



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

amwins.com

October 6, 2023

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

RE: Freehold Management, Inc.

DEDUCTIBLE BUYBACK - WIND 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:	10/6/2023										
INSURED:	Freehold Management, Inc.										
MAILING ADDRESS:	2929 Carlisle, Suite 170 Dallas, TX 75204-4067										
CARRIER:	Certain Underwriters at Lloyd's, London (Non-Admitted)										
POLICY NUMBER:	B0507UP2303644LT										
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>\$650,000.00</td></tr><tr><td>TRIA</td><td>Not Applicable</td></tr><tr><td>Fees</td><td>\$250.00</td></tr><tr><td>Surplus Lines Taxes and Fees</td><td>\$32,024.82</td></tr><tr><td>Total</td><td>\$682,274.82</td></tr></tbody></table>	Premium	\$650,000.00	TRIA	Not Applicable	Fees	\$250.00	Surplus Lines Taxes and Fees	\$32,024.82	Total	\$682,274.82
Premium	\$650,000.00										
TRIA	Not Applicable										
Fees	\$250.00										
Surplus Lines Taxes and Fees	\$32,024.82										
Total	\$682,274.82										
MINIMUM EARNED PREMIUM:	100%										
COMMISSION:	10.000% of premium excluding fees and taxes										
SUBJECTIVITIES:	Per Attached										

SURPLUS LINES TAX SUMMARY

HOME STATE: Texas

FEES:

Fee	Taxable	Amount
Market Policy Fee	Yes	\$250.00
Total Fees		\$250.00

SURPLUS LINES TAX CALCULATION:

State	Description	Taxable Premium	Taxable Fee	Tax Basis	Rate	Tax
Texas	Surplus Lines Tax	\$650,000.00	\$250.00	\$650,250.00	4.850%	\$31,537.13
	Stamping Fee	\$650,000.00	\$250.00	\$650,250.00	0.075%	\$487.69
Total Surplus Lines Taxes and Fees						\$32,024.82

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 OF INSURANCE

POLICY NUMBER	:	B0507UP2303644LT
ASSURED	:	Freehold Management, Inc.
PERIOD	:	From 30 September 2023 to 30 September 2024, beginning and ending at 12:01 AM at the location of the property insured.
LIMIT	:	To pay the difference between: 3% subject to a USD 25,000 minimum per occurrence and USD 25,000 per occurrence Subject to a maximum recoverable of USD 1,750,000 any one occurrence
ORDER HEREON	:	100%
LINESLIP POLICY FEE	:	USD 250
TOTAL INSURED VALUES AT INCEPTION	:	USD 226,950,316

Please find attached our binding documentation for your file. Security will be Lloyd's and full details of this and our Premium Debit Note will follow separately.

PREMIUM PAYMENT

This Insurance is subject to Premium Payment Condition LSW 3000 (amended), which means that premium must be paid to Underwriters within 60 days from inception or coverage may be cancelled by Underwriters giving not less than 10 days notice. To enable us to comply with Underwriters payment requirements please ensure that the funds are wire transferred to our account no later than 14th November 2023.

TAX

Please note that the Insured may be liable for additional taxes in respect of locations/exposures in Kentucky and Illinois.

If this risk has locations/ exposure in countries outside of the USA, we recommend that you inform the insured that specific taxes may be payable by them to these countries also. Please advise if you need to know what these taxes will amount to.

SURPLUS LINES FILING DETAILS

Thank you for supplying us with this information which the Underwriters have noted accordingly.

LAW AND JURISDICTION

Underwriters have requested that the applicable law shall be determined by a court of competent jurisdiction as referred to N.M.A 1998, Service of Suit Clause (U.S.A.)

ADDITIONAL INFORMATION REQUIRED

In order for us to issue our policy please provide us with the name of the overlying carrier together with limit and policy number. A copy of this policy will be required and kept on our file once issued by the carrier.

DUTY OF DISCLOSURE

Material information and fair presentation

We rely on you (the broker) to provide us with the information about the (re)insured's business and the risks to be (re)insured to enable us to arrange (re)insurance to meet their needs. The (re)insured must ensure that the information provided to us is complete, accurate and discloses all material facts and/or circumstances to enable us to make a "fair presentation" of the (re)insured's business and the risks on their behalf to (re)insurers.

A material fact and/or circumstance is a fact or circumstance that the (re)insured knows, or ought reasonably to know, which would influence any prudent (re)insurer as to whether to underwrite the policy or the terms and conditions to impose.

A fair presentation is one which:

- Is clear and accessible to (re)insurers
- Discloses all material facts and/or circumstances known to the (re)insured or which ought reasonably to be known to the (re)insured
- Discloses anything which is special or unusual about the risk to be (re)insured which includes anything that would make a loss more probable or more severe
- Has been prepared after the (re)insured has made and documented, a reasonable search for material facts and/or circumstances available to them whether held within their organisation, or held by any external third party(ies) who may know of material facts and/or circumstances. This will include (but is not limited to) those members of the (re)insured's organisation who play significant roles in the organisation's activities (and/or the specific risks in question).

If you or the (re)insured is are in any doubt as to what constitutes a material fact and/or circumstance, or a fair presentation, or if you or the (re)insured are uncertain about the scope of the reasonable search that is required to be undertaken, please discuss with us further. Failure to make a fair presentation may result in the (re)insurer declining a claim, reducing claims, imposing new terms and/or charging additional premium.

Warranties

Warranties are important provisions contained within the contract of (re)insurance that must be complied with at all times. A breach of warranty may discharge (re)insurers' liability to pay claims. It is important that you read all contractual documentation carefully and if you are unsure whether or not the (re)insured is able to comply, please contact Ardonagh Specialty Limited t/as Price Forbes & Partners ("Price Forbes") in the first instance.

Conditions Precedent

Please take note of any conditions precedent that appear in the contract of (re)insurance. If a condition precedent to the validity of this contract of (re)insurance or the commencement of the contract of (re)insurance is not complied with, (re)insurers liability to pay a claim may not have been established. If a condition precedent to the (re)insurers' liability under this contract of (re)insurance is not complied with, the (re)insurers may not be liable for the loss in question. It is important that you read all contractual documentation carefully and if you are unsure whether or not the (re)insured is able to comply, please contact Price Forbes in the first instance.

Subjectivities

If the cover provided is granted by (re)insurers subject to a certain requirement, failure to comply may result in cover not being granted. Please contact Price Forbes immediately if you are unsure as to the meaning of a subjectivity, or the (re)insured is unable to comply.

Please read this Binder of Insurance carefully and advise us immediately if it does not meet with your requirements.

There is, as you know, a legal ruling in **certain States** (which may apply to this Insurance) that Insurers who do not issue specific notice of cancellation at expiry are deemed to have offered renewal. As a result, we are obliged by Insurers hereon to give **precautionary** notice of their intention not to renew this Insurance when it expires at the 30th September 2024.

Please understand that this notice is issued by Insurers solely to comply with the law. We will naturally look forward to negotiating renewal terms with them as soon as we receive the usual underwriting information.



Broker



Authorised Signatory

RISK DETAILS

UMR:	B0507UP2303644LT
ATTACHING TO FACILITY CONTRACT NUMBER	B0507N23LT00080
TYPE:	WIND AND HAIL ONLY
INSURED:	Freehold Management, Inc.and as per Overlying Policy Wording Mailing Address: 2929 Carlisle, Suite 170, Dallas, Texas 75204
PERIOD:	From 30 September 2023 to 30 September 2024, beginning and ending at 12:01 AM at the location of the property insured.
INTEREST:	Real and Personal Property, Business Income, Rental Income, Extra Expense, all as more fully defined in the Overlying Policy Wording.
SUM INSURED:	To pay the difference between: 3% subject to a USD 25,000 minimum per occurrence and USD 25,000 per occurrence Subject to a maximum recoverable of USD 1,750,000 any one occurrence
SITUATION:	The fifty (50) states comprising the United States of America, its territories and possessions, the District of Columbia and Puerto Rico
CONDITIONS:	Wording Stevens 22 to follow overlying as far as applicable. Overlying Insurer: Starr Surplus Lines Insurance Company Overlying Policy Number: SLSTPTY11688722 or renewal or replacement thereof 90 Days Cancellation Clause except 10 days for non-payment of premium. Claims Nominee as per Overseas Broker LMA 5393 Communicable Disease Exclusion LMA 5401 Property, Cyber and Data Exclusion LMA 5390 US Terrorism Risk Insurance Act of 2002 as amended – Not Purchased Clause Sanction Limitation and Exclusion Clause as per Policy Wording Pre-existing damage exclusion as per Policy Wording Additional Named Insureds, Loss Payees & Mortgagees as expiring
NOTICES:	LMA9080D Texas Complaints Notice LMA9079 Texas Surplus Lines Clause

UMR: B0507UP2303644LT

CHOICE OF LAW & JURISDICTION:	The applicable law will be determined by the court of competent jurisdiction as referred to in NMA1998 Service of Suit Clause (U.S.A). Lloyd's America, Inc. Attention: Legal Department, 280 Park Avenue, East Tower, 25th Floor, New York, NY 10017
PREMIUM:	USD 650,000 (100%) Annual. 100% Minimum Earned Premium.
PREMIUM PAYMENT TERMS:	LSW3000 (60 days).
TAXES PAYABLE BY INSURED AND ADMINISTERED BY INSURERS:	None
RECORDING, TRANSMITTING & STORING INFORMATION:	Where the Broker maintains risk and claim data/ information/ documents the Broker may hold data/ information/ documents electronically
INSURER CONTRACT DOCUMENTATION:	<p>Xchanging Ins-Sure Services to sign Policy on Policy Form LMA 3044A. Price Forbes and Partners Limited produce wording for IQUW agreement.</p> <p>This contract is subject to US state surplus lines requirements. It is the responsibility of the surplus lines broker to affix a surplus lines notice to the contract document before it is provided to the insured. In the event that the surplus lines notice is not affixed to the contract document the insured should contact the surplus lines broker.</p>

INFORMATION

INFORMATION

Occupation: Freehold Management is an owner operator of strip shopping centres and offices in Texas.

There are 16 locations

Construction is generally all NC / ICM and were built between 1977 and 1994

After the claims in 2016, the insured upgraded their roofing components to include a Densdeck cover. Nearly 20 of the buildings have Densdeck roofs, which are superior to hail resistance: <http://www.buildgp.com/densdeck-hail-resistance>

45% of the TIV have roofs that are 2015 years old or NEWER

34% of the TIV have roof updates in 2017 or 2018

Division of Values:

Buildings USD 195,419,611

Contents USD 1,075,000

Business Income/

Rental Income USD 30,455,705

TOTAL USD 226,950,316

As per Schedule of Values uploaded to Whitespace

Loss Record: - As advised to Ardonagh Specialty Limited t/a Price Forbes and Partners email dated 12th September 2023:

2022 - 2023 No Wind/Hail losses

As advised to Price Forbes & Partners Limited email dated 17 August 2022:

2021 – 2022 No Wind/Hail losses

As advised to Price Forbes & Partners Limited email dated 19 July 2021:

2020 – 2021 No Wind/Hail losses

As advised to Price Forbes & Partners Limited email dated 4 September 2020:

2019 – 2020 No losses

2018 – 2019 No losses

2017 – 2018 USD 475,000 (paid by buydown underwriters)

2016 – 2017 USD 225,000 – Closed (as if basis: USD 475,000)

2015 – 2016 USD 3,064,770 – Closed (as if basis: Difference between 3% and 25K)

**POLICYHOLDER
DISCLOSURE NOTICE
OF TERRORISM
INSURANCE
COVERAGE**

You are hereby notified that under the Terrorism Risk Insurance Act of 2002, as amended ("TRIA"), that you now have a right to purchase insurance coverage for losses arising out of acts of terrorism, as defined in Section 102(1) of the Act, as amended: 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 an air carrier or vessel 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. Any coverage you purchase for "acts of terrorism" shall expire at 12:00 midnight 31 December 2027, the date on which the TRIA Program is scheduled to terminate, or the expiry date of the policy whichever occurs first, and shall not cover any losses or events which arise after the earlier of these dates.

YOU SHOULD KNOW THAT COVERAGE PROVIDED BY THIS POLICY FOR LOSSES CAUSED BY CERTIFIED ACTS OF TERRORISM IS PARTIALLY REIMBURSED BY THE UNITED STATES 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 THIS FORMULA, THE UNITED STATES PAYS 80% OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURER(S) PROVIDING THE COVERAGE. YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS A USD 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 USD 100 BILLION. IF THE AGGREGATE INSURED LOSSES FOR ALL INSURERS EXCEED USD 100 BILLION, YOUR COVERAGE MAY BE REDUCED.

THE PREMIUM CHARGED FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

I hereby elect to purchase coverage for acts of terrorism for a prospective premium of USD

I hereby elect to have coverage for acts of terrorism excluded from my policy. I understand that I will have no coverage for losses arising from acts of terrorism.

Policyholder/Applicant's Signature

_____ Syndicate on behalf of certain underwriters at Lloyd's

Print Name

Policy Number

Date

LMA9184 9 January 2020

SECURITY DETAILS

INSURERS LIABILITY: PLEASE NOTE – This notice contains important information. PLEASE READ CAREFULLY

The liability of an insurer under this contract is several and not joint with other insurers party to this contract. An insurer is liable only for the proportion of liability it has underwritten. An insurer is not jointly liable for the proportion of liability underwritten by any other insurer. Nor is an insurer otherwise responsible for any liability of any other insurer that may underwrite this contract.

The proportion of liability under this contract underwritten by an insurer (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of the syndicate taken together) is shown in this contract.

In the case of a Lloyd's syndicate, each member of the syndicate (rather than the syndicate itself) is an insurer. Each member has underwritten a proportion of the total shown for the syndicate (that total itself being the total of the proportions underwritten by all the members of the syndicate taken together). The liability of each member of the syndicate is several and not joint with other members. A member is liable only for that member's proportion. A member is not jointly liable for any other member's proportion. Nor is any member otherwise responsible for any liability of any other insurer that may underwrite this contract. The business address of each member is Lloyd's, One Lime Street, London EC3M 7HA. The identity of each member of a Lloyd's syndicate and their respective proportion may be obtained by writing to Market Services, Lloyd's, at the above address.

Although reference is made at various points in this clause to "this contract" in the singular, where the circumstances so require this should be read as a reference to contracts in the plural.

07/03/08

LMA5096 (Combined Certificate)

ORDER HEREON: 100% of 100%

BASIS OF WRITTEN LINES: Percentage of Whole

- SIGNING PROVISIONS:**
- a) In the event that the written lines hereon exceed 100% of the order, any lines written "to stand" will be allocated in full and all other lines will be signed down in equal proportions so that the aggregate signed lines are equal to 100% of the order without further agreement of any of the (re)insurers.

However:
 - b) in the event that the placement of the order is not completed by the commencement date of the period of insurance then all lines written by that date will be signed in full;
 - c) the signed lines resulting from the application of the above provisions can be varied, before or after the commencement date of the period of insurance, by the documented agreement of the (re)insured, or the (re)insured's representatives, and the Slip Leader. Such variation to be in accordance with provision a) above with the resulting variation in signed lines commencing from the date set out in that agreement

Any other variation to the contracts will take effect only by the documented agreement of the (re)insured, or the (re)insured's representatives, and all (re)insurers whose lines are to be varied. Such variation to the contracts will take effect only when all such (re)insurers have agreed with the resulting variation in signed lines commencing from the date set out in that agreement.

WRITTEN LINES

In a co-insurance placement, following (re)insurers may, but are not obliged to, follow the premium charged by the lead (re)insurer.

(Re)insurers may not seek to guarantee for themselves terms as favourable as those which others subsequently achieve during the placement.

MODE OF EXECUTION CLAUSE



This contract and any changes to it may be executed by:

- a. electronic signature technology employing computer software and a digital signature or digitiser pen pad to capture a person's handwritten signature in such a manner that the signature is unique to the person signing, is under the sole control of the person signing, is capable of verification to authenticate the signature and is linked to the document signed in such a manner that if the data is changed, such signature is invalidated;
- b. a unique authorisation provided via a secure electronic trading platform
- c. a timed and dated authorisation provided via an electronic message/system;
- d. an exchange of facsimile/scanned copies showing the original written ink signature of paper documents;
- e. an original written ink signature of paper documents (or a true representation of a signature, such as a rubber stamp);

The use of any one or a combination of these methods of execution shall constitute a legally binding and valid signing of this contract. This contract may be executed in one or more of the above counterparts, each of which, when duly executed, shall be deemed an original.

N23LT00080 - DBB lineslip

Participant	Facility Line %	Written Declaration Line %	Signed Declaration Line %
AEGIS London			
Lloyd's Underwriter Syndicate No. 1225 AES	100%	85%	85%



85% WRITTEN

85% SIGNED

23N24123AA0PB3

YOA: 2023

03 Oct 2023 10:24 GMT

Katherine Chinery

Lloyd's Underwriter Syndicate No. 1225 AES

Open Market

IQUW



15%
WRITTEN

A	1	0	4	4	6	2	3	A	A		
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P2

15%
SIGNED

03 Oct 2023 11:45 GMT

Stephanie Rowe

Lloyd's Underwriter Syndicate 1856 IQU,
London, England