



Certificate of Property Facultative Reinsurance
XL Reinsurance America Inc.

An XL Group Company

SEAVIEW HOUSE, 70 SEAVIEW AVENUE, STAMFORD, CT 06902-6040 USA

These Declarations are subject to the Reinsuring Agreement and Conditions on the Certificate Jacket, which are made part of this agreement.

HANOVER INSURANCE COMPANY
333 Pierce Road
Itasca, IL 60143 USA
ATTN: Keira Fort

ISSUING CARRIER:
THE HANOVER INSURANCE GROUP

CERTIFICATE #: 8255192-1-2021-1
RENEWAL #: N/A
COMPANY POLICY #: IHY- H476971
COMPANY POLICY TERM:
February 5, 2021 to February 5, 2022
CERTIFICATE TERM:
February 5, 2021 to February 5, 2022

Warranted No Known Or Reported Losses as of 2/5/2021

INSURED(S): Excalibur Group

COMPANY POLICY LIMITS: USD 5,650,000 Per Occurrence

COMPANY RETENTION: USD 1,000,000 Primary Per Occurrence

LAYER A
LOCATIONS INCLUDED: 1160 Amboy Avenue , Perth Amboy, NJ
This Reinsurance is Specific to the Location(s) listed above.

TYPE OF INSURANCE: Building, Business Income and Business Personal Property

PERILS REINSURED: All Risk, Including Machinery Breakdown, Excluding Earthquake, Excluding Flood, Excluding Storm Surge, Cyber & Data Exclusion LMA 5401 (see attached), Excluding Communicable Disease LMA 5394 (see attached), Excluding Terrorism per NMA 2921 (see attached)

REINSURANCE
ACCEPTED: USD 2,000,000 Excess of USD 1,000,000 Per Occurrence
This certificate is non-concurrent due to Coverage and/or Exclusions

LAYER A USD 3,750

TOTAL PREMIUM DUE: USD 3,750

Hartford Branch Office
100 CONSTITUTION PLAZA
15TH FLOOR
HARTFORD, CT 06103
860-293-6200
Fax: 877 237-7227

By: Angela Sieller
Title: Underwriter

Date: Feb 24, 2021
Ext:2939
angela.sieller@axaxl.com

DECLARATION



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DECLARATION

PROPERTY REINSURING AGREEMENTS AND CONDITIONS

In consideration of the payment of the premium and subject to the terms, conditions and amount of liability set forth herein, the Reinsurer does hereby reinsure the named Reinsured (hereinafter called the Company) in respect of the Company's policy(ies) as follows:

1. APPLICATION

The Company warrants to retain net and unreinsured, the amount specified in this Certificate which amount may be subject to treaty reinsurance, unless otherwise declared to the Reinsurer.

Except as specifically provided by the Insolvency Clause, the Reinsurer's obligation under this Certificate shall run only the Company, and the Reinsurer shall have no obligation to the original insured or any other third party.

The liability of the Reinsurer shall follow that of the Company, subject in all respects to all of the terms, limits and conditions of the policy(ies) reinsured, except as otherwise specifically provided herein or designated as nonconcurrent reinsurance.

2. COMPANY DUTIES

The Company shall, unless otherwise agreed by the Reinsurer, furnish the Reinsurer with a copy of its policy(ies) and all endorsements thereto which in any manner affect this reinsurance, and shall make available for inspection and place at the disposal of the Reinsurer at reasonable times all records of the Company, howsoever maintained, relating to this reinsurance or claims in connection therewith.

The Company shall notify the Reinsurer promptly of any change in the policy(ies) reinsured hereunder which affects this Certificate.

3. STANDARD WAR AND NUCLEAR EXCLUSIONS

The Reinsurer hereunder is subject to the standard Nuclear Incident Exclusion Clause(s) and standard War Exclusion Clause(s) for the coverage provided.

4. NOTICE OF LOSS

Prompt written notice shall be given to the Reinsurer by the Company of any occurrence or accident and all material developments relating thereto which, without regard to liability, appears likely to involve this reinsurance and, while the Reinsurer does not undertake to investigate or defend claims or suits, the Reinsurer, directly or through its representatives and/or counsel, shall nevertheless have the right and be given the opportunity, with the Company's full cooperation, to associate with the Company and its representatives, at the Reinsurer's expense, in the defense of any claim, suit or proceeding involving this reinsurance.

5. CLAIMS SETTLEMENT

All claims covered by this reinsurance, when settled by the Company, provided payment is within the terms, limits and conditions of the Company's policy(ies) as described in the Declarations and of this Certificate of Reinsurance, shall be binding on the Reinsurer who shall be bound to pay its proportion of such settlements. Prejudgment interest shall be deemed part of loss. In addition thereto, the Reinsurer shall be bound to pay (A) its proportion of allocated expenses, other than Company salaries and office expenses, incurred by the Company in the investigation and settlement of claims or suits under the terms of policies reinsured, and (B) its proportion of court costs, litigation expenses and interest on any judgment or award as follows: (1) With respect to reinsurance provided on an excess of loss basis, in the ratio that the Reinsurer's loss payment bears to the Company's gross loss payment; and (2) With respect to reinsurance provided on a pro-rata basis, in the ratio that the Reinsurer's limit of liability bears to the Company's gross limit of liability.

Payment of the Reinsurer's proportion of loss and expense incurred by the Company and covered by this Certificate will be made to the Company promptly upon receipt and approval by the Reinsurer of satisfactory proof of loss and expense.

The Reinsurer will be paid or credited by the Company with its proportion of salvages, which is reimbursement obtained or recovery made by the Company, less the actual cost (excluding Company salaries and office expenses) of obtaining such reimbursement or making such recovery. If the reinsurance afforded by this Certificate is on an excess of loss basis, salvage shall be applied in the inverse order in which liability attaches.

6. TAXES

The Company will be liable for all taxes on premiums ceded to the Reinsurer under this Certificate.

7. INSOLVENCY

In the event of insolvency of the Company, the reinsurance provided by this Certificate shall be payable directly and exclusively to the Company or its liquidator on the basis of the amount of the claim allowed in the insolvency proceeding without diminution by reason of the inability of the Company to pay all or part of the claim. The Reinsurer shall be given written notice of the pendency of each claim against the Company on the policy(ies) reinsured hereunder within a reasonable time after such claim is filed in the insolvency proceedings. The Reinsurer shall have the right to investigate each such claim and interpose, at its own expense, in the proceeding where such claim is to be adjudicated, any defenses which it may deem available to the Company or its liquidator. The expense thus incurred by the Reinsurer shall be chargeable, subject to court approval, against the insolvent Company as a part of the expense of liquidation to the extent of a proportionate share of the benefit which may accrue to the Company solely as a result of the defense undertaken by the Reinsurer.

8. CANCELLATION

This reinsurance may be cancelled at any time on a pro-rata basis by either the Company or the Reinsurer giving written notice to the other party by mailing such notice to the address appearing in this Certificate. The effective date of the cancellation shall be determined by the number of days allowed in the original policy plus 30 additional days not to exceed 120 days in all. Cancellation of the policy(ies) reinsured hereunder shall constitute an automatic cancellation of this reinsurance as of the same date and on the same premium basis as that of the policy(ies) reinsured. The Company shall be entitled to return premiums payable on the cancelled reinsurance less the amount of the ceding commission thereon, if any.

9. OFFSET

The Reinsurer and the Company may offset any and all balance(s), whether on account of premiums, losses or otherwise, due or to become due from one party to the other under this Certificate or any other agreement, treaty or facultative, heretofore or hereafter entered into between the Company and the Reinsurer, whether acting as assuming reinsurer or ceding company. In the event of insolvency of either the Company or the Reinsurer, offset shall be permitted in accordance with the terms of this clause and as otherwise permitted by law. If the Company is comprised of more than one entity, all such entities will be considered the Company for purposes of offset.

10. AMENDMENTS

The terms of this Certificate shall not be waived or changed except by endorsement issued to form a part hereof, executed by a duly authorized representative of the Reinsurer.

11. PREMIUM PAYMENT

The reinsurance premium must be paid in full no later than 60 days after the inception date of this Certificate. If the premium is not paid within 60 days of the inception date, the Reinsurer may terminate this Certificate ab initio by sending notice to the Company at the address indicated on the Declarations. Proof of mailing shall be deemed proof of notice.

12. ARBITRATION

All unresolved differences of opinion between the Company and the Reinsurer relating to this Certificate, including its formation and validity, shall be submitted to binding arbitration in accordance with the Procedures for Resolution of U.S. Insurance and Reinsurance Disputes, dated September 1999 (the "Procedures"). Qualifications of arbitrators and umpires shall be in accordance with paragraph 6.2 of the Procedures. The parties hereto hereby designate the umpire list maintained by ARIAS (U.S.) and/or the Reinsurance Association of America's Arbitrators Directory as the list(s) to be used in the event that paragraph 6.7 of the Procedures is invoked.

PROPERTY CYBER AND DATA EXCLUSION

- 1 Notwithstanding any provision to the contrary within this Policy or any endorsement thereto this Policy excludes any:
 - 1.1 Cyber Loss;
 - 1.2 loss, damage, liability, claim, cost, expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any loss of use, reduction in functionality, repair, replacement, restoration or reproduction of any Data, including any amount pertaining to the value of such Data;regardless of any other cause or event contributing concurrently or in any other sequence thereto.
- 2 In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.
- 3 This endorsement supersedes and, if in conflict with any other wording in the Policy or any endorsement thereto having a bearing on Cyber Loss or Data, replaces that wording.

Definitions

- 4 Cyber Loss means any loss, damage, liability, claim, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any Cyber Act or Cyber Incident including, but not limited to, any action taken in controlling, preventing, suppressing or remediating any Cyber Act or Cyber Incident.
- 5 Cyber Act means an unauthorised, malicious or criminal act or series of related unauthorised, malicious or criminal acts, regardless of time and place, or the threat or hoax thereof involving access to, processing of, use of or operation of any Computer System.
- 6 Cyber Incident means:
 - 6.1 any error or omission or series of related errors or omissions involving access to, processing of, use of or operation of any Computer System; or
 - 6.2 any partial or total unavailability or failure or series of related partial or total unavailability or failures to access, process, use or operate any Computer System.
- 7 Computer System means:
 - 7.1 any computer, hardware, software, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility,owned or operated by the Insured or any other party.
- 8 Data means information, facts, concepts, code or any other information of any kind that is recorded or transmitted in a form to be used, accessed, processed, transmitted or stored by a Computer System.

COMMUNICABLE DISEASE EXCLUSION

1. Notwithstanding any provision to the contrary within this Facultative Certificate, this Facultative Certificate excludes any loss, damage, liability, claim, cost or expense of whatsoever nature, directly or indirectly caused by, contributed to by, resulting from, arising out of, or in connection with a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease regardless of any other cause or event contributing concurrently or in any other sequence thereto.
2. As used herein, a Communicable Disease means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:
 - 2.1. the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and
 - 2.2. the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and
 - 2.3. the disease, substance or agent can cause or threaten damage to human health or human welfare or can cause or threaten damage to, deterioration of, loss of value of, marketability of or loss of use of property.

TERRORISM EXCLUSION ENDORSEMENT (REINSURANCE)
NMA 2921

Notwithstanding any provision to the contrary within this reinsurance or any endorsement thereto it is agreed that this reinsurance excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

For the purpose of this endorsement an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organization(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

This endorsement also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any act of terrorism.

If the Reinsurers allege that by reason of this exclusion, any loss, damage, cost or expense is not covered by this reinsurance the burden of proving the contrary shall be upon the Reassured.

In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.