



BINDER

TO: Logan Stout
Willis Towers Watson Southeast, Inc.
logan.stout@wtwco.com

FROM: W. David Smith
DATE SENT: 3/17/2025
david.w.smith@chubb.com

RE: **C. W. Matthews Contracting Co., MATSCO, Inc. and
Bright Star Energy, Inc.**
Mailing Address: P.O. Drawer 970, Marietta, GA 30061
Assigned Policy Number: 120521946 023

Logan,

Thank you for your request to bind the renewal of our Contractor's Equipment policy for this insured. Please read this binder carefully, as the limits, coverage and other terms and conditions may vary significantly from those requested in your submission and/or from the expiring policy. Terms and conditions that are not specifically mentioned in this binder are not included. The terms and conditions of this binder supersede the submitted insurance specifications and all prior proposals and binders. Actual coverage will be provided by and in accordance with the policy as issued.

The insurer is not bound by any statements made in the submission purporting to bind the insurer unless such statement is reflected in the policy or in an agreement signed by someone authorized to bind the insurer.

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

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

Effective Date: 03/31/2025

Expiration Date: 03/31/2026

Company: ACE American Insurance Company

Coverage: Contractor's Equipment Coverage

Coverage Form(s): ACE0265 (12-09) Contractor's Equipment Coverage Form

Total Values Insured: \$356,468,943 – Contractor's Equipment & Automobile Equipment
 \$ 5,062,155 – Asphalt Plant / Garden City, GA
 \$ 26,350,000 – Storage Tanks / Chattanooga, TN
 \$ 21,540,000 – Storage Tanks / Rockmart, GA
 \$409,421,098

Asphalt in Storage / Rockmart, GA & Chattanooga, TN - \$54,085,508 (Average Annual values)

Covered Perils: Risks of direct physical loss or damage including Earth Movement and Flood with other exclusions per policy forms and as specified below.

Valuation: Broadened Actual Cash Value Wording as agreed

Coinurance: Waived

Limits of Insurance:

 All Covered Property in any one Occurrence: \$40,000,000

Sub-Limits of Insurance

The Sub-limits of Insurance below are part of and not in addition to the Occurrence Limit of Insurance shown above.

Scheduled Contractor's Equipment

As listed in the schedule on file with the Company \$40,000,000 as per the schedule on file with the Company Dated 12/31/2024

Coverage Options

Rental Expense: \$5,000 per Day / \$100,000 Annually
Leased and Rented Mobile Equipment: \$1,000,000 per Item
Leased and Rented Mobile Equipment: \$1,000,000 per Occurrence

Leased and Rented Mobile Equipment	
Est. Ann. Expenditures:	\$75,000

Employee Tools

Any One Employee:	\$10,000
Any One Occurrence:	\$10,000

Borrowed Equipment

Any One Item:	\$250,000
Any One Occurrence:	\$250,000

Unscheduled Owned Contractors Equipment

Any One Item:	\$1,000,000
Any One Occurrence:	\$1,000,000

Automatic Extensions of Coverage

Debris Removal:	\$10,000
Newly Acquired Contractors Equipment:	\$1,000,000
Pollution Cleanup:	\$10,000
Fire Dept. Service Charge:	\$10,000
Fire Protection Services:	\$10,000
Expendable Supplies:	\$5,000
Expediting Expenses:	\$25,000
Office / Construction Trailers + contents	\$25,000
Recovery:	\$10,000
Loss Data Preparation Costs:	\$5,000

Deductibles:

Asphalt Storage & Tanks at Rockmart, GA and Chattanooga, TN:
\$250,000 All Causes of Loss not excluded.

Asphalt Plant - Garden City, GA:
All Causes of Loss not excluded except for the perils noted below:
\$25,000

Flood: \$100,000

All Other Contractor's Equipment:
All Causes of Loss not excluded except for the perils noted below:
3% of the Value of the Item(s) Involved in the
Loss Subject to a \$5,000 Minimum and
\$25,000 Maximum, Except;

Flood:	\$25,000
Earth Movement:	\$25,000

Named Windstorm including
Named Windstorm Flood: \$500,000

Employee Tools: \$ 1,000 All Causes of Loss not excluded.

Rates / Premium: Annual Rates - .2548 per \$100 of Value – All Covered
Property except as noted below:
.1801 per \$100 of Value – Storage Tanks
.1801 per \$100 of Value – Contents of Tanks
.4072 per \$100 of Value – Asphalt Plant in
Garden City, GA

Rented and Leased Deposit Premium (see below) to be adjusted annually with a rate of 2.562 applied per \$100 of rental expenditures. \$75,000 est. annual rented / leased expenditures.

Contents of Storage Tanks to be reported monthly, the monthly rate is .01501 and the Deposit Premium (see below) for this section to be adjusted quarterly.

\$908,283 – Owned Equipment and Employee Tools
\$ 86,250 – Storage Tanks
\$ 20,613 – Asphalt Plant / Garden City, GA
\$ 1,155 – Rental Expense Coverage (Flat Charge)
\$ 1,922 – Deposit / Rented & Leased Equipment
\$ <u>10,000</u> – Min. & Dep. / Contents in Storage Tanks
\$1,028,223

TRIPRA premium (\$15,423) is not included in the above amount. Terrorism coverage has been rejected by the insured.

Any applicable taxes, surcharges or fees, etc. are in addition to the above quoted premium.

Minimum Earned Premium including TRIPRA premium: \$257,056.

Commission: 15%

**Mandatory Exclusions &
Amendments:**

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

Terms & Conditions:

1. Miscellaneous equipment used in your normal operations which is permanently attached to a licensed vehicle is covered whether or not in motion or operating under its own power. Licensed vehicle chassis are covered only when the vehicle is not in motion and/or not operating under its own power as indicated in the Vehicle Coverage Endorsement as per the expiring policy.
2. Vehicle Coverage Endorsement to be included: It is agreed that automobiles and vehicles licensed for highway use are included as covered property except when in use or operating under their own power. Coverage only applies when autos and vehicles are located on your premises, on your job sites or at terminal locations. Perils insured are windstorm, hail (excluding frost, cold weather, ice – other than hail), snow, sleet, whether driven by wind or not, vandalism, theft and fire as per the expiring policy.
3. ACE007 (06/10) showing a 90 Day Notice of Cancellation to be added as per the expiring policy.
4. Unintentional Errors & Omissions endorsement as per the expiring policy to be included.
5. Knowledge of Occurrence endorsement to be added as per the expiring policy.
6. ACE0519 (12/09) Annual Adjustment Endorsement to be added as per the expiring policy.
7. ACE0521 (12/09) Coinsurance Deletion Endorsement to be added as per the expiring policy.
8. ACE0536 (12/09) Waterborne Coverage Endorsement to be added with limits of \$1,000,000 Any One Item / \$1,000,000 Any One Occurrence as per the expiring policy.
9. Policy to include Broadened Actual Cash Value Valuation Clause (Valuation Condition Amendment Endorsement) as per the expiring policy.
10. Storage Tanks and their contents to be added as Covered Property as per the expiring policy. Monthly rate of .015 to apply to the contents of storage tanks for reporting purpose.

11. ACE0526 (12/09) Flood Coverage Endorsement to be added with limits of \$6,000,000 Any One Occurrence / \$6,000,000 Annual Aggregate as per the expiring policy.
12. ACE 0523 (12/09) Earth Movement Coverage Endorsement to be added with limits of \$6,000,000 Any One Occurrence / \$6,000,000 Annual Aggregate as per the expiring policy.
13. Loaned Property Coverage Endorsement to be added with a limit of \$1,000,000 in any one occurrence as per the expiring policy.
14. ACE 0529 (12/09) Leased or Rented Valuation Condition Endorsement to be included as per the expiring policy.
15. MS 383569.2 (05/24) Blanket Additional Insureds Endorsement to be included as per the expiring policy.
16. MS-384575 (05/24) General Amendatory Endorsement – Named Windstorm and Flood to be included as per the expiring policy.
17. ACE 0972 (04/20) Exclusion of Loss Due to Virus, Bacteria or Microorganism That Induce Physical Distress, Illness or Disease to be included – See sample wording attached.

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 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 Certificate or Evidence is issued. **Any modification of the approved ACORD forms specifically set forth above, or the issuance of a non-approved Certificate 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.

Please let me know if you have any questions concerning this binder. My policy will be issued and sent to you in the very near future.

Best regards,

W. David Smith
678-795-4558

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 \$15,423, however you elected to decline such coverage.

TERRORISM EXCLUSION ENDORSEMENT

Named Insured			Endorsement Number
Policy Symbol	Policy Number	Policy Period <div style="text-align: right;">To</div>	Effective Date of Endorsement
Issued By (Name of Insurance Company)			

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THE FOLLOWING:

**BOILER AND MACHINERY COVERAGE PART
BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM
BUSINESS AUTO PHYSICAL DAMAGE COVERAGE FORM
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE FORM
COMMERCIAL PROPERTY COVERAGE PART
STANDARD PROPERTY POLICY**

The following exclusion is added to this policy and applies to all coverages, additional coverages, and coverage extensions, notwithstanding any provision to the contrary in this policy or any other endorsement hereto:

- A. This insurance does not cover loss, damage, injury, expense, cost, or legal obligation directly or indirectly caused by or resulting from any of the following, regardless of any other cause or event, whether or not insured under this policy, contributing concurrently or in any other sequence thereto:
1. "Act of Terrorism"; or
 2. Actions taken by or on behalf of any government or any branch or division thereof (including, without limitation, the uniformed armed forces, militia, police, state security, and anti-terrorism agencies) in responding to, preventing, combating, defending or retaliating against any "Act of Terrorism"; or
 3. dispersal, application, or release of any actual or alleged pathogen, poison, biologic or chemical product, material, waste or substance as a result of an Act of Terrorism, and it reasonably appears that one purpose of the Act of Terrorism was to release such product, material, waste or substance.

This exclusion applies whether or not the "Act of Terrorism" was committed in concert with or on behalf of any organization or government.

The terms and limitations of this exclusion do not serve to create coverage for any loss which would otherwise be excluded under this Policy, such as, but not limited to, losses excluded by the "Nuclear Exclusion" or the "War Exclusion" or similar provision.

B. As used in this endorsement:

1. "Act of Terrorism" means any act against persons, organizations or property of any nature that involves the following or preparation for the following:
 - a. Use or threat of force or violence; or
 - b. Commission or threat of a dangerous act; or
 - c. Commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and
2. Appears to be intended, in whole or in part, to:
 - a. Intimidate or coerce a government or the civilian population; or
 - b. Disrupt any segment of a nation's economy; or
 - c. Influence the policy of a government by intimidation or coercion; or
 - d. Affect the conduct of a government by mass destruction, assassination, kidnapping or hostage-taking; or
 - e. Further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology; or
 - f. Respond to governmental action or policy.

"Act of Terrorism" shall also include any incident determined to be such by an official, department or agency that has been specifically authorized by federal statute to make such a determination.

C. Exception Covering Certain Fire Losses

If an Act of Terrorism results in a fire and the direct physical loss or damage to property insured hereunder located in any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the

Northern Mariana Islands, American Samoa, Guam, each of the United States Virgin Islands and any territory or possession of the United States, that, either pursuant to the Standard Fire Policy or otherwise, prohibits exclusions for acts of terrorism that result in fire, this Company will pay for the loss or damage caused by that fire. Such coverage for fire applies only to direct loss or damage to property insured hereunder and may be limited, in accordance with the Standard Fire Policy, to the lesser of the actual cash value of the property at the time of the loss or the amount which it would cost to repair or replace the property, without allowance for any increased cost of repair or replacement by reason of any ordinance or law, and without any compensation for business interruption, extra expense to continue business activities, or any other coverage for loss or damage other than direct physical loss or damage to the property insured hereunder.

All other terms and conditions remain unchanged.

ALL 10750 (01/15)

**EXCLUSION OF LOSS DUE TO VIRUS, BACTERIA OR
MICROORGANISM
THAT INDUCE PHYSICAL DISTRESS, ILLNESS OR DISEASE**

Named Insured			Endorsement Number
Policy Symbol	Policy Number	Policy Period to	Effective Date of Endorsement
Issued By (Name of Insurance Company)			

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COMMERCIAL INLAND MARINE COVERAGE PART

The following exclusion is added to this Policy; supersedes any term, provision or endorsement to the contrary in this Policy; and applies notwithstanding such term, provision or endorsement:

This Policy excludes any and all loss, damage, cost, or expense of any nature whatsoever directly or indirectly caused by or resulting from the following, regardless of any other cause or event, whether or not insured under this Policy, contributing concurrently or in any other sequence thereto:

Any virus, bacteria or other microorganism that induces or is capable of inducing physical distress, illness or disease, or the fear or threat (whether actual or perceived) of any such virus, bacteria or microorganism, including any and all loss directly or indirectly caused by any action or inaction of the Insured or any action or order of a government undertaken in response to, or intended to detect, control, prevent, suppress, mitigate or remediate, the actual, suspected, or anticipated presence of any virus, bacteria or other microorganism that induces or is capable of inducing physical distress, illness or disease.

This exclusion does not apply to loss or damage caused by or resulting from moss or fungus (including mold and mildew), or any mycotoxins, spores, scents, or other by-products of fungi, if such loss or damage, including any exclusion thereof, is addressed in a separate provision elsewhere in this Policy.

This exclusion supersedes any exclusion relating to pollutants or contaminants.

Other Policy provisions excluding coverage of loss due to virus, bacteria, or microorganism of a type other than that which induce or are capable of inducing physical distress, illness or disease remain in full force and effect.

All other terms and conditions remain unchanged.

ACE0972 (04/20)