



To: Andrea Iseman
Company: WILLIS TOWERS WATSON SOUTHEAST INC
Email: Andrea.Iseman@wtwco.com

From: David Smith
Date Sent: 03/24/2025
Email: david.w.smith@chubb.com

Homebuilders Builders Risk Xtra Coverage Binder

Policy #: I08531171 018

RE: Holiday Builders, Inc.
2293 W Eau Gallie Blvd., Melbourne, FL 32935

Thank you for the renewal bind order. Please read this binder carefully, as the limits, coverage, exclusions, and any other terms and conditions may vary from those you requested in your submission and/or from the expiring policy.

This binder is valid for 60 days from the date sent. Please contact me with any questions that you may have.

Effective Date: 04/01/2025 12:01 A.M. Local Time at the NAMED INSURED's Address

Expiration Date: 04/01/2026 12:01 A.M. Local Time at the NAMED INSURED's Address

Company: ACE American Insurance Company (Admitted)

Overall Occurrence Limit of Insurance:

The most we will pay for loss in any one occurrence, regardless of the number of locations or the number of coverages involved, is \$5,000,000 not to exceed the following Coverage Occurrence Limits of Insurance, Sub-limits and Aggregate Sub-limits of Insurance.

Coverage: Builder's Risk

Coverage Form(s): Homebuilders Xtra Plus Coverage Form ACE0891 (09/17)

Covered Perils: Direct physical LOSS subject to the terms, conditions and exclusions in the policy forms and as specified below.

I. Description, Premium Base and Deposit Premium

A. Estimated Total Insured Values (TIV): \$ 216,150,000

B. Total Insured Values (TIV) includes: \$ 210,000,000 estimated COMPLETED VALUES of new single-family dwellings, \$ 6,150,000 estimated COMPLETED VALUES of Model Homes, Sales Centers and Their Contents

C. Estimated Deposit Premium: \$ 482,015

Whenever "NCP" is shown below it denotes no coverage has been purchased and no coverage is provided. Whenever "NA" is shown below it denotes "Not Applicable" to that coverage, deductible, Sub-limit of Insurance, or other Policy provision.

II. Limits of Insurance:

\$ 5,000,000 (100%) part of \$ 5,000,000 Per OCCURRENCE

The Company will pay no more for direct physical LOSS in any one OCCURRENCE than the above Limit of Insurance. In addition, the Company will not pay for more than its proportionate share (100 %) of the following Sub-limits of Insurance and Annual Aggregate Sub-limits of Insurance, which are part of, and not in addition to, the Limit of Insurance above:

Sub-limits of Insurance

A. Physical LOSS per the following:

1. Single Family Dwellings

Any One Building or Structure \$ 350,000

Any One OCCURRENCE \$ 5,000,000

2. Townhouses or Condominiums

Any One Building or Structure \$ NCP

Any One OCCURRENCE \$ NCP

B. Property in Transit per Conveyance \$ 250,000

C. Temporary Off-Site Storage and Off-Site Staging Areas \$ 250,000

D. Expediting and Extra Expenses 20% of the insured physical LOSS, or \$5,000; whichever is less

E. Debris Removal 25% of the insured physical LOSS, or \$1,000,000; whichever is less

F. Trees, Shrubs, Plants and Lawns \$ 50,000

G. Protection Service Charges \$ 10,000

H. Fire Protective Equipment Recharge \$ 1,000

I. Valuable Papers and Records \$ 10,000

J. Claim Preparation Expenses \$ 5,000

K. Protection of INSURED PROPERTY Pre-LOSS \$ 5,000

L. TESTING \$ Included

M. Free Standing Appliances	\$ <u>10,000</u>
N. Pollution or Contamination Clean-Up	\$ <u>10,000</u> Per OCCURRENCE
	\$ <u>10,000</u> Annual Aggregate
O. Limited Coverage for FUNGUS, Wet Rot, Dry Rot or Bacteria	\$ <u>10,000</u> Per OCCURRENCE
	\$ <u>10,000</u> Annual Aggregate

If a Sub-limit of Insurance is shown below for WINDSTORM or NAMED WINDSTORM, the applicable Excluded Cause of LOSS contained in the Plus Coverage Form is deleted.

A. WINDSTORM	\$ <u>5,000,000</u>
B. NAMED WINDSTORM	\$ <u>5,000,000</u>

Annual Aggregate Sub-limits of Insurance

If a Sub-limit of Insurance is shown below for Item(s) A. – B., the applicable Excluded Cause of LOSS contained in the Plus Coverage Form is deleted.

A. FLOOD		
	Per OCCURRENCE	\$ <u>5,000,000</u>
	Annual Aggregate	\$ <u>5,000,000</u>
B. EARTH MOVEMENT		
	Per OCCURRENCE	\$ <u>5,000,000</u>
	Annual Aggregate	\$ <u>5,000,000</u>

III. Deductibles

\$ 10,000 direct physical LOSS in any one OCCURRENCE except;

A. LOSS in any one OCCURRENCE caused by or resulting from FLOOD \$ 100,000 or NA %

Subject to a maximum deductible of: \$ NA

- B. LOSS in any one OCCURRENCE caused by or resulting from EARTH MOVEMENT \$ 100,000 or NA %
Subject to a maximum deductible of: \$ NA
- C. LOSS in any one OCCURRENCE caused by or resulting from NAMED WINDSTORM \$ 100,000 or 5 %
Subject to a maximum deductible of: \$ NA
- D. LOSS in any one OCCURRENCE caused by or resulting from TESTING \$ 10,000 or NA %
- E. LOSS in any one OCCURRENCE caused by or resulting from NCP \$ NCP or NCP %

Where a percentage deductible is shown on the Declarations, the deductible shall be the greater of the dollar amount shown, or the stated percentage of the total insured values in place of the INSURED PROPERTY suffering LOSS at the INSURED SITE(S) suffering LOSS, at the time and date of the LOSS, unless a maximum deductible is listed.

IV. Premium and Reporting Requirements

A. Reporting Requirements

The NAMED INSURED shall keep accurate records of the Total Insured Values (TIV) of INSURED PROPERTY initially provided to the Company prior to Policy inception and in the first and subsequent reports required by this Policy. The Company or its authorized representative may inspect these records at any reasonable time until one (1) year after the expiration of this Policy.

Within 30 days following the last business day of each quarter, the NAMED INSURED shall report to the Company in writing the following information for INSURED PROPERTY intended for coverage under this Policy, as of that last business day:

Check all the boxes that apply and comprise the TIV:

- ☒ Construction Work COMPLETED VALUE;
☐ Construction Work VALUES AT RISK;
☐ Construction Work Per Start;
☐ Inventory COMPLETED VALUE;
☒ Other - Model Homes, Sales Centers and Their Contents

In the event of cancellation of this Policy for any reason, the NAMED INSURED must report the Total Insured Values (TIV) of INSURED PROPERTY on the date of cancellation.

B. Computation of Earned Premium

The premium stated on the Declarations is a deposit premium due at the inception date of this Policy. The Company will compute the earned premium due for coverage of INSURED PROPERTY based upon COMPLETED VALUES reported at the agreed Rate(s) shown below:

.223 Quarterly Rate Per \$100 of COMPLETED VALUES for Single family Homes

.223 Quarterly Rate Per \$100 of COMPLETED VALUES for Model Homes & Their Contents

NA Quarterly Rate Per \$100 NA

Earned premiums with respect to construction already in progress on the effective date will be computed at rates to be determined by the Company.

If Construction Work Per Start is the reporting basis, the report will show the COMPLETED VALUE of the INSURED PROPERTY and the INSURED SITE(s) of the INSURED PROJECT(s) started during the reporting period.

If Construction Work Per Start is the reporting basis, the rate or premium per start will be for a maximum period of 12 months. If coverage needs to continue after a 12-month period, the same rate or premium will be applied again. Upon the end of the subsequent 12-month period, coverage shall lapse under this Policy, unless approved in writing by the Company.

Inventory will be shown separately on the report and shall include the INSURED SITE(s) and the COMPLETED VALUE for each individual building or structure.

On a Quarterly basis, all earned premiums due will be applied against the deposit premium until it has been fully earned by the Company. After that, any earned premium is due and payable as of the date of the last Quarterly report in any given Quarterly subject to a minimum annual premium of \$5,000.

Total Deposit Premium: \$ 482,015

TRIPRA Deposit Premium: \$ REJECTED

Subject to a minimum earned premium of \$ 48,202

Estimated Taxes, Surcharges & Fees:

Florida Insurance Guaranty Association (FIGA) Emergency Assessment Surcharge	\$4,820.15
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Combined Total Amount Due including Taxes, Surcharges & Fees:	\$486,835.15
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Any applicable taxes, surcharges or fees, etc. are in addition to the above stated premium. The actual taxes, surcharges or fees, etc. will be those in effect on the date coverage is bound. The insured is responsible for paying these taxes, surcharges or fees in addition to the above stated premium.

Commission: 12.5 %

Payment Plan: Agency billing; 10 Installments

Terms & Conditions:

1. **FLOOD ZONE EXCLUSION ENDORSEMENT** will be attached per drafted sample wording attached. Final wording to follow.
2. **NAMED WINDSTORM DEDUCTIBLE ENDORSEMENT** will be attached per drafted sample wording attached. Final wording to follow.
3. Enhanced coverages apply per the sample **HOMEBUILDERS XTRA PLUS ENHANCEMENT ENDORSEMENT ACE0890 (09/17)** attached.
4. **\$500,000 sublimit in any one OCCURRENCE for MODEL HOMES, SALES CENTERS AND THEIR CONTENTS, INCLUDING FINE ARTS COVERAGE** per sample Endorsement **ACE0899 (09/17)** attached.
5. **ACE0974 (04/20) EXCLUSION OF LOSS DUE TO VIRUS, BACTERIA OR MICROORGANISM THAT INDUCE PHYSICAL DISTRESS, ILLNESS OR DISEASE** will be added to the policy.
6. **ACE1039 (10/21) (332054.1) FLOOD AND NAMED WINDSTORM DEFINITIONS ENDORSEMENT** will apply to include **NAMED WINDSTORM FLOOD** per sample wording attached.

Valuation:

- A. Property Under Construction, Inventory held for sale - The cost to repair or replace the INSURED PROPERTY lost or damaged with material of like kind and quality, less betterment. If the INSURED PROPERTY is not repaired or replaced then direct physical LOSS shall be settled on the basis of ACTUAL CASH VALUE.
- B. Property of Others (Including Items Supplied by the Owner) – If Property of Others is new, the cost to repair or replace the INSURED PROPERTY lost or damaged with material of like kind and quality, less betterment. If Property of Others is not new then, the Owner's cost or ACTUAL CASH VALUE, whichever is less.

If the Property of Others is not repaired or replaced then direct physical LOSS shall be settled on the basis of ACTUAL CASH VALUE.

- C. TEMPORARY STRUCTURES – The cost to repair or replace the INSURED PROPERTY lost or damaged with material of like kind, quality and condition but in the event the INSURED PROPERTY is not repaired or replaced recovery will not exceed the ACTUAL CASH VALUE.
- D. Valuable Papers and Records - The cost to reproduce the INSURED PROPERTY with other property of like kind and quality including the cost of gathering or assembling information from back up data if replaced, or if not replaced, at the value of blank material.
- E. ELECTRONIC MEDIA or ELECTRONIC DATA - The cost of the blank media, plus the costs of copying or restoring ELECTRONIC DATA from back-up or from originals of a previous generation, not including research and engineering or the costs or expense of recreating, gathering or assembling such ELECTRONIC DATA.

This Policy does not insure any amount pertaining to the value of such ELECTRONIC DATA to the Named Insured or any other party, even if such ELECTRONIC DATA cannot be recreated, gathered or assembled. If not repaired, replaced or restored, ELECTRONIC MEDIA shall be valued at the cost of the blank media

- F. Trees, Shrubs, Plants and Lawns - The cost to replace with property of like kind and quality plus the proper proportion of labor expended if such damage occurs after installation.

The Company will pay for direct physical LOSS to INSURED PROPERTY by determining its REPLACEMENT COST, provided that the NAMED INSURED actually repairs or replaces the lost or damaged INSURED PROPERTY, or begins to repair the damaged INSURED PROPERTY, within 24 months from the date of direct physical LOSS; otherwise, the Company will pay for direct physical LOSS to INSURED PROPERTY by determining its ACTUAL CASH VALUE.

Policy Forms:

ALL-20887 (10/06)	CHUBB Producer Compensation Practices & Policies
MA-608255p (04/15)	Claims Directory Property and Inland Marine
Cover Letter	Cover Letter
TRIA24a (08/20)	POLICYHOLDER DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE
ALL-10753 (10/01)	Electronic Data Amendment Endorsement
CC-3R19 (7/97)	Endorsement A
ACE0974 (04/20)	Exclusion Of Loss Due To Virus, Bacteria Or Microorganism That Induce Physical Distress, Illness Or Disease
MS-TBD	Flood Zone Exclusion Endorsement
CM 01 16 (02/12)	Florida Changes
IL 02 55 (04/15)	Florida Changes - Cancellation And Nonrenewal

IL 01 75 (09/07)	Florida Changes - Legal Action Against Us
CM 01 01 11 85	Florida Changes - Warranties
CPfs2 (12/10)	Forms Schedule
ACE0901 (12/17)	Homebuilders Xtra Common Policy Declarations
ACE0898 (09/17)	Homebuilders XTRA Plus Enhancement Endorsement
ACE0891 (09/17)	Homebuilders XTRA Section 1 Homebuilders Builders Risk Coverage Part - Plus Coverage Form Declarations
ACE0722 (05/20)	Installment Payments Endorsement
ACE0899 (09/17)	Model Homes, Sales Centers and Their Contents, Including Fine Arts Coverage Endorsement
MS-TBD	Named Windstorm Deductible Endorsement
ACE0210 (01/08)	Nuclear, Biological, Chemical, Radiological Exclusion
ALL 10750 (01/15)	TERRORISM EXCLUSION ENDORSEMENT
ALL-5X45 (11/96)	Questions About Your Insurance
CC-1k11j (03/21)	Signatures
ALL-21101 (11/06)	Trade or Economic Sanctions Endorsement
IL P 001 (01/04)	U.S. Treasury Departments' Office of Foreign Assets Control ("OFAC") Advisory Notice to Policyholders
ACE1039 (10/21) (332054.1)	FLOOD AND NAMED WINDSTORM DEFINITIONS ENDORSEMENT

Mandatory Exclusions and Amendments:

All policy form endorsements including but not limited to Pollution & Contamination, Asbestos, Electronic Data/Cyber Risk, Mold/Fungus, and Nuclear, Biological Chemical Radiological Exclusions.

Remarks:

The terms, conditions, limits and exclusions of this binder supersede the submitted information and specifications submitted to us for consideration, and all prior binders.

Actual coverage will be determined by and in accordance with the policy as issued by the insurer.

The insurer is not bound by any statements made in the submission purporting to bind the insurer unless such statement is in the actual policy.

This binder has been constructed in reliance on the information and specifications provided in the submission. A material change or misrepresentation of the submission information and specifications may void this binder.

TRIPRA:

ATTACHED PLEASE FIND A DISCLOSURE NOTICE REQUIRED BY THE TERRORISM RISK INSURANCE PROGRAM REAUTHORIZATION ACT ("TRIPRA").

Certificates of Insurance:

Please be advised that we do not review Certificates of Insurance or Evidences of Commercial Property Insurance issued by you, or by any party, relating to this policy of insurance either for content or accuracy. Accordingly, we request that you do not provide copies of certificates or evidences to us for review or for our records. Authority is granted to you for the limited purpose of issuing **unmodified ACORD Certificates (ACORD 25-S for Casualty and ACORD 24 for Property and Inland Marine) and unmodified Evidence of Commercial Property Insurance (ACORD 27 and 28) only**. It is your responsibility to see that any Certificate or Evidence provides an accurate representation of the coverage form and endorsements applicable to this policy at the time the Certificates or Evidences is issued. **Any modification of the approved ACORD forms specifically set forth above, or the**

issuance of a non-approved Certificates of Insurance ACORD or other is prohibited. Certificates of Insurance or Evidence of Commercial Property Insurance may only be issued as a matter of information. You have no authority by virtue of a Certificate, Evidence, or otherwise, to amend, extend or otherwise alter coverage afforded under this policy. Certificates of Insurance or Evidences of Commercial Property Insurance are never recognized as endorsements or policy change requests. You must submit a separate written request if an endorsement or policy change (including but not limited to adding additional insureds, loss payees and mortgagees and/or alteration of notice requirements for cancellation) is requested. In the event a policy change is requested, the underwriter will advise if the request is acceptable to the Company.



HOMEBUILDERS XTRA PLUS ENHANCEMENT ENDORSEMENT

Named Insured Holiday Builders, Inc.			Endorsement Number
Policy Symbol BRX	Policy Number Io8531171 018	Policy Period 04/01/2025 To 04/01/2026	Effective Date of Endorsement
Issued By (Name of Insurance Company) ACE American Insurance Company			

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THE FOLLOWING:

HOMEBUILDERS XTRA PLUS COVERAGE FORM

The following is added to **PART C EXTENSIONS OF COVERAGE**:

1) Ordinance or Law

If the repair of direct physical LOSS to INSURED PROPERTY caused by an insured peril becomes subject to the enforcement of any ordinance or law that is in force at the time of direct physical LOSS and that:

- A. Requires the demolition of parts of the undamaged INSURED PROPERTY; or
- B. Regulates the construction or repair of damaged INSURED PROPERTY;

then the Company will pay for:

- 1. The cost of demolishing the undamaged INSURED PROPERTY and clearing the INSURED SITE of debris from such demolition; and
- 2. The value of such undamaged part of the INSURED PROPERTY which must be demolished; and
- 3. The increased cost of repair and/or reconstruction of the damaged and undamaged INSURED PROPERTY on the same INSURED SITE and limited to the minimum requirements of such ordinance or law regulating the repair or reconstruction of the damaged INSURED PROPERTY on the same INSURED SITE. However, the Company will not pay for any increased cost of repair or reconstruction unless the damaged INSURED PROPERTY is actually rebuilt or replaced.

The Company will not pay the following costs:

- i. Cost of demolition or increased cost of repair or reconstruction, debris removal, or other consequential loss caused by the enforcement of any ordinance or law regulating asbestos or other hazardous material;
- ii. Cost of any governmental direction or request declaring that asbestos or other hazardous material present in, part of or utilized on any damaged or undamaged portion of INSURED PROPERTY that can no longer be used for the purpose for which it was intended or installed and must be removed, modified or abated;
- iii. Cost of demolition or increased cost of repair or reconstruction, debris removal, or other consequential loss caused by the enforcement of any ordinance or law regulating CONTAMINANTS OR POLLUTANTS; or
- iv. Cost of compliance with the enforcement of any ordinance or law which the NAMED INSURED or owner would have otherwise been required to comply by nature of such ordinance or law in the absence of any direct physical LOSS covered by this Policy.

The most the Company will pay in any one OCCURRENCE for this Extension of Coverage is \$250,000.

ACEo898 (09/17)



This Sub-limit of Insurance is part of and not in addition to the Limit of Insurance Per OCCURRENCE stated on the Declarations.

2) Vacant Lot Debris Removal

The Company will pay the reasonable and necessary expenses incurred in the removal of debris from vacant lot(s) owned by the NAMED INSURED if such debris removal is the result of direct physical LOSS by an insured peril to adjacent property(s) which are not owned by the NAMED INSURED and which are not insured by this Policy.

The Company will not pay the expense to:

- A. Extract CONTAMINANTS OR POLLUTANTS from the debris; or
- B. Extract CONTAMINANTS OR POLLUTANTS from land or water; or
- C. Remove, restore or replace contaminated or polluted land or water; or
- D. Remove or transport any property or debris to a site for storage or decontamination required because the property or debris is affected by CONTAMINANTS OR POLLUTANTS whether or not such removal, transport, or decontamination is required by law or regulation.

The most the Company will pay in any one OCCURRENCE for this Extension of Coverage is \$5,000.

This Sub-limit of Insurance is part of and not in addition to the Limit of Insurance Per OCCURRENCE stated on the Declarations.

3) Signs

The Company will pay for direct physical LOSS by an insured peril to signs that are located at an INSURED SITE. This extension applies to signs:

- A. Owned by or rented to the NAMED INSURED; or
- B. Owned by others, but in which the NAMED INSURED has a financial interest.

This insurance is excess over any other valid and collectible insurance available to the owner of the property.

The most the Company will pay any one OCCURRENCE for this Extension of Coverage is \$1,000.

This Sub-limit of Insurance is part of and not in addition to the Limit of Insurance Per OCCURRENCE stated on the Declarations.

4) Accounts Receivable

In the event of direct physical LOSS from an insured peril to records of the NAMED INSURED that itemized balances owed the NAMED INSURED by customers, thereby impairing the NAMED INSURED'S ability to collect those balances owed, the Company will pay for the following:

- A. Sums owed the NAMED INSURED by customers which the NAMED INSURED cannot collect;
- B. Reasonable interest charges the NAMED INSURED must pay on loans obtained to offset impaired collections;
- C. That part of the NAMED INSURED's collection costs that exceeds the normal collection costs;
- D. Other costs reasonably incurred by the NAMED INSURED to restore records of accounts receivable.

The Company will deduct an amount equal to the bad debts the NAMED INSURED reasonably would not have been expected to collect.

ACEo898 (09/17)

The most the Company will pay in any one OCCURRENCE for this Extension of Coverage is \$100,000.

This Sub-limit of Insurance is part of and not in addition to the Limit of Insurance Per OCCURRENCE stated on the Declarations.

5) Undamaged INSURED PROPERTY

The Company will pay for loss to undamaged INSURED PROPERTY located at the INSURED SITE. "Loss" means the loss of value of an undamaged part or parts of any INSURED PROPERTY which becomes unmarketable. It must be unmarketable due to a direct physical LOSS to another part or parts of the product caused by an insured peril.

The most the Company will pay in any one OCCURRENCE for this Extension of Coverage is \$5,000.

This Sub-limit of Insurance is part of and not in addition to the Limit of Insurance Per OCCURRENCE stated on the Declarations.

6) Contract Penalty

If the first NAMED INSURED is a General Contractor, the Company will pay up to 75% of the applicable contract penalties but no more than the Sub-limit of Insurance stated on the Declarations, which the first NAMED INSURED is required to pay for late completion or non-completion of the INSURED PROJECT as a result of direct physical LOSS to INSURED PROPERTY by an insured peril. The penalties must be specified in the construction contract, signed prior to the start of construction.

It is a condition precedent to recovery under this Extension of Coverage that the NAMED INSURED use due diligence and dispatch in restoring the damaged property to the condition existing prior to the LOSS.

The most the Company will pay in any one OCCURRENCE for this Extension of Coverage is \$5,000.

This Sub-limit of Insurance is part of and not in addition to the Limit of Insurance Per OCCURRENCE stated on the Declarations.

7) Office Trailers/semi-trailers and construction trailers/semi-trailers and their Contents, and Portable Toilet Facilities

The Company will pay for direct physical LOSS by an insured peril to Office trailers/semi-trailers, construction trailers/semi-trailers and their contents, and portable toilet facilities that are not intended to become a permanent part of the INSURED PROJECT and which are owned by the NAMED INSURED or in the NAMED INSURED's care, custody or control while in, on or within 1,000 feet of the INSURED SITE. This coverage includes furniture, fixtures, data processing equipment, fax systems and phone systems, but this Extension of Coverage does not apply to direct physical LOSS to tools or other contractor's equipment, jewels, jewelry, watches, money, stamps, deeds, letters of credit, documents, tickets, plans, blueprints, specifications or other valuable papers.

This Policy is excess over any other valid or collectible insurance available to the owner of the property.

Valuation - If not more than 5 years old as of the expiration date of this Policy, based on the manufacturer's model year, and the NAMED INSURED repairs or replaces the property, the least of the following shall apply:

1. The cost to replace the lost or damaged property, without deduction for depreciation, with new property of comparable quality and utility;
2. The amount the NAMED INSURED actually spends to repair or replace the lost or damaged property.



If the property is more than 5 years old or the NAMED INSURED does not actually repair or replace the property within a reasonable period of time after the date of LOSS, the Company will pay the ACTUAL CASH VALUE.

The most the Company will pay for this Extension of Coverage is:

\$250,000 Any One Building or Structure

\$250,000 Any One OCCURRENCE

These Sub-limits of Insurance are part of and not in addition to the Limit of Insurance Per OCCURRENCE stated on the Declarations.

All other terms and conditions remain unchanged.



**MODEL HOMES, SALES CENTERS AND THEIR CONTENTS, INCLUDING FINE ARTS
COVERAGE ENDORSEMENT**

Named Insured Holiday Builders, Inc.			Endorsement Number
Policy Symbol BRX	Policy Number Io8531171 018	Policy Period 04/01/2025 To 04/01/2026	Effective Date of Endorsement
Issued By (Name of Insurance Company) ACE American Insurance Company			

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THE FOLLOWING:

HOMEBUILDERS XTRA PLUS COVERAGE FORM

The following is added to **PART C EXTENSIONS OF COVERAGE**:

Model Homes, Sales Centers and Their Contents, Including FINE ARTS

The Company will pay for direct physical LOSS by an insured peril to model homes, sales centers and their contents, including FINE ARTS at the locations listed below, which:

A. The NAMED INSURED:

1. owns, or
2. leases, rents or borrows from a third party; and

B. In which the NAMED INSURED has an insurable interest, but only to the extent of that insurable interest.

Covered Location(s)	Sub-limit of Insurance	
Address	Real Property	Contents
Per Quarterly reports	\$500,000 per OCCURRENCE	\$Included per OCCURRENCE

Sub-limit of Insurance

The most the Company will pay for LOSS in any one OCCURRENCE for the coverage provided by this endorsement is: \$ 500,000, subject to the Real Property and Contents Sub-limits of Insurance set forth above as respects specific locations.

This Sub-limit of Insurance is part of and not in addition to the Limit of Insurance Per OCCURRENCE stated on the Declarations.

Deductible

The deductible amount for the coverage provided by this endorsement is \$ 10,000 per OCCURRENCE.

Valuation

PART E POLICY CONDITIONS, Item 5. is deleted in its entirety for the property insured by this endorsement and replaced by the following:

Valuation

At the time and place of direct physical LOSS, the basis of the adjustment of a claim shall be as follows:

- A. Model Homes, Sales Centers and their contents - The cost to repair or replace the INSURED PROPERTY lost or damaged with material of like kind and quality, less betterment. If the INSURED PROPERTY is not repaired or replaced within twenty-four (24) months after LOSS, then direct physical LOSS shall be settled on the basis of ACTUAL CASH VALUE.
- B. FINE ARTS - The appraised value; or, if there is no appraisal performed by a qualified third-party appraiser, the lower of the original acquisition cost or the FAIR MARKET VALUE at the time of the LOSS.

Occupancy Clause

Permission is granted for the property insured by this endorsement to be occupied as a model home or a sales center. Any other occupancy requires the written consent of the Company and proper rate adjustment.

Additional Definition

For the purpose of this endorsement, FINE ARTS means:

Paintings, etchings, pictures, tapestries, statuary, marbles, bronze, antique furniture, rare books, antique silver, porcelains, rare glassware, bric a brac or other articles of art, rarity or antiquity.

All other terms and conditions remain unchanged.

FLOOD AND NAMED WINDSTORM DEFINITIONS ENDORSEMENT

Named Insured Holiday Builders, Inc.			Endorsement Number
Policy Symbol BRX	Policy Number 108531171 018	Policy Period 04/01/2025 To 04/01/2026	Effective Date of Endorsement
Issued By (Name of Insurance Company) ACE American Insurance Company			

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THE FOLLOWING:

HOMEBUILDERS XTRA PLUS COVERAGE FORM

It is agreed that **PART F DEFINITIONS** is amended as follows:

a. Items 10. FLOOD and 17. NAMED WINDSTORM are deleted and replaced by the following:

10. FLOOD

A general and temporary condition during which the surface of normally dry land is partially or completely inundated, which arises from:

- A. Rain and resultant runoff; or
- B. The rising, overflow or breach of any boundary of a natural or man-made body of water; or
- C. Non-tectonic or seismic sea waves, tide or tidal waters, storm surge, or spray from any of these; whether driven by wind or not; or
- D. The failure of a cofferdam or similar structure intended to hold water back from an area of construction; or
- E. Unexpected accumulation of water caused by subsurface seepage or subsurface leakage.

As respects piles and other INSURED PROPERTY designed to be used in water and purposely placed or stationed in lakes, rivers, streams, harbors or other bodies of water, any LOSS that could be deemed LOSS caused by WATER DAMAGE or LOSS caused by FLOOD under this policy, shall be deemed LOSS caused by FLOOD, and all terms and conditions herein shall apply as if the LOSS were caused by FLOOD.

FLOOD does not include the accumulation of water from any source on a roof or other surface of a building, dwelling or structure.

It is hereby understood and agreed that, notwithstanding any provision in this policy to the contrary, any accumulation of water, including water that is mixed with soil, sand, rock or other matter, in an excavation, pit or underground tunnel, shaft or pipe, or otherwise impacting construction work below grade shall be deemed FLOOD.

FLOOD does not include NAMED WINDSTORM FLOOD.

17. NAMED WINDSTORM

An intense tropical weather system with a well-defined circulation and maximum sustained winds of at least 39 mph or 63 km/hr that is named by the National Oceanic and Atmospheric Administration (NOAA), including any of NOAA's organizations, such as the National Weather Service or the National Hurricane Center. NAMED WINDSTORM includes any tornadoes, microbursts or other wind event that is caused by or results from the NAMED WINDSTORM.

NAMED WINDSTORM includes NAMED WINDSTORM FLOOD.

b. The following is added:

27. NAMED WINDSTORM FLOOD

FLOOD directly caused by or resulting from a NAMED WINDSTORM.

All other terms and conditions remain unchanged.

FLOOD ZONE EXCLUSION ENDORSEMENT DRAFT

Named Insured Holiday Builders, Inc.			Endorsement Number
Policy Symbol BRX	Policy Number Io8531171 018	Policy Period 04/01/2025 to 04/01/2026	Effective Date of Endorsement
Issued By (Name of Insurance Company) ACE American Insurance Company			

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

HOMEBUILDERS XTRA PLUS COVERAGE FORM

1. In the **XTRA PLUS Coverage Form Declarations**, under **II. Limits of Insurance, Annual Aggregate Sub-limits of Insurance**, items A. through A.3. are deleted and replaced with the following:
 - A.1. FLOOD – INSURED PROPERTY located wholly or partially within a FLOOD Hazard Zone A, AE, A1-A30, AH, AO, AR, A99, V, VE, V1 – V30 as defined by the Federal Emergency Management Agency of the National Flood Insurance Program

Per OCCURRENCE	N/A
Annual Aggregate	N/A
 - A.2. FLOOD – INSURED PROPERTY located entirely outside of a FLOOD Hazard Zone A, AE, A1-A30, AH, AO, AR, A99, Shaded X, B, V, VE, V1 – V30, or D as defined by the Federal Emergency Management Agency of the National Flood Insurance Program

Per OCCURRENCE	5,000,000
Annual Aggregate	5,000,000
2. In **PART D EXCLUSIONS, Excluded Causes of Loss**, item 15. is deleted and replaced with the following:
 15. FLOOD to INSURED PROPERTY located wholly or partially within a FLOOD Hazard Zone A, AE, A1-A30, AH, AO, AR, A99, V, VE, V1 – V30, as defined by the Federal Emergency Management Agency of the National Flood Insurance Program, but if LOSS by fire or explosion results, the Company will pay for that resulting LOSS.

This exclusion does not apply to Property In Transit.

All other terms and conditions remain unchanged.



NAMED WINDSTORM DEDUCTIBLE ENDORSEMENT DRAFT

Named Insured Holiday Builders, Inc.			Endorsement Number
Policy Symbol BRX	Policy Number I08531171 018	Policy Period 04/01/2025 to 04/01/2026	Effective Date of Endorsement
Issued By (Name of Insurance Company) ACE American Insurance Company			

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

HOMEBUILDERS XTRA PLUS COVERAGE FORM

In Section **III. Deductibles**, under the **Plus Coverage Form Declarations**, paragraph C. is deleted in its entirety and replaced with the following:

- C. The deductible amount for LOSS caused by or resulting from NAMED WINDSTORM in any one OCCURRENCE shall be the greater of the dollar amount shown below or the stated percentage of the total insured VALUES AT RISK AT TIME OF LOSS:

\$100,000 or 5%

In **PART F DEFINITIONS**, the following is added:

1. *VALUES AT RISK AT TIME OF LOSS* means the value of all INSURED PROPERTY, at the location(s) where the LOSS occurred, on the date of the LOSS.

All other terms and conditions remain unchanged.

MS-TBD

ACE American Insurance Company
Insurance Company

Holiday Builders, Inc.
Policyholder

I08531171 018
Policy Number

WILLIS TOWERS WATSON SOUTHEAST INC
Broker/Producer

POLICYHOLDER DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE

You were 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 or acts that are 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 YOUR 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 80% OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURANCE COMPANY PROVIDING THE COVERAGE. THE PREMIUM THAT WOULD BE 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.

You elected **NOT** to purchase terrorism coverage under the Act at the price indicated. ACCORDINGLY, WE WILL **NOT** PROVIDE THIS COVERAGE AND YOU DO NOT OWE THE ADDITIONAL PREMIUM FOR THAT COVERAGE INDICATED BELOW.

Terrorism coverage described by the Act under your policy was made available to you for additional premium in the amount of \$14,460 deposit, however you elected to decline such coverage.