage under the terms and conditions as follows.

Excess Limit of Liability and Participation:

\$50,000,000 (being 100.0% part of \$50,000,000) Per occurrence

Attachment Point:

\$50,000,000 Per occurrence

Sublimits:

As provided by the primary policy form.

Reported Values: \$226,950,316

Valuation:

Property insured under the Policy will be valued according to the terms of the Primary Underlying Insurance Policy.

Cancellation:

Subject to any state regulations or statutes which govern the notice period, the cancellation notice period is 90 days. The cancellation notice period for nonpayment of premium is 10 days.

EXCESS PROPERTY BINDER CONFIRMATION

Items of Insurance Covered:

Real Property; Business Personal Property; Business Income as shown in the reported values provided by the Insured at the inception of this Policy or added by endorsement during the period of this Policy.

Perils Insured:

Direct Physical Loss or Damage; Excluding Flood and Earthquake

Exclusions:

- | | |
|--|--|
| <input checked="" type="checkbox"/> Earth Movement | <input checked="" type="checkbox"/> Nuclear Hazard |
| <input checked="" type="checkbox"/> Earthquake | <input checked="" type="checkbox"/> Chemical or Biological Materials |
| <input checked="" type="checkbox"/> Cyber Vandalism / Denial of Service Attack | <input checked="" type="checkbox"/> Terrorism (If Not Purchased) |
| <input checked="" type="checkbox"/> Fungus, Wet Rot, Dry Rot, Virus or Bacteria | <input checked="" type="checkbox"/> Electronic Data |
| <input checked="" type="checkbox"/> Equipment Breakdown | <input type="checkbox"/> Windstorm/Hail |
| <input checked="" type="checkbox"/> Asbestos removal | <input type="checkbox"/> Named Storm |
| <input checked="" type="checkbox"/> Water | <input checked="" type="checkbox"/> Ordinance or Law |
| <input checked="" type="checkbox"/> Flood | <input checked="" type="checkbox"/> Contaminants or Pollutants |
| <input checked="" type="checkbox"/> Costs, Expenses, Fines or Penalties Incurred by Order of Authority | |

Warranties:

*All Warranties, Conditions, Subjectivities, etc are as per the Starr primary.
Limits scheduled Per Location with 110% Margin Clause.
Val Mansfield with McLarens as Assigned Adjuster.*

EXCESS PROPERTY BINDER CONFIRMATION

Conditions:

- This Binder is valid for 30 days after the effective date or until the policy has been issued.
- Newly acquired properties must have the underwriter's prior approval.
- This excess insurance shall not be considered other insurance for the purposes of any "Other Insurance" clause in the primary policy.
- Any coinsurance clause, references to pro rata liability, pro rata distribution or any other apportionment clause will be deleted from the primary policy.
- **Salvage or Recoveries:** When, in connection with any loss under this Policy, any salvage or recovery is received after loss settlement, the loss will be calculated on the basis on which it would have been settled had the amount of salvage or recovery been known at the time the loss was originally determined. Any amounts thus found to be due either party from the other will be paid promptly. The expense of all proceedings necessary to such recoveries will be apportioned between the interests concerned in the ratio of their respective recoveries as finally settled. If there should be no recovery and proceedings are conducted solely by this Company, this Company will pay such expenses.

Subject to Intact Follow Form and Endorsements pending review and approval of the primary policy form.

Underwriter Comments:

Premium will be waived for endorsements of less than \$100.

NOTE: THIS RENEWAL POLICY CONTAINS AN ENDORSEMENT THAT RESTRICTS COVERAGE THAT WAS PROVIDED IN THE PRIOR POLICY. This endorsement is OBSP 251 08 17 Limitations on Roof Surfacing, and a copy has been provided with this quote.

***Cosmetic Damage or Loss to roofs is excluded.
Actual Cash Value applies to roofs as per the Starr primary.***

EXCESS PROPERTY BINDER CONFIRMATION

Forms and Endorsements:

X Excess Property Policy Declarations	OBSP 100 04 16
X Excess Property Policy – Following Form	OBSP 001 01 23
X Excess Property Conditions	OBSP 002 04 16
X Additional Interests Endorsement	OBSP 241 04 16
X Claim Reporting Options	PHN 049 OBSP 04 16
X Limitations on Roof Surfacing	OBSP 251 08 17
X Loss Occurrence Limit of Liability Endorsement - Covered Property Value Adjustment	OBSP 270 03 22
X Ordinance or Law Exclusion	OBSP 206 01 19
X Permission to Add Locations	OBSP 238 04 16
X Service of Suit Endorsement	OB IL 001 10 15
X U.S. Treasury OFAC Advisory Notice	IL P 001 01 04
X Policyholder Disclosure Notice of Terrorism Insurance Coverage (If Terrorism Insurance Coverage is Rejected)	PHN 002 IL 12 20
X Exclusion of Certified Acts of Terrorism (If Terrorism Insurance Coverage is Rejected)	OBSP 219 09 15
X Required state amendatory endorsements and notices	
X Texas State Notice	PHN 037 OBSP 09 15
X Texas Complaint Notice	PHN 059 05 20

Revised Excess Property Policy – Following Form (OBSP 001 01 23):

Effective with your policy renewal, we have replaced your Excess Property Policy – Following Form with a revised version of the coverage form. The new version of your Excess Property Policy – Following Form replaces the Cyber Vandalism Exclusion with our new Cyber Incident Exclusion. While most of the revisions to the exclusion provide clarifications of coverage, please note that the change also results in a **reduction in coverage** as the exclusion now applies to loss or damage caused directly or indirectly by unauthorized access to or use of any “computer system” as defined under the policy form.